

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

1515 South Van Ness Avenue
\$4,000,000
Predevelopment Loan Request

Evaluation of Request for:	\$4,000,000
Loan Committee Date:	December 3, 2021
Prepared By:	Mara Blitzler, Director of Housing Development
MOHCD Asset Manager:	Scott Madden, Asset Manager
Sources and Amounts of New Funds Recommended:	\$1,000,000 Housing Trust Fund \$3,000,000 Inclusionary Fees-Eastern Neighborhoods-Upper Mission
Sources and Amounts of Previous City Funds Committed:	\$0
NOFA/PROGRAM/RFP:	Multi-site Request for Qualifications issued on November 30, 2020
Applicant/Sponsor(s) Name:	Mission Economic Development Agency (MEDA) & Chinatown Community Development Center (CCDC)

EXECUTIVE SUMMARY

Sponsor Information:

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

Project Summary:

Chinatown Community Development Center (“CCDC” or “Chinatown CDC”) and Mission Economic Development Agency (“MEDA”) (together, the “Sponsors”) request \$4.0MM to finance predevelopment costs for a proposed new construction affordable family housing development located at 1515 South Van Ness Avenue (the “Site” or the “Project”), a city-owned parcel on South Van Ness, between Cesar Chavez Street and 26th Street. Through the Multi-site Request for Qualifications (RFQ) issued on November 30, 2020, Chinatown CDC and MEDA were selected to develop the Site.

Through the Multi-site Request for Qualifications (RFQ) issued on November 30, 2020, JRCo and YCD were selected to develop the Project.. The RFQ did not require respondents to provide a conceptual design, and therefore this request is based on a preliminary concept that is expected to be further refined during the initial design phases. The Sponsors assume a construction start beginning in spring 2024. The Project responds to the Consolidated Plan and achieves MOHCD’s racial equity goals by advancing opportunities and improving programmatic outcomes for low-income residents; while expanding development opportunity for Black Indigenous People of Color (BIPOC) led organizations.

The current concept presented for 1515 South Van Ness is a 6-story building developed on a 35,714 square foot (“sf”) lot, with approximately 10,000 sf of planned ground floor community-serving commercial space, which is proposed to be used by a community-serving nonprofit. The base concept for the Project aims to provide at least 122 affordable units. And, as allowed under SB-35 and the City’s Affordable Housing Bonus Program, the Sponsors will explore developing an 8-story building to increase the number of affordable units. The base concept includes: 1 two-bedroom manager unit, 31 units (25% of total units) serving formerly homeless family households subsidized by the City’s Local Operating Subsidy Program (“LOSP”), 5 units for households referred from the Plus Housing program with rents set at 50% MOHCD AMI, and 85 units serving low-income family households. All units will be serving incomes at 30%, 40%, 50%, 60%, and 80% Area Median Income tiers (“MOHCD AMI”).

Proposed permanent financing includes tax-exempt bonds, 4% Low-Income Housing Tax Credits, General Partner Equity, a MOHCD gap loan, a permanent loan, and a State of California Department of Housing and Community Development, Multifamily Housing Program (MHP) loan and Infill Infrastructure Grant. Construction is expected to start in Spring 2024 and complete in Spring 2026.

Project Description:

Construction Type:	Type I/III	Project Type:	New Construction
Number of Stories:	6 stories	Lot Size (acres and sf):	0.80 acres / 35,714 sf
Number of Units:	122	Architect:	To-Be-Determined (TBD)
Total Residential Area:	143,000 sf	General Contractor:	TBD
Total Commercial Area:	10,000 ft	Property Manager:	CCDC
Total Building Area:	153,000 sf	Supervisor and District:	Hilary Ronen D-9

Land Owner:	City of San Francisco		
Total Dev't Cost (TDC):	\$102,561,938	Total Acquisition Cost:	\$0
TDC/unit:	\$840,672	TDC less land cost/unit:	\$840,672
Loan Amount Requested:	\$4,000,000	Request Amount / unit:	\$32,816
HOME Funds?	N	Car Parking?	N

PRINCIPAL DEVELOPMENT ISSUES

1. **Organizational Capacity and Communication** – In response to MOHCD staff concerns about Sponsors' organizational capacity, the Memorandum of Understanding between the two organizations has been amended to clarify certain roles and responsibilities. Existing capacity building grants from MOHCD are supporting key Sponsor functions such as asset management and marketing. Additionally, based on experience with recent lease-ups, MOHCD staff has added conditions to funding developer fee related to successful execution of marketing and leasing activities. See section on fiscal monitoring and lease-up. Please see Section 1.3.7.2 and 9.3 Recommended Loan Conditions.
2. **Base Concept Scenario** – The 6-story, Type I/III, 122-unit base concept presented to Loan Committee may change after analyses on the Project's development and operating costs are completed. The Sponsors will be outreaching to surrounding neighborhoods about the proposed Project. The Sponsors will work with the to-be-selected architect, Planning Department, and MOHCD to explore an increase in building height and number of affordable housing units, while keeping the MOHCD per unit subsidy limited to \$250,000 per unit or less. Please see Section 4.3 Construction Supervisor/Construction Specialist's Evaluation and Section 9.3 Recommended Loan Conditions.
3. **Financing Plan** – The proposed financing plan assumes the maximum \$20MM HCD-MHP loan and allocations of 4% LIHTCs and bonds. Recently, HCD revised MHP guidelines to synchronize with the latest TCAC and CDLAC regulation changes. The Sponsors will need to track how MHP regulations changes could impact the maximum MHP request, and how the changes to the TCAC and CDLAC regulations could affect competitiveness for these resources. See Section 6.2 Proposed Permanent Financing and Section 9.3 Recommended Loan Conditions.
4. **Catholic Charities Plus Housing Service Program** – As part of Sponsors' RFQ response, Catholic Charities was selected as the Plus Housing service provider for the Project. After further evaluation, MOHCD determined that services for Plus Housing units are not required given the significant external resources for Plus Housing referrals, and therefore services for Plus Housing residents are not included in the Project's operating costs. The Sponsors and Catholic Charities will work with MOHCD staff throughout predevelopment to determine the proper services for the Plus Housing units and if applicable, the source to pay for the service program. See Section 8.1 Service Plan and Section 9.3 Recommended Loan Conditions.
5. **LOSP Referrals** – Although the proposed base case proposal includes the minimum required number of LOSP referred households (31) by percentage, this results in a sub-adequate allocation of resources for the services contract (e.g. a part-time social worker.) Sponsors are asked to align the number of homeless referred households with the optimized ratio of services per client, per HSH guidelines. See Section 8.1 Service Plan and Section 9.3 Recommended Loan Conditions.

SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Terms	Status
MOHCD/OCII	\$4,000,000	3 yrs @ 3% Def	This Request
Total	\$4,000,000		

Permanent Sources	Amount	Terms	Status
MOHCD/OCII	\$32,816,030	57 yrs @ 3% / Res Rec	Not Com
LIHTC Equity	\$44,308,896	TC Equity: \$1 per credit	Not Com
MHP	\$20,000,000	55 yrs @ 3%/.42% / Res Rec	Not Com
IIG	\$4,250,000	55 yrs @ 0% / Def	Not Com
GP Equity	\$500,000	N/A	Not Com
Perm Loan	\$686,911	35 yrs @ 4.0%	Not Com
Total	\$102,561,938		

Permanent Uses	Amount	Per Unit	Per SF
Acquisition	\$45,000	\$369	\$0
Hard Costs	\$85,240,261	\$698,691	\$557
Soft Costs	\$13,606,677	\$111,530	\$89
Reserves	\$450,000	\$3,688	\$3
Developer Fee	\$3,220,000	\$26,393	\$21
Total	\$102,561,938	\$840,672	\$670

RECOMMENDATION

Staff recommends approval of this predevelopment loan request for \$4,000,000.

BACKGROUND

1.1. Project History Leading to This Request.

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

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

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

The City purchased the Site from LMS San Francisco I Holdings LLC pursuant to a Purchase and Sale Agreement dated June 17, 2019 with the intent of developing new affordable housing.

In 2020, adjacent to the Site, MEDA and CCDC partnered as developers and completed Casa Adelante – 1296 Shotwell, a senior housing development.

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

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

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

1.3.1. **Borrower.** The borrower entity for predevelopment, construction closing, and permanent financing will be Casa Adelante SVN Housing, L.P., which the Sponsors anticipate establishing by December 2021.

1.3.2. **Joint Venture Partnership.** Chinatown CDC and MEDA will share joint responsibilities during the predevelopment, construction, and permanent conversion phases, with each party responsible for 50% of any development

and/or operating period liability. The partnership builds on previous partnerships with Chinatown CDC (Casa Adelante - 1296 Shotwell and Casa Adelante - 2060 Folsom) to cultivate MEDA's capacity as a solo developer and owner. MEDA has knowledge of the Mission neighborhood and the ability to successfully conduct neighborhood outreach and secure neighborhood support in the Mission. Chinatown CDC has a longer history and track record in developing and managing affordable housing, including managing financials, providing property management and supportive services to residents, including serving formerly homeless individuals.

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

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

MEDA:

- **Board:** MEDA's 9-member Board of Directors is 75% Latinx, chaired by Dolores Terrazas.
- **Staff:**
 - **Organization:** Luis Granados (Chief Executive Officer) leads MEDA with its Chief Operating Officer, Chief Financial Officer - one Latinx and two women. 75% of the 12-person Management team are people of color and 60% identify as Latinx. MEDA's current staff is 74% Latinx; 15% White; 7% Asian/Pacific Islander; 1% Black; 3% Mixed/Other.
 - **Development Team:** The team of 15, including the Director, are 95% people of color, over 2/3 Latinx, 1% Black and over 50% women.

CCDC:

- **Board:** Chinatown CDC's Board of Directors of 23 members is over 80% people of color with a close 50/50 split between male and female representation.
- **Staff:**
 - **Organization:** Chinatown CDC has hired into all parts of the organization from its award-winning youth program that trains youth of color in various facets of urban planning and policymaking.
 - **Development Team:** CCDC's Housing Development Division is a racially diverse team with over 70% people of color, including the Director of Housing Development.

1.3.4. Racial Equity Vision.

MEDA maintains a "Latino Economic and Advancement Framework" (LEAF) that is guided (in their own words) "by fully embracing a Race-Equity-Culture framework,

and equipping staff and board members with knowledge and resources to achieve generational asset building for themselves and their families, and support community members.”

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

Through the Project, Sponsors will ensure BIPOC, particularly Latinx, households are involved in and aware of housing opportunities from inception to leasing. In addition, as part of the outreach strategy, sponsors will increase outreach efforts for COP and DTHP voucher households and will work closely with Young Community Developers (YCD), Tabernacle Community Development Corporation (TCDC), and Without Walls Community Development Corporation (Without Walls) to focus on COP and DTHP placements for primarily black households. These strategies are building on the current JV partnerships between Chinatown CDC and YCD for Pier 70, MEDA-YCD-Tabernacle (proposed JV partnership for Potrero Yard) for new construction production. MEDA is also advising YCD and Without Walls in their exploration of the Small Sites Program.

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

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

The Sponsors intend to lease the ground floor to occupants who value race- and place-based equity in their business model and/or who serve the community needs.

1.3.5. Relevant Experience. MEDA and CCDC recently completed two tax credit projects (Casa Adelante – 1296 Shotwell and Casa Adelante – 2060 Folsom), both in the Mission District, as a joint venture development team. With Casa Adelante – 1296 Shotwell being immediately adjacent to 1515 South Van Ness, the Team is familiar with the nearby community and the building environment, which will be helpful during the community engagement and during construction project phases. In addition, Casa Adelante - 2060 Folsom, is a family housing building, and is expected to provide valuable experiences for the development of 1515 South Van Ness.

1.3.6. Project Management Capacity.

See Attachment C for full project management experience for both teams. The joint development team are responsible for different functions and consists of the individuals identified below:

- Joint Roles and Responsibilities:
 - Secure acquisition and predevelopment financing
 - Engage and collaborate with consultants and attorneys
 - Design Program
 - Administration of Architect's and Construction Contract
 - Budget and secure development/permanent financing
 - Loan/Project guarantees
 - Development/Construction Cost Protocol
- CCDC Responsibilities:

Chinatown CDC will support the incorporation of appropriate financing assumptions of the Project's financial projections, focusing on the operating, maintenance and service provision sections of the budgets. Chinatown CDC will be leading Operations, Resident Services, Accounting Services, and Asset Management functions. The latter two will be CCDC's responsibility only until the year following the end of MEDA's fiscal monitoring period.

 - Joanna Ladd, Associate Director of Housing Development: Joanna will dedicate 10% of her time providing oversight on the Project.
 - Omar Rahmaoui, Project Manager: Omar will dedicate 50% of his time to the project.
 - Christina Mirani, Assistant Project Manager: Christina will dedicate approximately 40% of her time supporting Omar and Joanna on the Project.
- MEDA Responsibilities:

MEDA will lead key development decisions and will establish an initial budget and financing plan for the Project, with inputs as described above from CCDC. MEDA will also be leading the Entitlement and Permit processes, and

Community Outreach. MEDA will manage Accounting Services, and part of the Asset Management function, only after MEDA's fiscal monitoring period is over and upon MOHCD's approval.

- Elaine Yee, Deputy Director of Community Real Estate: will serve as the primary representative for MEDA and oversight for the project. She will dedicate 5% of her time to the project.
- Daniel Jimenez, Senior Project Manager: Dan will dedicate 25% of his time to the Project
- Serena Li, Senior Project Manager: Serena will dedicate 50% of her time to the Project
- Laura Daza-García, Assistant Project Manager: Laura will dedicate 50% of her time to the Project.

1.3.7. Past Performance.

1.3.7.1. City audits/performance plans.

CCDC:

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

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

MEDA:

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

Small Sites Program Capacity Grant: MOHCD has extended deadlines for all the grant deliverables. Initial submissions have been incomplete and low quality,

requiring significant revisions and feedback. Fiscal monitoring of MEDA commenced in earnest on December 14, 2020, while the pause on new acquisitions began on March 30, 2021.

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

Until the above milestones are achieved, MOHCD has paused any commitment to provide the MEDA Community Real Estate team with Small Sites acquisition loans.

In light of these ongoing efforts, MOHCD asked the Sponsors to revise their MOU to assign all project accountant, fiscal agent, and asset management responsibilities to CCDC until the development pause is lifted and no earlier than the beginning of the following calendar year (January 2023). Revision of the MOU will be a condition precedent to closing on the predevelopment loan.

1.3.7.2. Marketing/lease-up/operations.

The Sponsors are tasked with implementing MOHCD's Lottery Preference Programs: a) Certificate of Preference (COP), b) Displaced Tenant Housing Preference (DTHP), c) Neighborhood Resident Housing Preference (NRHP), and d) Live or Work in San Francisco. All family units will be leased according to rankings in a public lottery. The Plus Housing unit applicants will be referred by MOHCD, and the LOSP-funded units will be referred by the Department of Homelessness and Supportive Housing (HSH) based on need and program fit.

As a loan condition, Sponsor must provide initial draft marketing plan within 12 months of anticipated TCO, outlining the affirmative steps they will take to market the project to the City's preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans. See Section 4.1.1 Marketing/lease-up/operations for more information.

Current occupancy demographics (CCDC): Out of all the units Chinatown CDC manages in the REO, the breakdown by race includes: 61% Asian, 12% White, 10.5% Black, 9% other, 6% declined to report, 1% Native American, and 0.5% Pacific Islander. There was one recorded eviction for 2021.

Current occupancy demographics (MEDA): Unavailable.

Based on the experience of marketing and lease-up for 1296 Shotwell (the Project Team's first joint venture with completed lease-up), MOHCD marketing and lease-up staff identified several areas for improvement in the Project Team's joint marketing and lease-up protocols. Specifically, staff recommended that: 1) MEDA and CCDC work on establishing better channels of communications between the two teams regarding key deadlines, 2) each organization assigns one lead from each organization to project manage the marketing and lease-up process, and 3) ensure adequate staff is allocated for marketing and lease-up.

Sponsors worked with Community Vision in the past to help fill vacancies and strategize around their commercial portfolio and will likely work with Community Vision on 1515 South Van Ness.

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

Site Description	
Zoning:	NCT – Mission Street Neighborhood Commercial Transit The Height & Bulk district zoning is 55-X and 65-X.
Maximum units allowed by current zoning (N/A if rehab):	TBD based on entitlement path.
Number of units added or removed (rehab only, if applicable):	N/A
Seismic (if applicable):	To be evaluated
Soil type:	Based on the Geotech Report for this site provided by Langan Treadwell Rollo, dated 2015 – it states the soil condition is “ranged from layers of medium dense to very dense silty and clayey sand and stiff to very stiff clay, which was encountered to a maximum depth explored of approximately 31 feet below ground surface bgs. The fill in the northern portion is judged to provide adequate support for a shallow foundation system, and the loose to medium dense sand and weak clay and silt fill in the historical stream channel under the southern portion of site is not capable of providing adequate support for a shallow foundation system in its current condition.”

Environmental Review:	<p>Phase 1 Environmental Site Assessment was completed in May 2014 and revealed evidence of one controlled recognized environmental condition CRECs in connection with the site. Residual petroleum hydrocarbons are present beneath the eastern portion of the former underground storage tank (UST). San Francisco Department of Public Health (SFPDH) issued administrative case closure with no additional investigation required in regard to the former UST on August 24, 2000. A soil management plan (SMP) and a health and safety (H&S) plan may be required prior to any construction and/or construction activities within the sidewalk near the former UST locations. In addition, this assessment revealed evidence of de minimis environmental conditions at the site of minor oil staining on the concrete floors within the warehouse area.” The Phase I was performed on April 23, 2014.</p> <p>The site is within the expanded Maher Ordinance Zone.</p>
Adjacent uses (North):	2-story residential building
Adjacent uses (South):	1-story commercial building & 9-story residential building
Adjacent uses (East):	4-story residential building
Adjacent uses (West):	2-story mixed-use building
Neighborhood Amenities within 0.5 miles:	<p><u>Grocery Stores</u></p> <ul style="list-style-type: none"> • Grocery Outlet <p><u>Schools</u></p> <ul style="list-style-type: none"> • Hilltop High School • Cesar Chavez Elementary School • Leonard R. Flynn Elementary School • St. Anthony – Immaculate Conception School <p><u>Places of Worship</u></p> <ul style="list-style-type: none"> • St. Anthony of Padua Church • Iglesia de Dios • St. Peter’s Parish <p><u>Healthcare</u></p> <ul style="list-style-type: none"> • CPMC Mission-Bernal Campus Hospital • Bay West Family Healthcare
Public Transportation within 0.5 miles:	<p>24th & Mission Street BART Station (.4 miles)</p> <p>Muni Lines: 12 and 67 are within half a block from the Sites, lines 27 and 48 are within a quarter mile from the Site.</p>
Article 34:	Not exempt. Project will need to seek Article 34 approval.
Article 38:	Not Exempt. The Project is within the “Expanded Maher Area, February 2014” map and may be subject to the provisions of Health Code Article 22A which is administered by SFPDH
Accessibility:	TCAC and California Building Code (CBC) 11B requires 10% of total units to be accessible for mobility impaired and 4% of total units accessible for hearing and visually impaired.
Green Building:	Project will meet the minimum TCAC Green Building requirements and the City’s Green Building Code.
Recycled Water:	Exempt. The property is not located in a designated recycled water use area.

Storm Water Management:	Applicable. The Storm Water Management (SWM) Ordinance is applicable to the Project and will need to submit a SWM Plan during the predevelopment phase.
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2.1. Description. The Site is located at 1515 South Van Ness Avenue in San Francisco, CA, on the south side of 26th Street between South Van Ness and Shotwell Street. The Site is on an L-shaped parcel (block/lot) 6751/008 in the Mission District with an approximate area of 32,000 square feet. The Site is currently improved by a two-story concrete building over a basement (approximately 31,680 square feet), which was built in 1948, with adjacent asphalt paved parking areas to the east and south.

See section 4.6 for interim use description.

2.2. Zoning The Site is currently zoned NCT – Mission Street Neighborhood Commercial Transit (San Francisco Planning Code, Sec. 754). The Mission Street NCT District has a mixed pattern of larger and smaller lots and businesses, as well as a sizable number of upper-story residential units. Controls are designed to permit moderate-scale buildings and uses, protecting rear yards above the ground story and at residential levels. New neighborhood-serving commercial development is encouraged mainly at the ground story.

New neighborhood-serving commercial development is encouraged mainly at the ground story. Ground story uses are required to include active commercial uses with storefronts facing the street. While offices and general retail sales uses may be located at the second story of new buildings under certain circumstances, most commercial uses are prohibited above the second story. Continuous retail frontage is promoted by requiring ground floor commercial uses in new developments and prohibiting curb cuts. Housing development in new buildings is encouraged above ground story. Residential density in the Mission NCT is restricted by physical envelope controls of height, bulk, setbacks, open space, exposure and other applicable controls to the development lot. The Site is split between 65-X height and bulk district and 55-X height and bulk district.

An affordable housing project on the Site is eligible for approval using the State Density Bonus Program, which provides up to 35% additional density, up to three incentives/concessions and unlimited waivers. The project may also be eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the Project is compliant with all the objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP. AHBP also provided three additional stories of height and form-based density. Either program may be used in conjunction with SB 35 for ministerial approval.

2.3. Probable Maximum Loss. N/A, new construction.

2.4. Local/Federal Environmental Review. The Project is expected to be exempt from CEQA Review, per the streamlining allowed by SB35. The Project is not expected to utilize federal funding sources that require a NEPA; however, if the funding plan changes, a NEPA could be required.

2.5. Environmental Issues.

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

The SFDPH-Environmental Health office requested that the previous property developer submit a Phase II Site Characterization and Work Plan as of January 6, 2016. The Site is on the Cortese list.

- Potential/Known Hazards. Asbestos Containing Materials (ACMs) were observed on accessible areas of the building interior, exterior, and roofing. Sampled materials were confirmed to be positive for asbestos content upon laboratory analysis. Samples of the painted surfaces and window putty were reported by the laboratory as containing lead above the detection limit of the analytical method. The Sponsor has not yet evaluated the cost implications.

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

2.7. Green Building.

Green features will be determined during predevelopment and expected to meet the minimum TCAC Green Building Requirements and the City's Green Building Code.

3. COMMUNITY SUPPORT

3.1. Prior Outreach. The Sponsors bring deep experience with fostering community input into development and infrastructure projects. The Sponsors have advocated for more affordable housing funding in the Mission, navigated community opposition (notably for 1296 Shotwell, entitlement was on-time despite an appeal), and, through leasing efforts, affirmatively furthered fair housing for those who would have otherwise been excluded from the leasing process. Historically, MEDA has engaged the Mission community through its service network, most recently in leading neighborhood response to Covid-19 related to provision of food, medicine and emergency services.

MEDA is the lead agency for Mission Promise Neighborhood, a decade-long neighborhood initiative integrated with the public schools designed for student achievement and family success. MEDA is an anchor member of multiple Mission-

neighborhood and Latinx-focused groups including the San Francisco Latino Parity and Equity Coalition (SFLPEC); United to Save the Mission; Our Mission, No Eviction; Latino Task Force, who supported the purchase of the site as 100% Affordable Housing. Prior to the RFQ submission, MEDA notified these groups of their application.

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

Specifically, the Sponsors presented at Mission District Community Response meeting held on January 14, 2021, to inform the community stakeholders that MEDA and CCDC would submit a response to the 1515 South Van Ness RFQ. The Sponsors received support letters from over twenty Mission District organizations in supporting the development of 1515 South Van Ness. These supporting letters include, but not limited to Mission Neighborhood Center, Mission Neighborhood Health Center, Mission Cultural Center for Latino Art, Calle 24, Dolores Street Community Service, CARECEN SF etc. Many of these organizations would like to continue participating in community meetings and providing feedback for the upcoming development.

In addition to the groups named above, Faith In Action, Dolores Street Community Services, Carecen, Mission Neighborhood Centers, Calle 24 are immediately neighboring groups with active staff, members, and clients who will be directly impacted and have engaged in the future of the space.

The Sponsors have engaged with Calle 24, Precita Eyes, CARECEN SF, Dolores Street Community Services, Mission Girls Services, Mission Neighborhood Centers in the past and for this site on the potential commercial space. The Sponsors notified these groups of their submission for the RFQ. Since the RFQ, MEDA had direct conversations with Dolores Street Community Services, Mission Girls Services, and CARECEN SF to understand and identify their commercial needs and parameters. These organizations are looking for larger commercial spaces in the Mission. Given the proposed commercial square footage at 1515 SVN, there may only be space to house one non-profit organization with the need of a larger space. As of now, all three groups seem interested, and MEDA will continue exploring and communicating with these groups to identify the most suitable tenant for the space.

For this Site, in addition to drawing from supporters in the neighboring organizations and the residents of Casa Adelante-1296 Shotwell, the Sponsors will center parents whose children attend local schools. MEDA will reach out through the early care and school partners of Mission Promise Neighborhoods.

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

and gather community input to make the best determination of the commercial use at the Site.

From the development of Casa Adelante-1296 Shotwell, the Sponsors have identified neighbors who could be opposed to future affordable housing in this neighborhood. These neighbors described their concerns about disruption of their view, crime and lack of parking.

3.2. Future Outreach.

The Sponsors' community engagement goal is to further opportunities for community members to participate in the future development of the Mission District, for the neighbors, especially historically excluded communities. MEDA plans to leverage its platform of services through their in-house Asset Building Programs (ABP) and community networks formalized through the Mission Promise Neighborhood (MPN) to meet families and key stakeholders where they are at.

The Sponsors will hold quarterly stakeholder meetings which will increase in frequency during key periods, such as the design stage and marketing/lease-up. To refine stakeholder lists, the Sponsors will start with stakeholders of Casa Adelante-1296 Shotwell as well as existing forums, such as Mission Community weekly meetings, SF Latino Task Force (SFLTf), SFLPEC, Mission Promise Neighborhood (MPN), Black to the Future (BTTF). For ongoing engagement of those who cannot attend meetings, MEDA also has a strong on-line communications and media presence, on Facebook and Twitter and with local media (El Tecolote, Mission Local, San Francisco Chronicle and San Francisco Examiner).

Below is the timeline of the Sponsors' community outreach plan. This timeline includes both residential and commercial outreach planning.

Project Phase	Timing	Topics	Frequency of meetings/number of meetings
Initial award and Predevelopment financing	Q3 - Q4 2021	Early Project-focused outreach to broaden key stakeholders and neighbor relationships	Announcements at routine neighborhood meetings. 5-8 meetings starting November 3rd, 2021 Key Stakeholders and Neighbors: Mission Community Meetings (every Thurs) SFLPEC (Mondays Bi-weekly) SFLTf (as scheduled) BTTF (as scheduled) MPN (as scheduled)
	Q3 - Q4 2021	Early identification of potential commercial	4-5 meetings.

		tenants, prioritizing Mission District Cultural place keepers	
Entitlements	Q1 2022	Concept principles - design, income/unit size targeting, programming	Focused meetings with key stakeholder groups at both established forums and specific 1515 South Van Ness meetings. 6-10 meetings
	Q2-Q3 2022	Iterative affirmation of design, programming and income targeting	Focused meetings with key stakeholder groups at both established forums and specific 1515 South Van Ness meetings with minimum quarterly meetings. 6-10 meetings
	2022 ongoing	Website/social media	Minimum quarterly updates and milestone updates. Social media will also be used to advertise community meetings.
	2022 ongoing	Commercial tenant selection, pending conceptual design and financing parameters	
Preconstructi on	2023- 2024	Project update, notification	Quarterly updates at established forums and on social media platforms.
		Local contracting and workforce development	Engagement of local workforce development groups. 4-5 meetings
Construction	2024- 2025	Affirmative Marketing and leasing	Focused outreach to networks of organizations with families seeking housing. 6-10 marketing trainings and community events

3.3. Proposition I. Chapter 79 of the City's Administrative Code requires public noticing (Prop I) for any new City construction project. The Sponsors will need to complete the 30-day noticing process immediately following the Loan Committee's approval of this request.

4. DEVELOPMENT PLAN

4.1. Site Control.

The Site has been owned by the City since 2019.

4.1.1. Proposed Property Ownership Structure

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

- Annual rent shall be set at 10% of the fair market appraised value, re-determined on the 15th anniversary date of ground lease and every 15 years thereafter.
- Payment shall consist of an annual Base Rent of \$15,000, collected annually regardless of cash flow and considered a project expense.
- Residual Rent of 10% of the appraised unrestricted value of the Site. Residual Rent will only be collected to the extent that cash flow is available and does not accrue.

4.1.2 Proposed Design. The Sponsor is tasked with maximizing density within a modern building that responds to its context while attracting residents and visitors alike. At 1515 SVN, the Sponsors seek to emphasize an intergenerational spatial connection that starts at the ground floor with a walkway between 1515 South Van Ness and the adjacent building, 1296 Shotwell, a senior housing project co-developed by CCDC and MEDA. The base 6 stories would provide at least 122 one-, two- and three-bedroom family units and dedicated open space, including a larger community room for building events and services, outdoor play spaces for the youngest to safely play and a roof deck with views, solar arrays, and space for urban gardening. An office lounge with flexible workspace will offer interior open space and resources to accelerate digital access and skills. The building will be technology-enabled. Programming will be supported by a secure lobby, on-site property management and services offices, and laundry facilities that best fit requirements.

Avg Unit SF by Type:	Studio avg sf - 385 1 BR avg sf - 550 2 BR avg sf - 770 3 BR avg sf - 990		
Do all units meet CTCAC minimum SF?	Yes, all units are expected to meet the CTCAC minimum SF.		
	Unit Type	TCAC Minimum SF as written in 6/16/2021 Regulations	1515SVN proposed unit type percentage greater than TCAC minimums

	Studios	200	75%
	1-BDR	450	11%
	2-BDR	700	10%
	3-BDR	900	10%
Residential SF:	~143,000 sf		
Commercial SF:	~10,000 sf		
Building Total SF:	~153,000 sf		

4.2. Construction Supervisor/Construction Representative's Evaluation

While the Site has 2016 Planning entitlements for a project previously approved, those entitlements cannot be utilized since that previous project does not have the required number of 2BR and 3BR units as required by state funding applications. 1515 South Van Ness will be eligible for expedited review of entitlements by Planning through the SB 35 approval process.

Without procurement of the Architect and consulting engineers, the conceptual design has not been developed and the number of units and floor plans have not been established and MOHCD CR's review will occur when available.

Though the Site is subject to two different height limits (65' at the western portion and 55' at the eastern portion), the height differential should not be an issue since the State and Local Affordable Housing Guidelines/Ordinances for Density Bonus will allow an additional 3 stories for height. The Planning Department has also indicated that exceptions may be granted for Planning Code's requirements for rear yard, open space, and minimum distances for light/air exposure, etc. and therefore with these Planning Code modifications, the configuration of 1515 South Van Ness could have more residential units per floor.

The existing concrete building on the Site has a basement and confirmation of its extent is needed. If the basement size is equivalent to the ground floor area, the project sponsors/design team may want to investigate the feasibility of new shoring/concrete retaining walls/drainage/etc. to create a usable basement since additional cost will be expended to fill and compact this basement area (though this direction would still be less costly than a usable basement unless the geotechnical and structural engineers determine that the existing basement concrete retaining walls are sound and do not need to be replaced.)

Given the past site history with occupancy by a tannery, vat, truck and auto repair business and underground storage tank, additional substantial construction costs need to be budgeted for off-haul of contaminated soils with new compacted fill and remediation as recommended by the geotechnical/environmental consultant.

The property is located next to the high pedestrian and automobile traffic along South Van Ness and may require construction logistics to occur at the other frontages of 26th Street and

Shotwell Street. As a result, certain construction activities like concrete foundation pour, etc. may be restricted to be performed overnight with special night noise permits and overtime coordination, which will add to the total construction costs.

For cost assumptions, the total for Design, Bid and Plan-Check contingencies have been reduced 1.4% which is equal to \$900K and typically, construction cost estimates from Conceptual Design to 100% CDs have grown to the higher contingency stated percentages. If this occurs, value-engineering will be implemented as required.

4.3. Commercial Space.

4.3.1. Space Description. One ground floor commercial space to be approximately 10,000 square feet. This space will serve a Mission-based, community-serving non-profit organization with the identified need of a larger footprint.

4.3.2. Commercial Leasing Plan. The Sponsors will be required to provide a preliminary commercial space plan prior to the Project's site permit submittal, an updated commercial space plan and tenant improvement plan prior to 100% design development and executed Letter of Intent (LOI) with commercial tenants, a commercial development budget, a tenant improvement proforma for MOHCD review and approval, prior to gap funding request.

4.3.3. Operating Pro Forma. The proposed commercial space would be approximately 10,000 square feet at \$1.00/sqft as the proposed/below market rate base rent, subject to further MOHCD review and approval. This space would operate through a triple net lease with Common Area Maintenance (CAM) charges additional to base rent. Some of the expenses include, real estate taxes, building insurance, property management fee, misc/audit, garbage fees, and janitorial services/supplies.

4.3.4. Tenant Improvement Build Out. Project sponsors would work with the tenant in the design document phase to understand their needs and will deliver a warm shell space, including restroom build out, at project completion. The tenant will then coordinate with their own design and construction teams to complete the TI improvement build out (this build out will be subject to City prevailing wages requirement). The tenant will be expected to bring their own funds to complete the design and construction of these improvements and should have a funding plan for tenant improvement that has been reviewed and approved by MOHCD prior to the gap funding request.

4.4. Service Space. Resident services will be provided by CCDC. Two offices for service provision will be incorporated, one for the CCDC Service Coordinator who will be working with the families and Plus Housing households, and one for the Intensive Case Managers working with the formerly homeless households.

4.5. Interim Use. On May 15, 2020, Mayor London Breed announced the creation of Safe Sleeping Villages to provide safe, socially distances space for unsheltered individuals within San Francisco to stay. The San Francisco Unified COVID Command Center (CCC), a cross functional group of department leaders identified the Project Site to be suitable for a Safe Sleeping Village. On June 24, 2020, MOHCD and the Department of

Homelessness and Supportive Housing entered into an MOU that laid out the terms of the use of the Site as a Safe Sleeping Village during the interim planning period for the Project. The Safe Sleeping Village will remain in operation until June 30, 2022.

4.6. Infrastructure. N/A

4.7. Communications Wiring and Internet Access. MOHCD Communications Wiring Standards are under review will be released soon. Costs permitting, the Sponsor will work with the MOHCD Construction Representative to determine the appropriate communications wiring scope that meets MOHCD's standards.

4.8. Public Art Component.

The Project's public art requirement calculation is based off 1% of expected construction cost multiplied by the percent of Project funded by MOHCD. Currently, the Project's development budget includes an estimate of \$280K.

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

4.9. Marketing, Occupancy, and Lease-Up

MOHCD's marketing policies and procedures will be applied to all units. Marketing and occupancy outreach for the Project will be conducted in accordance with all applicable fair housing laws.

The Sponsors will conduct outreach to neighborhood-based, non-profit housing corporations, agencies and other low-income housing advocacy organizations that maintain waiting lists. Units that are not Plus Housing or subsidized by LOSP will be entered in a lottery and subject to San Francisco preferences. 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
4. Live or Work in San Francisco.

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.

As a loan condition prior to gap, the Sponsors will be required to provide a clear marketing strategy plan targeting Black/African American households for the Project's marketing and lease up.

The five Plus Housing units in the Project are restricted at 50% MOHCD AMI. Incomes of Plus Housing participants, however, are primarily at or below 30% AMI. As a loan condition, the Sponsor will work with seniors in the community and Plus Housing participants to seek a tenant-based rental subsidy from programs like the Q Foundation to help meet the Sponsor's affordability goals for the Project. See Section 9.3 Recommended Loan Conditions.

- 4.10. Relocation. N/A. The term of the interim use expires on June 30, 2022 and will not result in any relocation expenses to the Project.

5. DEVELOPMENT TEAM

Development Team			
Consultant Type	Name	SBE/LBE	Outstanding Procurement Issues
Architect	TBD via CMD RFP	Y/N	N/A
Landscape Architect	TBD via CMD RFP	Y/N	N/A
JV/other Architect	TBD via CMD RFP	Y/N	N/A
General Contractor	TBD via CMD RFP	Y/N	N/A
Owner's Rep/Construction Manager	TBD via CMD RFP	Y/N	N/A
Financial Consultant	CHPC	N	N
Other Consultant	TBD	Y/N	N/A
Legal	Gubb & Barshay	N	N
Property Manager	CCDC	N	N
Services Provider	CCDC	N	N

- 5.1. Procurement Plan. The project team has involved the Contracts Management Division (CMD) in the Project's consultant procurement process – specifically for the Owner's Representative and Architectural services; which were released to CMD on September 8, 2021, and October 5th, 2021 respectively. CMD established a 25% SBE goal for Professional, Engineering and Architectural Services on this Project.

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

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. Disbursement Status. If this loan request is recommended, the Sponsors will be able to submit for costs related to the project dated July 1, 2021 to present.

6.2. Proposed Predevelopment Financing

6.2.1. Predevelopment Sources Evaluation Narrative

The \$4,000,000 predevelopment budget is sized to take the project through construction loan closing.

6.2.2. Predevelopment Uses Evaluation:

Predevelopment Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Acquisition Cost is based on appraisal	N/A	Not included. The Site is currently owned by the City. Since the City owns the site, there are no property taxes or other holding costs associated.
Holding costs are reasonable	N/A	Not included.
Architecture and Engineering Fees are within standards	Y	Total Predev Architectural and Engineering fees are \$1,766,523, which is within Underwriting Guidelines.
Consultant and legal fees are reasonable	Y	\$25K for legal fees and \$30K for financial consultant fees are reasonable for the Project.
Entitlement fees are accurately estimated	Y	\$500K for entitlement/permit fees is reasonable for the Project, as expedited process is anticipated.
Construction Management Fees are within standards	Y	CM fee sized at \$120K, (\$40K/year) three years of predevelopment period, which are within Underwriting Guidelines.
Developer Fee is within standards	Y	Total Dev Fee of \$550K for predevelopment complies with MOHCD Developer Fee Policy.
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10%

6.3. Potential Proposed Permanent Financing

The permanent financing being presented to demonstrate the project's overall feasibility but not intended to be presented for their approval at this time.

6.3.1. Permanent Sources Evaluation Narrative: The Borrower proposes to use the following sources to permanently finance the Project:

- **MOHCD Loan (\$32,816,030)** - The estimated amount for MOHCD's gap loan on this project is \$32,816,030 or \$268,984 per unit, which exceeds the \$250K per unit goal from the RFQ. If approved, MOHCD's \$4MM predevelopment loan

will be rolled into MOHCD's final gap loan amount for 57-year term at 3.00% simple interest rate, and a residual receipt payment.

- **HCD-MHP (\$20,000,000)** – MHP prioritizes providing permanent financing to extremely low-income units at or below 60% TCAC AMI. HCD is updating their guidelines for the MHP as well as 5 other programs (including VHHP, TOD and IIG) that will be part of HCD's "Super-NOFA" published annually in the spring. MHP is expected to be extremely competitive and will award the highest scoring projects with the lowest tiebreakers based on a project's average AMI of MHP Assisted units. Preliminary scoring based off the 2021 MHP guidelines (out for public comment) forecast the Project achieving 143 out of 160 points with a tiebreaker of 1.020 by further restricting LOSP units at 20% TCAC AMI. See Section 7.1 Income Restrictions for All Sources for more information.
- **HCD IIG (\$4,250,000)** – The IIG program is expected to be part of the annual HCD Super-NOFA, which is expected to be very competitive.
- **General Partner Equity (\$500,000)** – This meets the minimum \$500K GP Equity under MOHCD's previous Developer Fee policy, and may be adjusted to increase project competitiveness for CLDAC funding.
- **4% Tax Credit Equity (\$44,308,896)** - Sponsor is assuming \$1.0 per federal credit pricing, which is higher than others proposing projects for construction start in 2024. Should the market conditions not improve, the increase in tax-credit equity will increase MOHCD's gap loan to the Project.
- As a condition of the loan, Sponsor should explore whether the project will be competitive for Federal Home Loan Bank Affordable Housing Loan Program (AHP) funds to reduce the City gap loan contribution to the Project. Sponsor will provide an analysis by the next AHP round and subsequent rounds, as necessary to reduce MOHCD debt.

6.5.2 Construction Loan \$66,434,231: While not a permanent source, the construction loan terms are assumed to be 30 months, 5.5%.

6.5.3 CDLAC Tax-Exempt Bond Application:

CDLAC Self-Score	
Opportunity Map Resource Level	Low Resource Area (2021); Moderate Resource Area (proposed 2022)
TCAC Housing Type (new construction only)	Large Family
Bond Allocation Request Amount	\$66,434,231 x 15%
Total Self-Score (out of 120 points)	119 out of 120

Tiebreaker Score	\$316,569
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The Project will be competing in the ELI/VLI set-aside within the New Construction pool and the Bay Area's geographic set-aside, along with several others. The Project will apply to CDLAC-TCAC in September 2023 for a December 2023 allocation of tax-exempt bonds, scoring 119 out of 120 total points, with a tiebreaker of \$316,569 (based off the 2020 tiebreaker calculation). With two opportunities to compete in the New Construction set-asides – ELI/VLI and Bay Area regional pool -- the Project's tiebreaker score is not competitive for an allocation in either pool because Bay Area projects are disadvantaged by higher development. In addition to the hard cost interventions to increase competitiveness, the Sponsor reduced the general partner equity contribution from the TCAC's maximum developer fee of 15% eligible basis to \$500,000 established as minimum in MOHCD's previous Developer Fee Policy.

CDLAC Self Scoring Chart Below:

Scoring Summary - DO NOT EDIT/CH	Max 120 Points	Project Score	Difference
Preservation Priorities (Acq. & Rehab.)	20	20	0
Density & Local Incentives (New Construction)			
Housing Types (New Construction)			
Affirmatively Furthering Fair Housing	20	19	-1
Service Amenities	10	10	0
Exceeding Minimum Income Restrictions	20	20	0
Exceeding Minimum Rent Restrictions (% below)	10	10	0
General Partner & Management Co. Experience	10	10	0
BIPOC org Joint Venture			
BIPOC org sole developer			
Cost Containment	12	12	0
Leveraged Soft Resources	8	8	0
Readiness to Proceed	10	10	0
Total Scoring Potential	120	119	-1

6.5.4 HOME Funds Narrative: N/A

6.5.5 Commercial Space Sources and Uses Narrative:

The Sponsors are proposing the commercial space to be leased by a Community Serving Commercial Use.

6.5.6 Permanent Uses Evaluation:

Predevelopment Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Acquisition Cost is based on appraisal	N/A	Not included. The Site is currently owned by the City. Since the City owns the site, there are no

		property taxes or other holding costs associated.
Holding costs are reasonable	N/A	Not included.
Architecture and Engineering Fees are within standards	Y	Total Predev Architectural and Engineering fees are \$1,766,523, which is within Underwriting Guidelines.
Consultant and legal fees are reasonable	Y	\$25K for legal fees and \$30K for financial consultant fees are reasonable for the Project.
Entitlement fees are accurately estimated	Y	\$500K for entitlement/permit fees is reasonable for the Project, as expedited process is anticipated.
Construction Management Fees are within standards	Y	CM fee sized at \$120K, (\$40K/year) three years of predevelopment period, which are within Underwriting Guidelines.
Developer Fee is within standards	Y	Total Dev Fee of \$550K for predevelopment complies with MOHCD Developer Fee Policy.
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10%

6.5.7 Developer Fee Evaluation:

Total Developer Fee:	\$3,220,000	
Project Management Fee Paid to Date:	\$0	
Amount of Remaining Project Management Fee:	\$1,100,000	
Amount of Fee at Risk (the "At Risk Fee"):	\$1,320,000	
Amount of Commercial Space Developer Fee (the "Commercial Fee"):	\$300,000	
Amount of Fee Deferred (the "Deferred Fee"):	\$0	
Amount of General Partner Equity Contribution (the "GP Equity"):	\$500,000	17%
Milestones for Disbursement of that portion of Developer Fee remaining and payable for Project Management	Amount Paid at Milestone	Percentage Project Management Fee
At closing of initial predevelopment loan*	\$165,000	15%
At submittal of MOHCD-approved Community Outreach Plan*	\$110,000	10%
Submission of HCD funding application*	\$165,000	15%
Submission of joint CDLAC and TCAC* application	\$110,000	10%
Construction close	\$220,000	20%
At Temporary Certificate of Occupancy	\$220,000	20%
Project close-out	\$110,000	10%
Milestones for Disbursement of that portion of Developer Fee defined as At Risk Fee		Percentage At Risk Fee

95% lease up and draft cost certification	\$264,000	20%
Permanent conversion	\$660,000	50%
Project close-out	\$396,000	30%
Milestones for Disbursement Payable for Commercial Developer Fee		
At completion of condominium subdivision mapping	\$75,000	25%
Executed LOI with commercial tenant	\$75,000	25%
Executed lease with commercial tenant	\$75,000	25%
Occupancy by commercial tenant provider	\$75,000	25%

*This fee must be split 50/50 between the Sponsors per MOHCD's Developer Fee Policy.

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

Annual Operating Budget. The annual operating budget is being presented to demonstrate the project's overall feasibility but not intended to be presented for Loan Committee approval at this time.

Chinatown CDC's operating budget is generally in compliance with MOHCD policies. The estimated PUPA is \$14,924 and includes full time front desk clerk coverage (4.6 FTE.)

The proposed staffing plan is comparable to other buildings of size and target population in the Sponsor's portfolio – Including Tenderloin Family Housing, Casa Adelante 2060 Folsom, Broadway-Sansome Apartments, Crescent Cove, and Five88. With new property management leadership in the past year, Chinatown CDC's operational practices are evolving to meet industry standards-- such as lowering maintenance staff ratios. Furthermore, operational costs have risen with utilities and property insurance.

On the revenue side, the proposed Project will receive a 15-year LOSP contract for 31 LOSP units (with rent set at approximately \$250/unit in Year 1). Otherwise, tenant rents at a range of AMIs will support building operations, in addition to small amounts of revenue from building laundry and 5.4% of commercial surplus cash (about \$120,000 in Year 1, assuming full occupancy).

Operating expenses are almost entirely divided between non-LOSP and LOSP units proportionate to percentage of total units. There are small deviations to this within Legal Expenses and Electricity expenses. The most significant operating cost driver is the proposal to provide 24/7 front desk coverage (see Section 9.2).

7.1. Annual Operating Expenses Evaluation.

The annual operating budget is being presented to demonstrate the project's overall feasibility, but is not intended to be presented for approval at this time.

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes

Debt Service Coverage Ratio is minimum 1.1:1 in Year 1 and stays above 1:1 through Year 17	Y	DSCR is 2.65 at Year 1 and 1.54 at Year 17
<i>For TCAC projects:</i> Vacancy rate meets TCAC Standards <i>For non-TCAC existing projects:</i> Vacancy rate is based on project's historical actuals	Y	Vacancy rate is 5.0%
Annual Income Growth is increased at 2.5% per year or 1% for LOSP tenant rents	Y	Income escalation factor is 1.0% per year for LOSP units, and 2.5% per year for non-LOSP units
<i>For TCAC projects:</i> Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are \$14,924 per unit. Operating expense are based on per unit figures of CCDC's portfolio comparables
Property Management Fee is at allowable <u>HUD Maximum</u>	Y	Total Property Management Fee is \$99,552 or \$68 PUPM
Property Management staffing level is reasonable per comparables	Y	See below staffing chart in Section 7.2 Staffing Summary, which includes: 1.0 FTE Property Manager 1.0 FTE Assistant Property Manager 4.6 FTE Front Desk Clerk 2.0 FTE Maintenance Tech
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is \$22,670/yr Annual PM Fee is \$22,650/yr
<i>For TCAC projects:</i> Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$500 per unit per year, per HCD standard.
Limited Partnership Asset Management Fee meets standards	Y	\$5,000/yr. with no escalation

7.2. Staffing Summary. Staffing will be further evaluated during predevelopment as the project size and design are developed. The staffing plan is also subject to further review by the Department of Homelessness and Supportive Housing (HSH):

Title	FTE allocated to Project	Expenses allocated to Project	Total Fringe (FICA, WC, Health, 403B)
Office Salaries			
<i>Assistant Property Manager</i>	1.0	\$47,927	\$18,490
<i>Desk Clerk</i>	4.6	\$200,196	\$77,236

Subtotal	5.6	\$248,123	\$95,726
Manager Salaries			
<i>Property Manager</i>	1.0	\$72,573	\$27,999
Subtotal	1.0	\$72,573	\$27,999
Maintenance			
<i>Technician</i>	2.0	\$119,008	\$45,913
Subtotal	2.0	\$119,008	\$45,913
Resident Services			
<i>CCDC Resident Services Coordinator</i>	1.5	\$105,300	\$40,646
Subtotal	1.5	\$105,300	\$40,646
Total FTEs and Expenses	10.1	\$545,004	\$210,284

7.3. Income Restrictions for All Sources.

NON-LOTTERY	No. of Units	MOHCD	TCAC	HCD
1 BR - LOSP	11	25% MOHCD AMI	20% TCAC AMI	MHP
2 BR - LOSP	9	25% MOHCD AMI	20% TCAC AMI	MHP
3 BR - LOSP	9	25% MOHCD AMI	20% TCAC AMI	MHP
Sub-Total	29			
2 BR - LOSP	1	50% MOHCD AMI	40% TCAC AMI	
3 BR - LOSP	1	50% MOHCD AMI	40% TCAC AMI	
Sub-Total	2			
Studio – Plus Housing	2	50% MOHCD AMI	40% TCAC AMI	
1 BR – Plus Housing	2	50% MOHCD AMI	40% TCAC AMI	
2 BR – Plus Housing	1	50% MOHCD AMI	40% TCAC AMI	
Sub-Total	5			
LOTTERY				
Studio	2	30% MOHCD AMI	25% TCAC AMI	
1 BR	5	30% MOHCD AMI	25% TCAC AMI	
2 BR	6	30% MOHCD AMI	25% TCAC AMI	
3 BR	4	30% MOHCD AMI	25% TCAC AMI	
Sub-Total	17			
Studio	2	40% MOHCD AMI	30% TCAC AMI	
1 BR	9	40% MOHCD AMI	30% TCAC AMI	
2 BR	3	40% MOHCD AMI	30% TCAC AMI	
3 BR	5	40% MOHCD AMI	30% TCAC AMI	

Sub-Total	19			
1 BR	9	50% MOHCD AMI	40% TCAC AMI	
2 BR	4	50% MOHCD AMI	40% TCAC AMI	
3 BR	4	50% MOHCD AMI	40% TCAC AMI	
Sub-Total	17			
2 BR	11	60% MOHCD AMI	45% TCAC AMI	
3 BR	4	60% MOHCD AMI	45% TCAC AMI	
Sub-Total	15			
2 BR	9	80% MOHCD AMI	60% TCAC AMI	
3 BR	9	80% MOHCD AMI	60% TCAC AMI	
Sub-Total	18			
STAFF UNITS				
2 BR	1	N/A	N/A	
TOTAL	122			

7.4. MOHCD Restrictions.

Unit Size	No. of Units	Maximum Income Level
1 BR - LOSP	11	25% of Median Income
2 BR - LOSP	9	25% of Median Income
3 BR - LOSP	9	25% of Median Income
Studio	2	30% of Median Income
1 BR	5	30% of Median Income
2 BR	6	30% of Median Income
3 BR	4	30% of Median Income
Studio	2	40% of Median Income
1 BR	9	40% of Median Income
2 BR	3	40% of Median Income
3 BR	5	40% of Median Income
Studio – Plus Housing	2	50% of Median Income
1 BR – Plus Housing	2	50% of Median Income
1 BR	9	50% of Median Income
2 BR – Plus Housing	1	50% of Median Income
2 BR – LOSP	1	50% of Median Income
2 BR	4	50% of Median Income
3 BR - LOSP	1	50% of Median Income
3 BR	4	50% of Median Income
2 BR	11	60% of Median Income
3 BR	4	60% of Median Income
2 BR	9	80% of Median Income
3 BR	9	80% of Median Income
2 BR	1	Manager's Unit

Thirty-one (31) units must be made available to the chronically homeless or those at risk of homelessness during the period in which the City's Local Operating Subsidy program is in operation and the City provides such subsidy to the project under LOSP.

If the LOSP is terminated, discontinued or reduced at no fault of Borrower with respect to the Project, then the rent restrictions above may be altered but only to the extent necessary for the Project to remain financially feasible, as determined in City's reasonable discretion; provided that:

(a) Borrower diligently pursues an additional or alternative source of income or subsidy acceptable to the City to replace the rental subsidies.

(b) One hundred percent (100%) of the Units formerly under the LOSP must at all times be occupied by Qualified Tenants whose Adjusted Income does not exceed fifty percent (50%) of Median Income and the monthly rent paid by the Qualified Tenants may not exceed (a) thirty percent (30%) of fifty percent (50%) of Median Income, (b) less utility allowance. The maximum initial occupancy income level restrictions when averaged for all Residential Units in the Project may not exceed sixty percent (60%) of Median Income and subject to any applicable regulatory agreement, restrictive covenant, or other encumbrance. To the extent financially feasible, as mutually determined by the Parties, any such rent increase will be limited to (or will be first implemented with) any vacant units.

8. SUPPORT SERVICES

8.1. Services Plan.

As part of the Sponsor's RFQ response, Chinatown CDC proposed to be the service provider for the general population and the permanent supportive housing units, with Catholic Charities Client Services to serve the Plus Housing units. However, after further evaluation, MOHCD believes services are not necessary to be paid through the Project, given the additional outside resources Plus Housing referrals receive. MOHCD will not allow Plus Housing services to be paid through the operating budget. Chinatown CDC and Catholic Charities will work with MOHCD staff throughout predevelopment to determine the program for the Plus Housing units and if applicable, an alternative source to pay for the services. Chinatown CDC will be the service provider for the general population and the permanent supportive housing units. The Chinatown CDC will enter into a services contract funded by HSH. The Project team is proposing following on-site support services staff:

Staff Position	Employed	FTE	Residents Served	Staff to Resident Ratio	Funding Source
Resident Services Coordinator	CCDC	1.5 FTE	91 households	1:60	Operating Budget
Intensive Case Manager	CCDC	1.5 FTE	31 formerly homeless households	1:20	HSH

Sponsors propose a continuum of services for both formerly homeless and low-income residents to enhance their quality of life. The services plan assumes that most people have trauma in their history, especially those who are exiting homelessness, and designs services to recognize trauma, de-escalate chaos and stress, emphasize continuity of care (particularly across child-services systems), foster resiliency, promote health, and strengthen social connections. A trauma-informed model also necessitates care for staff and addressing secondary traumatic stress. Catholic Charities will provide service coordination for the Plus Housing households. Their approach enhances the service connections with a deeper focus

on physical health. This will be integrated with MEDA's community service delivery model for families to thrive.

Sponsors will need to work with MOHCD and HSH to right-size the case management ratios and budgets to meet each standard. MOHCD will require significant reduction in the budget for the RSC, which is supposed to be set at 1:100 (so for 91 units, .91 FTE would be approved). For the HSH contract, Sponsors will be encouraged to set the number of homeless referrals to maximize the case management ratio of 1:20 and create full time positions, irrespective of the total number of units in the building.

8.2. Services Budget.

The Project's preliminary services budget below.

Position	Salary	FTE	FTE Amount	SF HSA Budget	Operating Budget	TOTAL
Intensive Case Manager (CCDC)	\$67,000	150%	\$100,500	\$100,500		
Resident Services Coordinator (CCDC)	\$54,000	150%	\$105,300		\$105,300	
Plus Housing Coordinator (CC)		0.0%	\$0		\$0	
Fringe @ 38.6%			\$79,439	\$38,793	\$40,646	
Personnel Subtotal		250%	\$285,239	\$139,293	\$145,946	\$285,239

Operating Expenses	SF HSA Budget	Operating Budget	Total
Job posting fees	\$0	\$400	\$400
Staff retreat/orientation	\$0	\$550	\$550
Rental of Property	\$0	\$0	\$0
Utilities: phone	\$1,200	\$4,000	\$5,200
Utilities: electrical	\$0	\$1,200	\$1,200
Utilities: garbage	\$0	\$600	\$600
Office Supplies	\$1,200	\$1,500	\$2,700
Building Maintenance Supplies and Repair	\$0	\$0	\$0
Printing and Reproduction	\$1,200	\$800	\$2,000
Insurance	\$0	\$0	\$0
Staff Training	\$250	\$2,333	\$2,583
Staff Travel	\$500	\$2,000	\$2,500
Rental of Equipment	\$0	\$0	\$0
Clinical consultation fees	\$0	\$0	\$0

Dues/data management subscription	\$0	\$850	\$850
Meeting Expenses	\$0	\$500	\$500
IT expenses	\$0	\$3,000	\$3,000
Janitorial	\$0	\$1,000	\$1,000
Miscellaneous Admin	\$0	\$100	\$100
Tenant Activities and Supplies (\$5 PUPM)	\$0	\$21,350	21,350
Community meals & events (\$25 PUPM)	\$0	\$0	\$0
Food vouchers (\$25 PUPM)	\$0	\$0	\$0
Move-in allowance (\$250 PU)	\$0	\$16,000	16,000
Operating Subtotal	\$4,350	\$56,183	\$60,533

Subtotal	\$143,643	\$202,129	\$345,772
Indirect Cost @ 15%	21,546	\$30,319	\$51,865

8.3. HSH Assessment of Service Plan and Budget. Three HSH staff were part of the development team RFQ selection panel. HSH and MOHCD will review and assess the Services Plan and Budget once submitted and will remain involved during the predevelopment phase while the homeless resident programming and model are being developed

9. STAFF RECOMMENDATIONS

9.1. Proposed Loan/Grant Terms

Financial Description of Proposed Loan	
Loan Amount:	\$4,000,000
Loan Term:	3 years (rolled into 57-year loan at construction closing)
Loan Maturity Date:	2024
Loan Repayment Type:	Residual Receipts
Loan Interest Rate:	0-3% at a rate that may be adjusted at the discretion of the MOHCD Director to attain financial feasibility for the Project.
Date Loan Committee approves prior expenses can be paid:	July 1, 2021

9.2. Recommended Loan Conditions

9.2.1. Recommended disbursement conditions/schedule

Prior to initial predevelopment disbursement:

- Sponsors must provide evidence of Limited Partnership formation.
- Sponsors must provide evidence of Prop I sign posting.
- Sponsors must revise their MOU to assign all project accountant, fiscal agent, and asset management responsibilities to CCDC until the development pause is lifted and no earlier than the beginning of the following calendar year (January 2023).

9.2.2. 9.3 Recommended Loan Conditions

During Predevelopment:

1. Sponsors must provide MOHCD with detailed monthly updates via the MOH Monthly Project Update, including on: Community outreach completed, Outcomes achieved related to racial equity goals, and Commercial-use programming.
2. Sponsors must work with MOHCD staff to determine the appropriate services for the Plus Housing units and if applicable, the source to pay for the service program.
3. Sponsors must provide MOHCD with a services plan and proposed staffing levels that meet MOHCD underwriting standards prior to gap loan approval. Any changes to the current proposed staffing will need to be presented to MOHCD at least 90 days prior to gap loan approval (estimated January 2023, prior to the 2023 HCD NoFA).
4. Sponsor must work with MOHCD staff and project's General Contractor to Value Engineer construction budget with the goal of reducing construction costs to \$600 PSF inclusive of contractor contingency, bid contingency and escalation to start of construction.

By April 30, 2022:

5. Sponsors must work with MOHCD staff to revise unit mix to establish competitiveness for MHP and CDLAC/TCAC financing and establish appropriate mix of units for Coordinated Entry referrals in collaboration with HSH.
6. Sponsors must provide MOHCD with information outlining cost containment, efficiencies and innovation strategies to reduce overall project costs and maximize efficiency of MOHCD gap loans.
8. Sponsors must provide Commercial Space Plan to MOHCD no less than 90 days prior to Loan Committee date for gap loan, including outcomes achieved related to racial equity goals.

Prior to Gap Loan Request:

9. Sponsors must identify and explore use of additional non-City sources of funds, such as FHLB AHP and HCD's Infrastructure Infill Grant programs.
10. Sponsors must provide operating and development budgets that meet MOHCD Underwriting Guidelines and MOHCD Commercial Space Underwriting Guidelines.

11. Sponsors must provide signed LOI/s from commercial tenants prior to MOHCD's gap loan closing.
12. Sponsors to work with MOHCD and HSH to establish the LOSP budget and income restrictions for the referrals from Coordinated Entry.
13. Sponsors must: a) provide for MOHCD review of the Request for Proposals (RFP) for equity investors and lenders before it is finalized and distributed; b) provide for MOHCD review of all raw financial data from developer or financial consultant prior to selection; c) provide for MOHCD review and approval of all selected investors and lenders; and, d) provide for MOHCD review and approval of all Letters of Intent from financial partners.
14. Sponsors must submit an updated 1st year operating budget and 20-year cash flow – if any changes have occurred – by November 1st before the year the project will achieve TCO so that MOHCD may request the LOSP subsidy.

Prior to Marketing and Lease-up:

15. Sponsors must provide initial draft marketing plan within 12 months of anticipated TCO, outlining the affirmative steps they will take to market the project to the City's preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans.
16. Sponsors must create more structure around marketing meetings leading up to the lease up process, which includes identifying clear roles and responsibilities and preparing meeting agendas outlining clear next steps.
17. Sponsor must provide quarterly updated response to any letters requesting corrective action. For both, this should include a detailed plan for capacity to achieve improved communication with Project partner.

10. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

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

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

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

Date: _____

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

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

Date: _____

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

Sally Oerth, Interim Executive Director
Office of Community Investment and Infrastructure

Date: _____

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

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

Date: _____

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

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Friday, December 3, 2021 11:44 AM
To: Chavez, Rosanna (MYR)
Subject: Predevelopment Loan for 1515 South Van Ness

approve

Eric D. Shaw
Director/ Interim Director HopeSF

Mayor's Office of Housing and Community Development
City and County of San Francisco
1 South Van Ness Avenue, 5th Floor

If you, or someone you know, is a SF resident and in need of help paying rent due to the COVID-19 pandemic please go to <http://sf.gov/renthelp>

Chavez, Rosanna (MYR)

From: Hewson, Elizabeth (HOM)
Sent: Friday, December 3, 2021 11:46 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Menjivar, Salvador (HOM)
Subject: Pre-development funding for 1515 South Van Ness

On behalf of Salvador Menjivar, I cast a Yes vote for the pre-development loan for 1515 South Van Ness.

Best,
Elizabeth



Elizabeth Hewson (she/her)

Manager of Supportive Housing Programs

San Francisco Department of Homelessness and Supportive Housing

elizabeth.hewson@sfgov.org | P: 628-652-7730

Learn: hsh.sfgov.org | Follow: [@SF_HSH](https://twitter.com/SF_HSH) | Like: [@SanFranciscoHSH](https://twitter.com/SanFranciscoHSH)

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Chavez, Rosanna (MYR)

From: Oerth, Sally (CII)
Sent: Friday, December 3, 2021 11:43 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Blitzler, Mara (MYR)
Subject: Predevelopment funding for 1515 S Van Ness, 12.3.21 Loan Committee

I approve the predevelopment loan request for 1515 South Van Ness, as presented at the 12.3.21 Loan Committee.



Sally Oerth
Interim Executive Director

📍 One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
📞 415.749.2588
🏠 www.sfocii.org

Chavez, Rosanna (MYR)

From: Pereira Tully, Marisa (CON)
Sent: Friday, December 3, 2021 11:43 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: predevelopment funding for 1515 South Van Ness

Approve

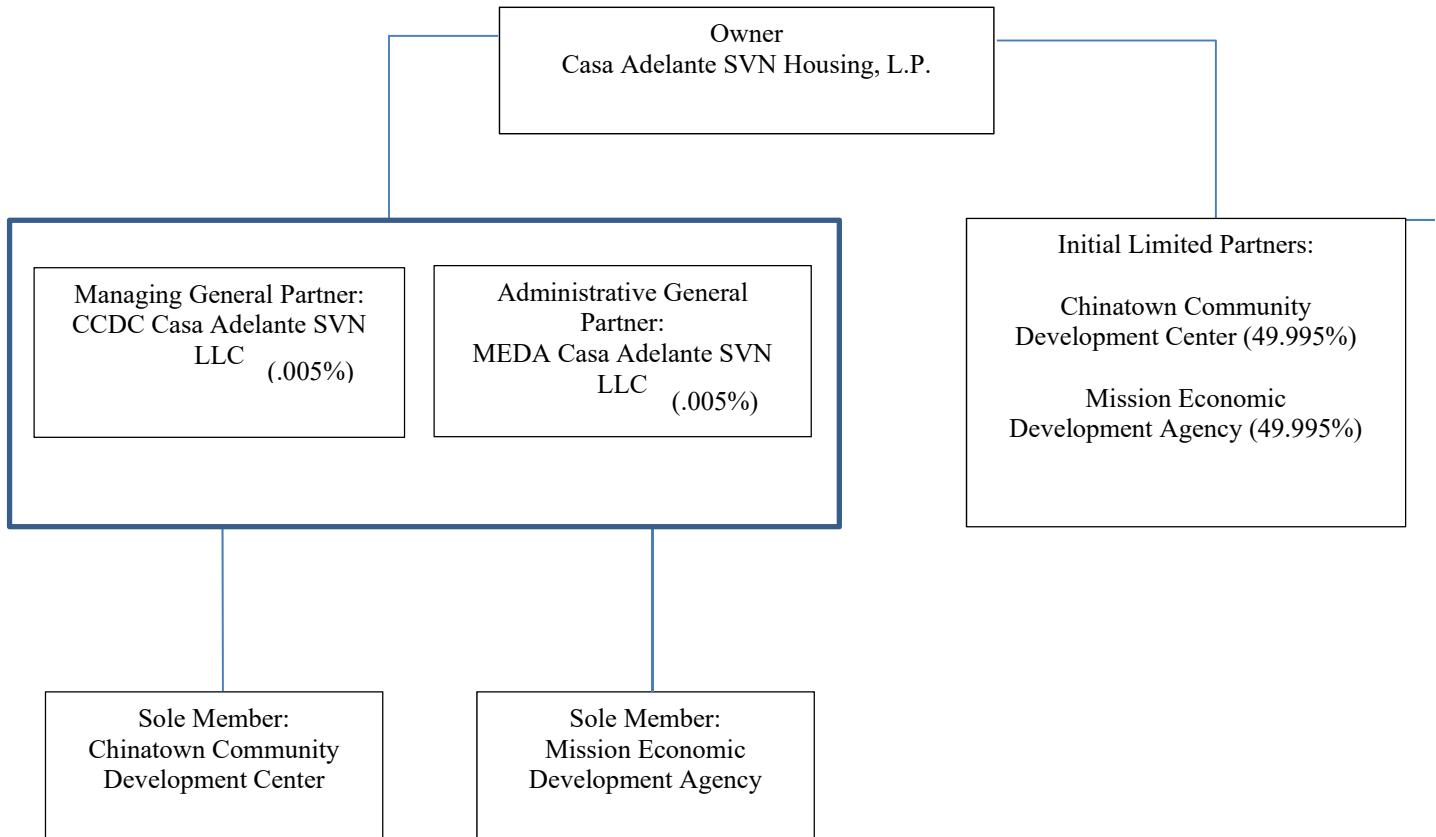
Marisa Pereira Tully (she/her)
Controller's Office of Public Finance
City and County of San Francisco

Attachment A: Project Milestones and Schedule

No.	Performance Milestone	Estimated or Actual Date	Notes
A.	Prop I Noticing (if applicable)	<u>01/15/2022</u>	
1	Acquisition/Predev Financing Commitment	<u>This Request</u>	
2.	Site Acquisition	<u>N/A</u>	
3.	Development Team Selection		
a.	Architect	<u>12/20/2021</u>	
b.	General Contractor	<u>2/7/2022</u>	
c.	Owner's Representative	<u>11/08/2021</u>	
d.	Property Manager	<u>N/A</u>	
e.	Service Provider	<u>N/A</u>	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	<u>7/14/2022</u>	
b.	Submittal of Design Development & Cost Estimate	<u>11/4/2022</u>	
c.	Submittal of 50% CD Set & Cost Estimate	<u>4/27/2023</u>	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	<u>7/20/2023</u>	
5.	Commercial Space		
a.	Commercial Space Plan Submission	<u>TBD</u>	
b.	LOI/s Executed	<u>TBD</u>	
6.	Environ Review/Land-Use Entitlements		
a.	SB 35 Application Submission	<u>3/02/2022</u>	
b.	CEQA Environ Review Submission	<u>N/A</u>	
c.	NEPA Environ Review Submission	<u>N/A</u>	
d.	CUP/PUD/Variances Submission	<u>N/A</u>	
7.	PUC/PG&E		
a.	Temp Power Application Submission	<u>7/20/2023</u>	
b.	Perm Power Application Submission	<u>9/20/2023</u>	
8.	Permits		
a.	Building / Site Permit Application Submitted	<u>4/27/2022</u>	
b.	Addendum #1 Submitted	<u>11/01/2023</u>	
c.	Addendum #2 Submitted	<u>02/01/2023</u>	

9.	Request for Bids Issued	<u>08/04/2023</u>	
10.	Service Plan Submission		
a.	Preliminary	<u>05/01/2022</u>	
b.	Final	<u>12/01/2023</u>	
11.	Additional City Financing		
a.	Preliminary Gap Financing Application	<u>1/15/2023</u>	
b.	Gap Financing Application	<u>1/15/2024</u>	
12.	Other Financing		
a.	HCD Application	<u>2/1/2023</u>	
b.	Construction Financing RFP	<u>08/04/2023</u>	
c.	AHP Application	<u>3/1/2023</u>	
d.	CDLAC Application	<u>8/15/2023</u>	
e.	TCAC Application	<u>8/15/2023</u>	
f.	Other Financing Application	<u>N/A</u>	
g.	LOSP Funding Request	<u>1/15/2024</u>	
13.	Closing		
a.	Construction Loan Closing	<u>04/01/2024</u>	
b.	Conversion of Construction Loan to Permanent Financing	<u>07/01/2024</u>	
14.	Construction		
a.	Notice to Proceed	<u>04/15/2024</u>	
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	<u>12/1/2025</u>	
15.	Marketing/Rent-up		
a.	Marketing Plan Submission	<u>05/01/2025</u>	
b.	Commence Marketing	<u>06/01/2025</u>	
c.	95% Occupancy	<u>01/01/2026</u>	
16.	Cost Certification/8609	<u>10/01/2026</u>	
17.	Close Out MOH/OCII Loan(s)	<u>04/01/2026</u>	

Attachment B: Borrower Org Chart



Attachment C: Development Staff Resumes

Kim Piechota, Director of Housing Development, Chinatown CDC

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

Joanna Ladd, Associate Director of Housing Development, Chinatown CDC

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

Omar Rahmaoui, Project Manager, Chinatown CDC

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

Christina Mirani, Assistant Project Manager, Chinatown CDC

Christina Mirani has 2 years of experience as an Assistant Project Manager at Chinatown CDC, and previously worked at the Association of Bay Area Governments. Christina would devote approximately 40% of her time to supporting Omar on 1515 S. Van Ness.

Karoleen Feng, Director of Community Real Estate, MEDA

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

Elaine Yee, Deputy Director of Community Real Estate, MEDA

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

Dan Jimenez, Senior Project Manager, MEDA

Dan has over 25 years of acquisitions, finance and development of affordable senior, multifamily, and homeless developments. Dan has completed over 2,000 LIHTC units of housing while partnering for non-profits and has managed a great variety of LIHTC projects in major cities and rural areas across the U.S. As the Senior Project Manager, Dan would dedicate 25% of his time to support the 1515 S. Van Ness team and coaching the team on financing, and contract negotiations.

Serena Li, Senior Project Manager, MEDA

Serena has joined MEDA Community Real Estate Department since 2016. She had acquired, developed or rehabilitated over 310 units and have project managed on both new construction developments and Small Sites Program, an acquisition-rehab program. She recently led 4% tax credit bond projects from construction through permanent conversion. She will serve as the lead Project Manager for 1515 S. Van Ness, and will spend 50% of her time on project management activities.

Laura Elaine Daza-García, Assistant Project Manager, MEDA

Laura E. Daza-Garcia recently graduated from UCLA's Masters in Urban and Regional Planning program with a concentration in housing. Laura has over 6 years of experience working as a tenant counselor and advocate for several housing non-profit organizations in San Francisco. and in the Mission District During her last year of graduate school, Laura worked as a Development Associate at Community Corporation of Santa Monica. In this role, she supported the development team with both rehabilitation and new construction projects. Laura will dedicate 60% of her time to support 1515 S. Van Ness team.

Leslie Molina, Associate Director of Asset Management, MEDA

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

Attachment D: Asset Management Evaluation of Project Sponsor

MEDA:

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

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

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

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

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

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

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

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

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

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

The recently filled positions include

- a) Asset Management. Added (+1) Associate Director, Leslie Molina as of 10/25/21.
- b) Leasing. Added (+1) Leasing Specialist, Guadalupe Mercado 10/12/2021

Guadalupe Mercado brings her spectrum of four years of housing experience from housing counselling with MEDA's Housing Opportunities Program to rental relief to escrow processes.

- c) MEDA has temporarily added capacity (through December 31, 2021) with Vanessa Amaya (0.5 FTE - Preservation Project Management Assistant), and (0.5 FTE Leasing Administrative Assistant (1 FTE) (unfilled as of 10/28/2021).

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

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

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

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

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

Currently, the Associate Director is primarily responsible for owner's representation for asset management for the tax credit properties, especially with lender relationships. They work closely with the Senior Asset Manager and the Asset Manager for long term forecasting, managing the annual budget, compliance and monitoring including MOHCD Annual Monitoring Reports, risk

management including insurance. The Asset Managers are responsible for property management and facilities oversight. The Senior Asset Manager is responsible for financial forecasting and budget review, with experience in tax credit properties. The asset managers split the Small sites pipeline and portfolio. As properties are proposed and in operations, they review proforma and legal documents, focusing on operational revenue and expenses, debt servicing and fee structure. They will also be responsible for compliance. The Assistant Asset Manager will assist throughout including welfare tax exemptions, debt servicing, and insurance. The Leasing specialist is responsible for marketing and leasing of units as well as income certification throughout the small sites portfolio.

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

For 1515 South Van Ness, MEDA's asset management would be coordinating with Chinatown CDC's team. Currently, MEDA's asset management has quarterly meetings with Chinatown CDC's asset management, property management and services. In time, MEDA will directly coordinate with property management, accounting, compliance and facilities management based on a hybrid model of MEDA's sole ownership of small sites preservation properties and partial asset management of Casa Adelante 1296 Shotwell which is next door to the site.

MEDA's Finance and accounting team are prepared to coordinate with project management and asset management through the accounting life cycle of the development through operations process. Currently, every member of the CRE Finance and Accounting staff has a role in the operations of each SSP project and commercial properties from monthly, quarterly and annual property accounting (transferred from 3rd party property management) to audit response on each building and financial analysis. They are also directly responsible for preconstruction through construction accounting for SSP as well as our new construction affordable homeownership project, Casa Adelante-2205 Mission.

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

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

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

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

CCDC:

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

33 Projects, 84 average units per project

- **Sponsor's current asset management staffing – job titles, FTEs, org chart and status of each**

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

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

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

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

AM monitors the financial and physical health of the portfolio. They produce financial projections for each building in order to monitor the long-term viability of the property. They commission capital needs analyses for each building every five years and monitor the process of getting all called for repairs and replacements done. They collaborate with the Housing Development Department to develop work-out plans for troubled properties. With the Property Management Department, they set rents at each building according to the various programs and funding sources in place. They are the main point of contact between CCDC and the lenders, partners, and regulators of the portfolio. This includes all periodic reporting.

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

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

- **Sponsor's budget for asset management team – shown as cost center for projects in SF**
CCDC does not maintain a separate budget for the Asset Management team since it is part of their Fiscal Department.

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

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

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

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

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

Attachment E: Threshold Eligibility Requirements and Ranking Criteria

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

A. SELECTION PROCESS

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

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

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

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

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

B. MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS

Respondents must meet the following minimum development team characteristics, experience, and capacity requirements in order to qualify to be scored and ranked under this RFQ. For Minimum Qualifications for respondents applying for 100% housing for homeless adults please refer to Sections III.D and IV.C.

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

1. Minimum Development Team Characteristics

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

The proposed Development Team must include:

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

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

2. Minimum Development Team Experience

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

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

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

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

- New construction in either a Type V over I or Type III over I construction type (not a requirement for Minimum Property Manager and Service Provision Experience)
- At least 75 units in size
- Majority multiple-bedrooms, *only for family projects*
- Mixed-use including residential (not a requirement for Minimum Service Provision Experience)
- Affordable to low- and very low-income households¹, formerly homeless residents, families and/or seniors
- Financed with Low-Income Housing Tax Credits.

a. *Minimum Development Experience:*

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

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

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

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

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

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

3. Minimum Developer and Owner Capacity Requirements

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

- a. Financial Capacity:** The proposed Developer (or Guarantor where another entity is providing required guarantees) must demonstrate its ability to obtain competitive financing, as evidenced by submitting the latest (2) years of either signed federal income tax returns (including schedules or attachments, if any); or audited financial statements (with management letters, if any). The proposed Developer must also submit **Attachment 5 – Financing Terms for Developer’s Qualifying Project** documenting the equity pricing and debt terms for the Qualifying Project submitted under Minimum Developer Experience.
- b. Staffing Capacity:** The proposed Developer must document its capacity to successfully plan, design, and develop the Project, throughout the period of development, either through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. To document this, the proposed Developer must submit a written narrative **no more than one page** (in Times New Roman font, 12 font size, and 1-inch margins) to document

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

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

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

1. Team Member Specific Minimum Requirements

- a. **Minimum Developer Requirements** - Lead Developer itself or in partnership with other co-developers must provide evidence of the following experience:
- New construction of at least two affordable housing developments that are both high-density infill sites, with an aggregate unit count of approximately 75 units or more
 - Development of at least one supportive affordable housing development for formerly homeless adults and/or formerly homeless seniors (may be new construction or substantial rehabilitation of an existing building)
 - Use of Low-Income Housing Tax Credit financing

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

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

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

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

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

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

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

D. SELECTION CRITERIA AND SCORING

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

	Category	Points
A.	EXPERIENCE:	40
i.	Developer (12 pts) <ul style="list-style-type: none"> ➤ Experience with the following: <ul style="list-style-type: none"> ○ Completing projects on time and on budget ○ Obtaining competitive financing terms ○ Developing Type V/I or III/I construction ○ Developing housing for low-income families, seniors, or the homeless ➤ Building community support through outreach ➤ Current staff capacity and experience to take on this project type 	
ii.	Owner (4 pts) <ul style="list-style-type: none"> ➤ Track record successfully owning housing financed with Low-Income Housing Tax Credits 	

	<ul style="list-style-type: none"> o Experience owning affordable housing for low-income families, seniors and/or the homeless ➤ Current asset management structure, staffing, and portfolio ➤ Capacity for assuming asset management of an expanded portfolio once the development is complete 	
iii.	Property Manager (8 pts) <ul style="list-style-type: none"> ➤ Experience managing property for target populations ➤ Experience achieving high rates of housing retention ➤ Implements low barrier tenant selection policies ➤ Contributes to long-term sustainability of the development ➤ Achieves cost efficiencies in operations 	
iv.	Service Providers (8 pts) <ul style="list-style-type: none"> ➤ Experience delivering services to target populations ➤ Experience linking residents to the City's safety net of services ➤ Works with property management to achieve high rates of housing retention ➤ Supports positive outcomes for residents around health and economic mobility ➤ If applicable, provides explanation for service contracts terminated prematurely within the last 5 years ➤ Discusses barriers to communities of color accessing quality health care services, employment and educational opportunities 	
v.	Racial Equity Strategy (8 pts) <ul style="list-style-type: none"> ➤ Describes level of racial equity awareness ➤ Experience providing housing to COP and neighborhood preference holders ➤ Uses innovative approaches to engagement with COP and neighborhood preference holders ➤ Demonstrates commitment to racially diverse project development teams 	

	<p>Proposes a substantive partnership that increases opportunity/capacity for growth of smaller and Black, Indigenous and people of color, (BIPOC)-led organizations</p> <ul style="list-style-type: none"> ➤ Demonstrates experience with serving historically excluded communities of color ➤ Describes approaches to overcoming historical obstacles to communities of color obtaining high quality affordable housing ➤ Describes experience providing access and implementing service delivery strategies to historically excluded communities of color 	
B. VISION: 60		
i.	<p>Program Concept (20 pts)</p> <ul style="list-style-type: none"> ➤ Describes vision for a development program at this site, while best achieving the project goals, and includes: <ul style="list-style-type: none"> ○ A residential program and other envisioned uses; ○ Indicates how the proposed uses and amenities will enhance the lives of the proposed target population and the surrounding neighborhood. ➤ Indicates particular groups served by the programs and spaces (tots, children, teens, homeless people, young adults, adults, elderly, disabled etc.). ➤ Describes how the program will contribute to lowering barriers to persons of color seeking and retaining quality housing. 	
ii.	<p>Community Engagement Strategy (10 pts)</p> <ul style="list-style-type: none"> ➤ Describes community engagement strategy and includes: <ul style="list-style-type: none"> ○ The team's philosophy on community engagement; ○ Process for establishing and/or building positive relationships with surrounding neighbors and the larger community; ○ Efforts designed to engage all interested community members, including monolingual 	

	<p>non-English speaking members of the community;</p> <ul style="list-style-type: none"> o How the Development Team intends to comply with the City's Language Access Ordinance. <ul style="list-style-type: none"> ➤ Describes the Team's approach to achieving entitlements for the project expeditiously and the Team's approach to maintaining and building community relationships after entitlements have been achieved and the development is in operations. ➤ Indicate how particular community engagement strategy will address the historical exclusion of communities of color from quality housing, including but not limited to marketing to attract target populations. 	
iii.	<p>Services Delivery Strategy (10 pts)</p> <ul style="list-style-type: none"> ➤ Describes the Development Team's services delivery strategy and includes: <ul style="list-style-type: none"> o The overall service philosophy; o Model for providing any anticipated services to formerly homeless residents (including case management ratio and provision of amenities such as front desk clerks, if applicable); o The services goals of the proposed vision. ➤ A brief description of the desired outcome of the services to be provided and innovative approaches to services provision, including the strategy of engaging residents and encouraging access to services. ➤ Describes how services for residents will be coordinated with the existing network of services in the neighborhood and community. 	
iv.	<p>Finance & Cost Containment Approach (10 pts)</p> <ul style="list-style-type: none"> ➤ Narration that describes the Development Team's financing approach to the project. ➤ Includes the Team's process for structuring the project and controlling development costs. 	

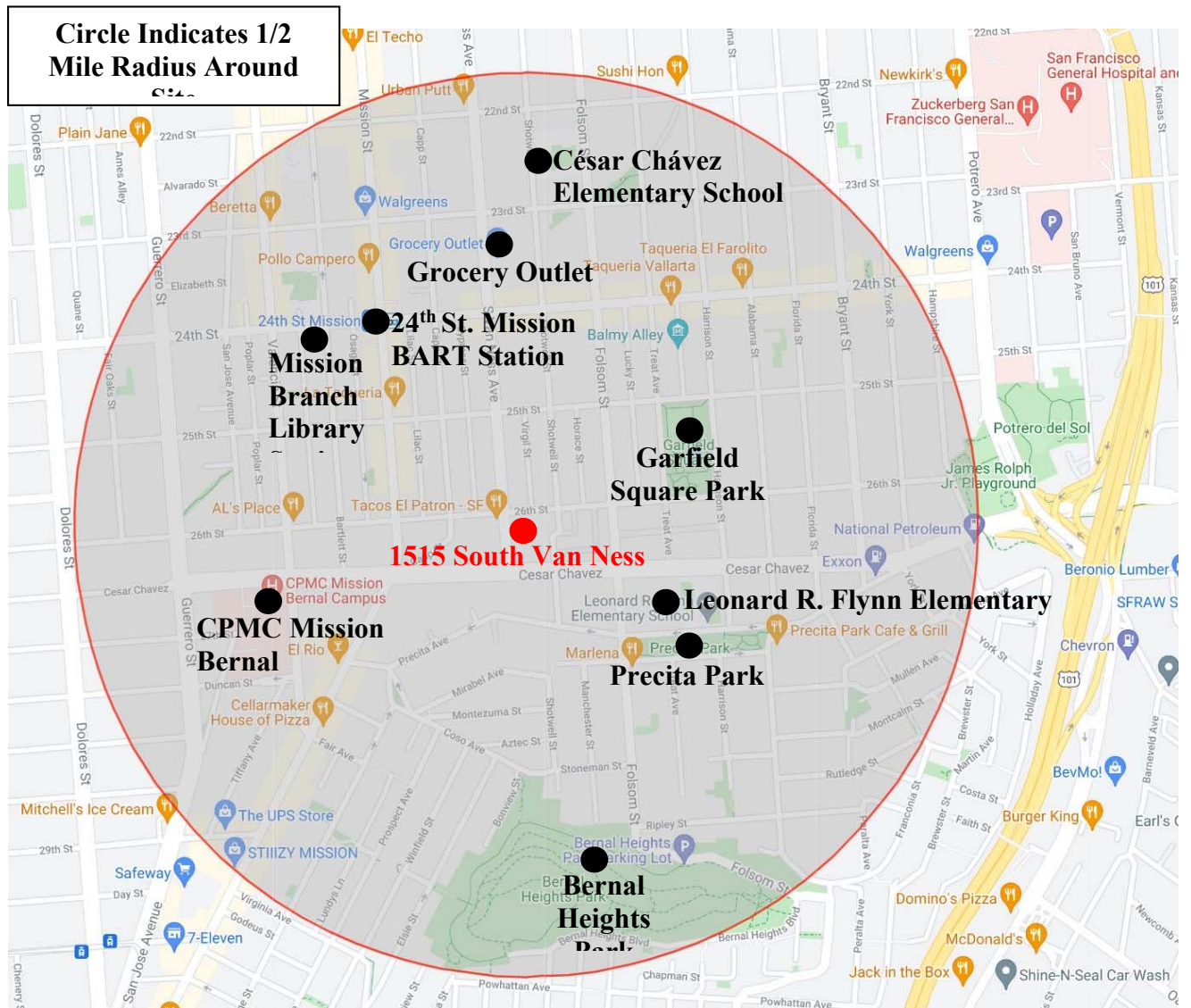
	<ul style="list-style-type: none"> ➤ Includes innovative strategies intended to minimize MOHCD's projected capital gap financing. ➤ Describes any innovative (i.e. non-standard, routine or commonly used) direct or indirect cost-cutting strategies relevant to overall development, construction or operating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

1. Experience

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

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

Attachment F: Site Map with amenities



Attachment G: Elevations and Floor Plans

N/A

**Attachment H: Comparison of City Investment in Other Housing
Developments**

Affordable Multifamily Housing New Construction Cost Comparison

Updated 11/29/2021

PROJECTS COMPLETED						Building Square Footage			Total Project Costs			Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft & Other Cost					
Hunters View Phase II - Bl 7 & 11	227-229 West Point Rd	82,703	May-17	107	239	117,023	23,857	140,880	\$ -	\$ 66,131,493	\$ 9,272,003	\$ 75,403,496	\$ 19,737,243	\$ 75,403,496	2 HCD Loans (MHP & IIG)	Mixed Townhome stepping downslope and Type III-V over Type I flats w/pkg
Hunters View Phase II - Block 10	146 West Point Road	52,333	Jun-18	72	144	90,274	13,328	103,602	\$ -	\$ 39,639,577	\$ 8,732,484	\$ 48,372,041	\$ 17,393,406	\$ 48,372,041	9% LIHTC	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	\$ -	\$ 88,020,260	\$ 14,094,767	\$ 102,115,027	\$ 16,975,000	\$ 102,115,027		Type V over Type I Podium
Transbay 7 - Natalie Gubb Comm	222 Beale Street	29,209	Oct-18	120	208	118,251	5,000	123,251	\$ 35,000	\$ 68,041,196	\$ 16,314,468	\$ 84,390,664	\$ 25,560,000	\$ 84,355,664		3 Buildings - Type I Podium, 4-8 stories (Pueblo structural system), plus Childcare shell
Mission Bay Bl 6 East	626 Mission Bay Blvd. No.	63,250	Nov-18	143	276	162,080	9,719	171,799	\$ 148,125	\$ 89,064,265	\$ 15,222,907	\$ 104,435,297	\$ 35,750,000	\$ 104,287,172	HCD AHSC Loan	Type IIIA & V over Type I podium, 41 pkg spaces, Mission Bay soils and infrastructure
Mission Bay S. Block 3E	1150 Third Street	47,140	Jan-20	119	192	83,138	41,062	124,200	\$ -	\$ 71,755,502	\$ 7,049,669	\$ 78,805,171	\$ 20,093,600	\$ 78,805,171	HCD VHPH Loan	Type V over Type I podium strong articulation / ext. skin added due to D4D reqmts.
Potrero Block X (Vertical)	25th and Connecticut	30,000	Sep-19	72	139	86,569	28,952	115,521	\$ 20,700	\$ 67,470,397	\$ 12,766,230	\$ 80,257,327	\$ 17,893,093	\$ 80,236,627		Type IIIA & V over Type I Podium (4-6 stories) stepped w/ topography. No infrast. Cost
Parcel O	455 Fell Street	37,428	Jun-19	108	165	82,117	31,128	113,245	\$ -	\$ 63,952,347	\$ 9,994,087	\$ 66,648,743	\$ 17,309,250	\$ 66,648,743	HCD AHSC Loan	Type V over Type I from approved eval dated 05/05/17
Sunnydale Parcel Q	1477-1497 Sunnydale Ave	21,757	Jun-20	55	102	75,101	-	75,101	\$ -	\$ 39,150,124	\$ 10,072,197	\$ 49,222,321	\$ 9,652,147	\$ 49,222,321	9% LIHTC	Type IV - 5 Stories over grade podium parking
88 Broadway - Family Housing	88 Broadway	38,182	Jul-21	125	221	140,279	8,700	148,979	\$ 14,900,000	\$ 79,542,204	\$ 27,758,226	\$ 122,200,430	\$ 27,908,676	\$ 107,300,430		Type IIIA & V over Type I Podium (5-6 stories) - family
691 China Basin (MB South 6W)	691 China Basin St	49,437	Aug-21	152	294	178,050	7,098	185,148	\$ -	\$ 114,513,560	\$ 23,515,332	\$ 138,028,892	\$ 40,726,827	\$ 138,028,892	HCD IIG Grant	Type III podium and Type V/podium on mews wing, incl. 28 parking spaces, 4,640 sf child care spa
Completed Projects:	Average:	45,000		116	210	121,622	15,807	137,430	\$ 3,775,956	\$ 71,570,993	\$ 14,072,032	\$ 86,352,674	\$ 22,618,113	\$ 84,979,599		

PROJECTS UNDER CONSTRUCTION						Building Square Footage			Total Project Costs			Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft & Other Cost					
1990 Folsom Street	1990 Folsom	29,047	Sep-21	143	226	138,824	15,063	153,887	\$ 8,407,380	\$ 73,780,332	\$ 25,616,512	\$ 107,784,224	\$ 46,711,496	\$ 99,376,844		Mixed type - Type VA (townhomes) and 8 story Type I
Casa de la Mission	3001 24th Street	6,715	Sep-21	45	45	26,439	1,239	27,678	\$ 3,225,000	\$ 17,049,794	\$ 7,106,021	\$ 27,380,815	\$ 1,313,694	\$ 24,155,815	9% LIHTC & private donation	Type V over Type I podium
Sunnydale Block 6	242 Hahn Street	95,213	Oct-21	167	375	167,065	76,656	243,721	\$ -	\$ 102,447,000	\$ 28,898,989	\$ 131,345,989	\$ 28,109,924	\$ 131,345,989		Type V over Podium (does not include infrastructure assignment)
4840 Mission	4840 Mission	64,033	Apr-23	137	232	181,711	14,384	120,861	\$ 14,169,802	\$ 83,789,393	\$ 23,931,086	\$ 121,890,281	\$ 51,614,447	\$ 107,720,479	HCD MHP Loan	Type V over Type I Podium + retail + 39 spaces pkg + Health Clinic + POPO (11/20 Eval)
Under Construction:	Average:	48,752		123	220	128,510	26,836	136,537	\$ 8,600,727	\$ 69,261,630	\$ 21,388,152	\$ 97,100,327	\$ 31,937,390	\$ 90,649,782		

PROJECTS IN PREDEVELOPMENT						Building Square Footage			Total Project Costs			Total Dev. Cost w/land	Local Subsidy	Total Dev. Cost w/o land	Notes on Financing	Comments
Project Name	Address	Lot sq.ft	Start Date (anticipated)	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft & Other Cost					
T1 Parcel C3.1	Treasure Island C3.1	49,497	Jul-22	138	319	140,803	52,000	192,803	\$ 25,000	\$ 95,399,362	\$ 21,841,279	\$ 123,422,727	\$ 33,014,900	\$ 123,397,727	HCD AHSC Loan	Type IIIA and VB over Type I in 3 to 7 stories stepped + 26 pkg and Youth Activity (50% CD est.)
Shirley Chisholm Village Ed Hsg.	1351 42nd	60,000	Feb-22	135	203	157,635	11,322	168,957	\$ -	\$ 86,201,784	\$ 19,603,978	\$ 105,805,762	\$ 25,469,902	\$ 105,805,762	9% LIHTC	Type 3A 4 fl on grade cityd. + IA pkg 9% LIHTC proposed (85% CD est 12/20 escal. To 7/22)
Sunnydale Block 3B	TBD	73,000	Feb-22	90	178	125,800	3,400	129,200	\$ 20,001	\$ 69,588,660	\$ 19,750,187	\$ 89,338,847	\$ 8,466,742	\$ 89,338,847	4% Credits; HCD IIG & AHSC	Type IIIA 5 story, includes infrastructure costs (Nibbi 100%DD w/VE 4/16/21 escal to 3/22)arking
Sunnydale Block 3A	TBD	34,400	Aug-22	80	164	83,339	18,461	101,800	\$ 20,001	\$ 60,021,794	\$ 18,364,563	\$ 78,386,357	\$ 7,161,137	\$ 78,386,357	4% Credits; HCD IIG & AHSC	Type IIIA 5 story, 30k sq ft of commercial; includes infrastructure costs (Nibbi 100%DD w/VE 4/16/21)
Potrero Block B	25th and Connecticut	74,311	Feb-22	157	348	274,371	10,473	284,844	\$ 11,919,500	\$ 127,851,223	\$ 49,467,028	\$ 189,237,751	\$ 11,991,620	\$ 177,318,251	4% Credits; HCD IIG & AHSC	Type IIIA over Type IA 5-6 stepped, 65 pkg + childcare & park. (per 75% CD est. 3/28/21 incl VE) e
HPSY Block 52-54	151 and 351 Friedell St	45,580	May-22	112	217	147,190	21,541	168,731	\$ -	\$ 91,878,228	\$ 16,839,389	\$ 108,717,617	\$ 59,200,732	\$ 108,717,617	4% credits, bonds	Type III over Type 1, 2 buildings built on separate non-contiguous parcels. Parking ratio .6/1
HPSY Block 56	11 Innes Court	28,792	Jul-22	73	147	76,614	15,939	92,553	\$ -	\$ 50,051,162	\$ 13,596,970	\$ 63,648,132	\$ 34,298,513	\$ 63,648,132	4% LIHTC Infill Infra Grant, AHP	Type I (podium level) - Type V (levels 2- 5)
Hunters View Ph 3 Block 14 & 17	855 & 853 Hunters View Dr	39,355	May-22	118	286	172,645	3,881	176,526	\$ -	\$ 99,328,925	\$ 23,897,677	\$ 123,226,602	\$ 37,735,027	\$ 123,226,602	4% Credits; HCD MHP	Type III-A over Type I 5-6 stories with Comm (Community avg) spaces 66 Pkg spaces (35% CD 8
4200 Geary	16738	16,738	Feb-22	98	98	78,530	1,197	79,727	\$ 11,064,369	\$ 53,018,162	\$ 20,038,589	\$ 84,117,130	\$ 27,670,365	\$ 73,052,761	4% Credits; HCD MHP, AHP, Privat	Type III over Type I, 7 stories, T1 space, no parking, Urban Agriculture (65% CD Est dated 4/30/21
The Kelsey	240 Van Ness	18,313	Jul-22	112	144	94,001	1,349	95,350	\$ 9,848,500	\$ 60,075,564	\$ 22,200,353	\$ 92,122,417	\$ 25,618,912	\$ 82,275,917	4% LIHTC, IIG, AHSC	5 stories of Type III over 3 stories of Type I, Innovative C40 Cities Initiative + Universal design (est.
Reservoir Buiding E	Lee Avenue	31,008	Mar-23	124	192	138,150	-	139,150	\$ 1,777,707	\$ 73,866,869	\$ 30,807,590	\$ 106,452,175	\$ 13,628,126	\$ 104,674,468		Type IIIA over Type IA 7 stories
Sunnydale Block 7	Sunrise Wy and Santos St	73,161	Oct-24	69	159	100,939	-	100,939	\$ 10,000	\$ 57,837,582	\$ 15,107,806	\$ 72,955,388	\$ 12,743,082	\$ 72,955,388	4% Credits; HCD IIG & AHSC	Type IIIA over Type IA 4 stories. Parking at .74 ratio
Sunnydale Block 9	TBD	52,272	Oct-24	100	239	108,644	-	108,644	\$ 10,000	\$ 80,087,484	\$ 20,587,449	\$ 100,684,933	\$ 18,680,015	\$ 100,684,933	4% Credits; HCD IIG & AHSC	Type IIIA over Type IA 4 stories. Parking at .74 ratio
88 Bluxome	88 Bluxome	14,800	May-24	107	176	90,132	0	90,132	\$ 0	\$ 50,280,700	\$ 14,968,477	\$ 65,249,077	\$ 29,499,087	\$ 65,249,077	4% credits	No design yet, assumes mid-rise, 4-5 stories Type IIIA over 1-2 Type I air rights parcel, no pkg (10
160 Freelon	160 Freelon	13,155	May-24	72	127	77,000	5,000	82,000	\$ 20,000	\$ 53,859,263	\$ 15,418,134	\$ 69,297,397	\$ 15,815,754	\$ 69,277,397	4% Credits, MHP, AHP	No design yet, assumes mid-rise, 7 stories, Type I or Type IIIA over I. No pkg. (10/19/21 loan eval
In Predevelopment	Average:	41,625		106	200	124,386	12,130	134,090	\$ 8,855,234	\$ 73,956,317	\$ 21,499,159	\$ 98,177,487	\$ 24,064,928	\$ 95,867,282		

ALL PROJECTS	Average:	45,126		115	210	124,839	18,258	136,019	\$ 3,471,308	\$ 71,596,313	\$ 18,986,448	\$ 93,876,829	\$ 26,206,810	\$ 90,498,888		
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1515 SVN	1515 South Van Ness	35,714	May-24	122	220	143,000	10,000	153,000	\$ 45,000	\$ 85,240,261	\$ 17,276,677	\$ 102,561,938	\$ 32,816,030	\$ 102,516,938	4% Credits; MHP, AHP	No design yet, assumes mid-rise, 6 stories, 10k sf retail TI, no parking (10/19/21
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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.ft6	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft6	Subsidy / unit	Leveraging ⁷
Hunters View Phase II - Bl 7 & 11	May-17	\$ 618,051	\$ 276,701	\$ 86,654	\$ 469	\$ 38,795	\$ 66	\$ 66,654	\$ 38,795	\$ 66	\$ 704,706	\$ 315,496	\$ 535	\$ 184,460	73.8%
Hunters View Phase II - Block 10	Jun-18	-	-	-	\$ 550,550	\$ 275,275	\$ 383	\$ 121,284	\$ 60,642	\$ 84	\$ 671,834	\$ 335,917	\$ 467	\$ 241,575	64.0%
Mission Bay Block 7 West	Apr-17	-	-	-	\$ 440,101	\$ 268,354	\$ 419	\$ 70,474	\$ 42,972	\$ 67	\$ 510,575	\$ 311,326	\$ 486	\$ 84,875	83.4%
Natalie Gubb Commons (TB7)	Oct-18	292	168	1	\$ 567,010	\$ 327,121	\$ 552	\$ 135,954	\$ 78,436	\$ 132	\$ 703,256	\$ 405,724	\$ 685	\$ 213,000	69.7%
Mission Bay S6E	Nov-18	1,036	537	2	\$ 622,827	\$ 322,697	\$ 518	\$ 106,454	\$ 55,155	\$ 89	\$ 730,317	\$ 378,389	\$ 608	\$ 250,000	65.8%
Mission Bay S. Block 3 East	Jan-20	-	-	-	\$ 602,987	\$ 373,727	\$ 578	\$ 59,241	\$ 36,717	\$ 57	\$ 662,228	\$ 410,444	\$ 635	\$ 168,854	74.5%
Potrero Block X (Vertical)	Sep-19	288	149	1	\$ 937,089	\$ 485,399	\$ 584	\$ 177,309	\$ 91,843	\$ 111	\$ 1,114,685	\$ 577,391	\$ 895	\$ 245,737	78.0%
Parcel O	Jun-19	-	-	-	\$ 592,151	\$ 387,590	\$ 565	\$ 92,538	\$ 60,570	\$ 211	\$ 617,118	\$ 403,932	\$ 589	\$ 160,271	74.0%
Sunnydale Parcel Q	Jun-20	-	-	-	\$ 711,820	\$ 383,825	\$ 521	\$ 183,131	\$ 98,747	\$ 129	\$ 894,951	\$ 482,572	\$ 655	\$ 175,494	80.4%
88 Broadway - Family Housing	Jul-21	119,200	67,421	390	\$ 636,338	\$ 359,919	\$ 534	\$ 222,066	\$ 125,603	\$ 186	\$ 977,603	\$ 552,943	\$ 820	\$ 223,269	77.2%
691 China Basin (MB South 6W)	Aug-21	-	-	-	\$ 753,379	\$ 389,502	\$ 618	\$ 154,706	\$ 79,984	\$ 127	\$ 908,085	\$ 469,486	\$ 746	\$ 267,940	70.5%
Completed Projects:	Average:	30,204	17,069	99	\$ 639,300	\$ 350,010	\$ 522	\$ 128,165	\$ 69,951	\$ 114	\$ 772,305	\$ 422,147	\$ 629	\$ 201,407	74%

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
1990 Folsom Street	Sep-21	58,793	37,201	289	\$ 515,807	\$ 326,373	\$ 479	\$ 179,136	\$ 113,347	\$ 166	\$ 753,736	\$ 476,921	\$ 700	\$ 326,654	56.7%
Casa de la Mision	Jun-21	71,667	71,667	480	\$ 378,884	\$ 378,884	\$ 616	\$ 157,912	\$ 157,912	\$ 257	\$ 608,463	\$ 608,463	\$ 989	\$ 29,193	95.2%
Sunnydale Block 6	Feb-22	222	112	0	\$ 773,207	\$ 390,948	\$ 539	\$ 219,447	\$ 110,956	\$ 153	\$ 992,654	\$ 501,904	\$ 891	\$ 94,075	90.5%
4840 Mission Street	Apr-23	103,429	61,077	221	\$ 611,601	\$ 361,161	\$ 693	\$ 174,679	\$ 103,151	\$ 198	\$ 889,710	\$ 525,389	\$ 1,009	\$ 376,748	57.7%
Under Construction:	Average:	58,528	42,514	248	\$ 569,875	\$ 364,342	\$ 582	\$ 182,794	\$ 121,342	\$ 194	\$ 811,141	\$ 528,169	\$ 847	\$ 206,667	75%

Attachment I: Predevelopment Budget

Application Date:
Project Name:
Project Address:
Project Sponsor:

11/29/2021
1515 South Van Ness
1515 South Van Ness Avenue
Chinatown CDC & MEDA

Units: 122
Bedrooms: 220
Beds:

LOSP Project

Don't forget to fill in D135:D138!

SOURCES		4,000,000	-	-	-	-	-	Total Sources	4,000,000	Comments
	Name of Sources:	MOHCD/OCII								

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	Include FF&E
Commercial Shell Construction								0	
Demolition								0	
Environmental Remediation								0	
Onsight Improvements/Landscaping								0	
Offsite Improvements								0	
Infrastructure Improvements								0	HOPE SF/OCII costs for streets etc.
Parking								0	
GC Bond Premium/GC Insurance/GC Taxes								0	
GC Overhead & Profit								0	
CG General Conditions								0	
Sub-total Construction Costs		0	0	0	0	0	0	0	
Design Contingency (remove at DD)								0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)								0	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	5% new construction / 15% rehab
Sub-total Construction Contingencies		0	0	0	0	0	0	0	
TOTAL CONSTRUCTION COSTS		0	0	0	0	0	0	0	

Construction line item costs as a % of hard costs

SOFT COSTS

Architecture & Design

Architect design fees	1,666,523							1,666,523	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)								0	
Architect Construction Admin								0	
Reimbursables								0	
Additional Services								0	
Sub-total Architect Contract	1,666,523	0	0	0	0	0	0	1,666,523	
Other Third Party design consultants (not included under Architect contract)	100,000							100,000	Consultants not covered under architect contract; name consultant type and contract amount
Total Architecture & Design	1,766,523	0	0	0	0	0	0	1,766,523	

Engineering & Environmental Studies

Survey	35,000							35,000	In line w/prior CCDC, 681 was 50K
Geotechnical studies	170,000							170,000	In line 681. Keeping high til know more about site
Phase I & II Reports	45,000							45,000	
CEQA / Environmental Review consultants	37,000							37,000	
NEPA / 106 Review								0	
CNA/PNA (rehab only)								0	
Other environmental consultants								0	
Total Engineering & Environmental Studies	287,000	0	0	0	0	0	0	287,000	

Financing Costs

Construction Financing Costs

Construction Loan Origination Fee								0	
Construction Loan Interest								0	
Title & Recording								0	
CDLAC & CDIAC fees								0	
Bond Issuer Fees	1,200							1,200	Anticipate an small amount of bond issuer fee before construction closing
Other Bond Cost of Issuance								0	
Other Lender Costs (specify)								0	
Sub-total Const. Financing Costs	1,200	0	0	0	0	0	0	1,200	

Permanent Financing Costs

Permanent Loan Origination Fee								0	
Credit Enhance. & Appl. Fee								0	
Title & Recording								0	
Sub-total Perm. Financing Costs	0	0	0	0	0	0	0	0	
Total Financing Costs	1,200	0	0	0	0	0	0	1,200	

Legal Costs

Borrower Legal fees	25,000							25,000	
Land Use / CEQA Attorney fees								0	
Tax Credit Counsel								0	
Bond Counsel								0	
Construction Lender Counsel								0	
Permanent Lender Counsel								0	
Total Legal Costs	25,000	0	0	0	0	0	0	25,000	

Other Development Costs

Appraisal	30,000							30,000	
Market Study	15,000							15,000	
* Insurance								0	
* Property Taxes								0	
Accounting / Audit	5,000							5,000	
* Organizational Costs	7,500							7,500	
Entitlement / Permit Fees	500,000							500,000	Pulling Addendum #1 & Site Permit
* Marketing / Rent-up								0	
* Furnishings								0	\$2,000/unit; See MOHCD UIW Guidelines: http://sfmohcd.org/documents-reports-and-forms
PGE / Utility Fees	200,000							200,000	PGE/PUC Application Fees
TCAC App / Alloc / Monitor Fees	35,000							35,000	
* Financial Consultant fees	30,000							30,000	
Construction Management fees / Owner's Rep	120,000							120,000	Per MOHCD \$40k/yr Precon; \$60K/yr During Con.
Security during Construction								0	
* Relocation								0	
Other Consultants	75,000							75,000	
Community Outreach	40,000							40,000	Community Outreach/Organizing
Other (specify)								0	
Total Other Development Costs	1,057,500	0	0	0	0	0	0	1,057,500	

Total Soft Cost Contingency as % of Total Soft Costs
10.0%

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	312,777	0	0	0	0	0	0	312,777	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	3,450,000	0	0	0	0	0	0	3,450,000	

RESERVES

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

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones	550,000							550,000	DF=\$2.42 M at 122 units. Are we capped at 1/2 of \$1.1mill.
Developer Fee - Cash-out At Risk								0	
Commercial Developer Fee								0	
Developer Fee - GP Equity (also show as source)								0	
Developer Fee - Deferred (also show as source)								0	
Development Consultant Fees								0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)								0	
TOTAL DEVELOPER COSTS	550,000	0	0	0	0	0	0	550,000	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	32,787	0	0	0	0	0	0	32,787	
Development Cost/Unit as % of TDC by Source	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	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

Construction Cost (inc Const Contingency)/SF	0	0	0	0	0	0	0	0	
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*Possible non-eligible GO Bond/COP Amount:

City Subsidy/Unit	37,500
	32,787

Tax Credit Equity Pricing:

Construction Bond Amount:

Construction Loan Term (in months):

Construction Loan Interest Rate (as %):

Fill in with value or 'N/A' if not applicable.
Fill in with value or 'N/A' if not applicable.
Fill in with value or 'N/A' if not applicable.
Fill in with value or 'N/A' if not applicable.

Attachment J: Development Budget

Application Date:	11/29/2021	# Units:	122	
Project Name:	1515 South Van Ness	# Bedrooms:	220	LOSP Project
Project Address:	1515 South Van Ness Avenue			
Project Sponsor:	Chinatown CDC & MEDA			

SOURCES	32,816,030	44,308,896	20,000,000	4,250,000	500,000	100	686,911	102,561,938	Comments
						GP Contribution	Perm Loan		102,561,938
Name of Sources: MOHCD/OCH LHTC Equity MHP IIG GP Equity									

USES

ACQUISITION

Acquisition cost or value								0	
Legal / Closing costs / Broker's Fee	15,000							15,000	
Holding Costs	5,000							5,000	
Transfer Tax	25,000							25,000	681 Florida was \$36K total
TOTAL ACQUISITION	45,000	0	0	0	0	0	0	45,000	

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab	1,779,243	44,308,896	12,175,720	3,675,000	500,000	100	686,911	63,125,870	Include FF&E: Ave 681 F & 2080F Isqft; added complex foundation costs of \$1/mil based off RFQ material. According to National Asso of Home Builders, 10% inflationary cost/year - assumes 15% inflation increase by Year 2024 start	
Commercial Shell Construction	3,345,000							3,345,000	Including any Comm space yet bid to be \$300 Sft/warm shell +\$200/sqft TI Buildout (aver. of 2050&681); According to NAHB, 10% inflationary cost/year - assumes 15% inflation increase by Year 2024 start	
Demolition				575,000				575,000	Large warehouse to be removed. Will get soft bid from demo GC. Must confirm if MOHCD to demo prior to prop transfer. According to NAHB, 10% inflationary cost/year - assumes 15% inflation increase by Year 2024 start	
Environmental Remediation								0		
Onsight Improvements/Landscaping	1,501,461							1,501,461	Art Costs added; According to NAHB, 10% inflationary cost/year - assumes 15% inflation increase by Year 2024 start	
Offsite Improvements								0		
Infrastructure Improvements								0	HOPE SF/OCH costs for streets etc.	
Parking								0		
GC Bond Premium/GC Insurance/GC Taxes			1,304,047					1,304,047	In line w/681&2060; 2% of hard cost	1.7%
GC Overhead & Profit			2,608,093					2,608,093	In line w/681&2060 (<5%) 4% of hard cost	3.4%
CG General Conditions			3,912,140					3,912,140	In line w/681&2060 (<9% and GC total <14%) 6% of hard cost	5.1%
Sub-total Construction Costs	6,625,704	44,308,896	20,000,000	4,250,000	500,000	100	686,911	76,371,611		
Design Contingency (remove at DD)	1,893,776							1,893,776	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+	2.5%
Bid Contingency (remove at bid)	1,893,776							1,893,776	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+	2.5%
Plan Check Contingency (remove/reduce during Plan Rev)	1,262,517							1,262,517	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+	1.7%
Hard Cost Construction Contingency	3,816,381							3,816,381	5% new construction / 15% rehab	5.0%
Sub-total Construction Contingencies	8,869,650	0	0	0	0	0	0	8,869,650		
TOTAL CONSTRUCTION COSTS	15,494,354	44,308,896	20,000,000	4,250,000	500,000	100	686,911	85,240,261		

SOFT COSTS

Architecture & Design

Architect design fees	2,083,154							2,083,154	See MOHCD A&E Fee Guidelines: http://sfmohod.org/documents-reports-and-forms . References AIA B101 See Chart Max Fee 3.3% & 8.6% w/Eng. Fees 50MM-100MM	
Design Subconsultants to the Architect (incl. Fees)								0		
Architect Construction Admin	700,000							700,000	Average 681 Florida & 2090 Folsom	
Reimbursables								0		
Additional Services	90,000							90,000	Average 681 Florida & 2090 Folsom	
Sub-total Architect Contract	2,873,154	0	0	0	0	0	0	2,873,154		
Other Third Party design consultants (not included under Architect contract)								0	Consultants not covered under architect contract: Dry Utilities, architect, GPR, LEED Green-Security design,telecom,EBM,PDR,Street Scope; shadow study,Peer Review. On 681F this was listed here and we had \$469K noted	
	500,000							500,000		
Total Architecture & Design	3,373,154	0	0	0	0	0	0	3,373,154		

Engineering & Environmental Studies

Survey	35,000							35,000	In line w/prior CCDC. 681 was 50K	
Geotechnical studies	170,000							170,000	In line 681. Keeping high til know more about site	
Phase I & II Reports	45,000							45,000		
CEQA / Environmental Review consultants								0		
NEPA / 106 Review	37,000							37,000		
CNA/PNA (rehab only)								0		
Other environmental consultants								0		
Total Engineering & Environmental Studies	287,000	0	0	0	0	0	0	287,000		

Financing Costs

Construction Financing Costs										
Construction Loan Origination Fee	315,629							315,629	Total 5% UWIFees	
Construction Loan Interest	3,471,923							3,471,923	Assume: 5.5%; inflation and Overnight rate increasing in net two years	
Title & Recording	100,000							100,000		
CDLAC & CDIAC fees	35,000							35,000	01'estim LIHTC	
Bond Issuer Fees	25,000							25,000	Estim variable to Bond Amount approx. .005% Loan \$50mil	
Other Bond Cost of Issuance	150,000							150,000	Assumes MOHCD will pay Performance Dep	
Lender Expenses	35,000							35,000	Per 681F	
Sub-total Const. Financing Costs	4,132,552	0	0	0	0	0	0	4,132,552		
Permanent Financing Costs										
Permanent Loan Origination Fee	30,000							30,000	Will be approx. 1% of perm. once known	
Credit Enhance. & Appl. Fee	25,000							25,000		
Title & Recording	25,000							25,000	Average 681 Florida & 2090 Folsom	
Sub-total Perm. Financing Costs	80,000	0	0	0	0	0	0	80,000		
Total Financing Costs	4,187,552	0	0	0	0	0	0	4,187,552		

Legal Costs

Borrower Legal fees	65,000							65,000	Average 681 Florida & 2090 Folsom	
Land Use / CEQA Attorney fees								0		
Tax Credit Counsel	50,000							50,000	Average 681 Florida & 2090 Folsom	
Bond Counsel	90,000							90,000		
Construction Lender Counsel	65,000							65,000	Average 681 Florida & 2090 Folsom	
Permanent Lender Counsel	45,000							45,000		
								0		
Total Legal Costs	315,000	0	0	0	0	0	0	315,000		

Other Development Costs

Appraisal	30,000							30,000		
Market Study	15,000							15,000		
Insurance	1,020,000							1,020,000	Typical Gallagher Ins 1.5%	
Property Taxes								0		
Accounting / Audit	50,000							50,000	Average 681 Florida & 2090 Folsom	
Organizational Costs	25,000							25,000	Organization of Partnership	
Entitlement / Permit Fees	760,000							760,000	Per Gonzalo Estimates per CCDC Doc	
Marketing / Rent-up	30,000							30,000	Marketing and lease-up	
Furnishings	452,000							452,000	\$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohod.org/documents-reports-and-forms	
PGE / Utility Fees	800,000							800,000	Average 681 Florida & 2090 Folsom. Includes meters; wastewater estim,PGE;	
TCAC App / Alloc / Monitor Fees	85,000							85,000	Adj 681F	
Financial Consultant fees	85,000							85,000		
Construction Management fees / Owner's Rep	240,000							240,000	Per MOHCD: \$60K/yr max during construction. \$40K pre-con; this project will be 3 year pre-con and 2 year const.	
Security during Construction	15,000							15,000	per 681F	
Insulation								0	Unknown but control reloc is not supported ?	
Special Inspections	310,000							310,000	Average 681 Florida & 2090 Folsom	
SFAC Fee Regd	250,000							250,000	1% per 681F Closing approx amount	
Community Outreach	40,000							40,000	Community Outreach/Organizing	
Sub-total Other Development Costs	4,207,000	0	0	0	0	0	0	4,207,000		

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	1,236,971	0	0	0	0	0	0	1,236,971	Should be either 10% or 5% of total soft costs.	
TOTAL SOFT COSTS	13,606,677	0	0	0	0	0	0	13,606,677		10.0%

RESERVES

Operating Reserves	450,000							450,000	Was \$650k for 681F during Pandemic 6months reserves but scaled back to 4 months here.	
Replacement Reserves								0		
Tenant Improvements Reserves								0		
Other (specify)								0		
Other (specify)								0		
Other (specify)								0		
TOTAL RESERVES	450,000	0	0	0	0	0	0	450,000		

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones	1,100,000							1,100,000	\$2.2mil max +10K/unit above 100 units = \$200K. Does not include Commercial	
Developer Fee - Cash-out At Risk	1,320,000							1,320,000	Does not include Commercial fees to be paid	
Commercial Developer Fee	300,000							300,000	Per 681F: 10,000sqft buildout we were paid \$300K	
Developer Fee - GP Equity (also show as source)	500,000							500,000	GP Equity	
Developer Fee - Deferred (also show as source)								0		
Development Consultant Fees								0	Need MOHCD approval for this cost, N/A for most projects	
Other (specify)								0		
TOTAL DEVELOPER COSTS	3,220,000	0	0	0	0	0	0	3,220,000		

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	268,884	363,188	163,934	34,836	4,098	1	5,630	840,672		
Development Cost/Unit as % of TDC by Source	32.0%	43.2%	19.5%	4.1%	0.5%	0.0%	0.7%	100.0%		

Acquisition Cost/Unit by Source

	0	0	0	0	0	0	0	0		
--	---	---	---	---	---	---	---	---	--	--

Construction Cost (inc Const Contingency)/Unit By Source

Construction Cost (inc Const Contingency)/SF	127,003	363,188	163,934	34,836	4,098	1	5,630	698,691		
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*Possible non-eligible GO Bond/COP Amount:

66,434,231

City Subsidy/Unit

268,984

Tax Credit Equity Pricing:

1,900

Construction Bond Amount:

66,434,231

Construction Loan Term (in months):

30 months

Construction Loan Interest Rate (as %):

5.50%

Attachment K: 1st Year Operating Budget

Application Date:11/29/2021

Total # Units:122

First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):2026

LOSP Units31

Non-LOSP Units91

LOSP/non-LOSP Allocation25%75%

Project Name:1515 South Van Ness

Project Address:1515 South Van Ness Avenue

Project Sponsor:Chinatown CDC & MEDA

Correct errors noted in Col N!

OPERATING EXPENSES

Management

Management Fee

Asset Management Fee

Sub-total Management Expenses

Salaries/Benefits

Office Salaries

Manager's Salary

Health Insurance and Other Benefits

Other Salaries/Benefits

Administrative Rent-Free Unit

Sub-total Salaries/Benefits

Administration

Advertising and Marketing

Office Expenses

Office Rent

Legal Expense - Property

Audit Expense

Bookkeeping/Accounting Services

Bad Debts

Miscellaneous

Sub-total Administration Expenses

Utilities

Electricity

Water

Gas

Sewer

Sub-total Utilities

Taxes and Licenses

Real Estate Taxes

Payroll Taxes

Miscellaneous Taxes, Licenses and Permits

Sub-total Taxes and Licenses

Insurance

Property and Liability Insurance

Fidelity Bond Insurance

Worker's Compensation

Director's & Officers' Liability Insurance

Sub-total Insurance

Maintenance & Repair

Payroll

Supplies

Contracts

Garbage and Trash Removal

Security Payroll/Contract

HVAC Repairs and Maintenance

Vehicle and Maintenance Equipment Operation and Repairs

Miscellaneous Operating and Maintenance Expenses

Sub-total Maintenance & Repair Expenses

Supportive Services

Commercial Expenses

TOTAL OPERATING EXPENSES

Reserves/Ground Lease Base Rent/Bond Fees

Ground Lease Base Rent

Bond Monitoring Fee

Replacement Reserve Deposit

Operating Reserve Deposit

Other Required Reserve 1 Deposit

Other Required Reserve 2 Deposit

Required Reserve Deposits, Commercial

Sub-total Reserves/Ground Lease Base Rent/Bond Fees

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)

NET OPERATING INCOME (INCOME minus OP EXPENSES)

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 Len

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)

Commercial Only Cash Flow

Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)

AVAILABLE CASH FLOW

USES OF CASH FLOW BELOW (This row also shows DSCR.)

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)

Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)

Other Payments

Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)

Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)

Deferred Developer Fee (Enter amt => Max Fee from call 1130)

TOTAL PAYMENTS PRECEDING MOHCD

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?

Will Project Deferr Developer Fee?

Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:

% of Residual Receipts available for distribution to soft debt lenders in

Yes

No

33%

67%

Project has MOHCD ground lease?

Yes

Sum of DD F from LOSP and non-LOSP:

Ratio of Sum of DDF and calculated 50%:

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due

Proposed MOHCD Residual Receipts Amount to Loan Repayment

Proposed MOHCD Residual Receipts Amount to Residual Ground Lease

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due

Lender 4 Residual Receipts Due

Lender 5 Residual Receipts Due

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)

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

100,984

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due

Lender 4 Residual Receipts Due

Lender 5 Residual Receipts Due

Total Non-MOHCD Residual Receipts Debt Service

REMAINDER (Should be zero unless there are distributions below)

57,534

Owner Distributions/Incentive Management Fee

Other Distributions/Uses

Final Balance (should be zero)

REMAINDER (Should be zero unless there are distributions below)

57,534

Owner Distributions/Incentive Management Fee

Other Distributions/Uses

Final Balance (should be zero)

Application Date:	11/29/2021
Total # Units:	122
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	2026

INCOME			
Residential - Tenant Rents		non-LOSP	Approved By (reqd)
Residential - Tenant Assistance Payments (Non-LOSP)	non-LOSP		
Residential - LOSP Tenant Assistance Payments			
Commercial Space			
Residential Parking			
Miscellaneous Rent Income	LOSP	non-LOSP	Approved By (reqd)
Supportive Services Income			
Interest Income - Project Operations			
Laundry and Vending	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Tenant Charges			
Miscellaneous Residential Income			
Other Commercial Income	LOSP	non-LOSP	Approved By (reqd)
Withdrawal from Capitalized Reserve (deposit to operating account)	to operating account		
Gross Potential Income			
Vacancy Loss - Residential - Tenant Rents			
Vacancy Loss - Residential - Tenant Assistance Payments			
Vacancy Loss - Commercial			
NET OPERATING INCOME			

OPERATING EXPENSES				
Management	LOSP		non-LOSP	Approved By (reqd)
Management Fee				
Asset Management Fee				
Sub-total Management Expenses				
Salaries/Benefits	LOSP		non-LOSP	Approved By (reqd)
Office Salaries		80.00%		20.00%
Manager's Salary				
Health Insurance and Other Benefits				
Other Salaries/Benefits				
Administrative Rent-Free Unit				

Administration			
Advertising and Marketing			
Office Expenses			
Office Rent	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Legal Expense - Property	25.00%	75.00%	
Audit Expense			
Bookkeeping/Accounting Services	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Bad Debts	25.00%	75.00%	
Miscellaneous			

Utilities	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Electricity	25.00%	75.00%	
Water			
Gas			
Sewer			

Taxes and Licenses	LOSP	non-LOSP	Approved By (reqd)
Real Estate Taxes			
Payroll Taxes			
Miscellaneous Taxes, Licenses and Permits			
Sub-total Taxes and Licenses			

Insurance			
Property and Liability Insurance			
Fidelity Bond Insurance	LOSP	non-LOSP	Approved By (reqd)
Worker's Compensation			
Director's & Officers' Liability Insurance			

Maintenance & Repair		LOSP	non-LOSP	Approved By (reqd)
Payroll				
Supplies	25.00%		75.00%	(LOSP-specific expenses must be tracked at entry level in projects)
Contracts				
Garbage and Trash Removal	LOSP		non-LOSP	Approved By (reqd)
Security Payroll/Contract				
HVAC Repairs and Maintenance				
Vehicle and Maintenance Equipment Operation and Repairs				
Miscellaneous Operating and Maintenance Expenses				
Sub-total Maintenance & Repair Expenses				
		LOSP	non-LOSP	Approved By (reqd)
Supportive Services		0.00%	100.00%	
Commercial Expenses				

TOTAL OPERATING EXPENSES			
Reserves/Ground Lease Base Rent/Bond Fees			
Ground Lease Base Rent			
Bond Monitoring Fee	LOSP	non-LOSP	Approved By (reqd)
Replacement Reserve Deposit			
Operating Reserve Deposit			
Other Required Reserve 1 Deposit			
Other Required Reserve 2 Deposit			
Required Reserve Deposits, Commercial			

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)

NET OPERATING INCOME (INCOME minus OP EXPENSES)

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)		LOSP	non-LOSP	Approved By (reqd)
Hard Debt - First Lender		0.00%		100.00%
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender 0.42% pymt, or other 2nd Lender 0.42% pymt, or other 2nd Lender 0.42% pymt)				
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender 0.42% pymt, or other 3rd Lender 0.42% pymt, or other 3rd Lender 0.42% pymt)				
Hard Debt - Fourth Lender				
Commercial Hard Debt Service				
TOTAL HARD DEBT SERVICE				

CASH FLOW (NOI minus DEBT SERVICE)

Commercial Only Cash Flow			
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	n-LOSP (residual income)		

AVAILABLE CASH FLOW

USES OF CASH FLOW BELOW (This row also shows DSCR.)

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL

"Below-the-line" Asset Mgt fee (uncommon in new

Partnership Management Fee (see policy for limits)			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	LOSP	non-LOSP	Approved By (reqd)
Other Payments			
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	Lender in comments field		
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)			
Deferred Developer Fee (Enter amt <= Max Fee from cell H130)	0.00%	100.00%	

TOTAL PAYMENTS PRECEDING MOHCD

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS)

RESIDUAL RECEIPTS
PRECEDING MONTH)

Residual Receipts Calculation

Residual Receipts Calculation
Does Project have a MOHCD Residual Receipt Obligation?

Will Project Defer Developer Fee?

Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:
% of Residual Receipts available for distribution to soft debt lenders in

Soft Debt Lenders with Residual Receipts Obligations

Soft Debt Lenders with Residual Receipts Obligations
MOHCD/OCII - Soft Debt Loans
MOHCD/OCII - Ground Lease Value or Land Acq Cost
HCD (soft debt loan) - Lender 3
Other Soft Debt Lender - Lender 4
Other Soft Debt Lender - Lender 5

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due
Proposed MOHCD Residual Receipts Amount to Loan Repayment
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS

DEBT SERVICE

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due
Lender 4 Residual Receipts Due
Lender 5 Residual Receipts Due

REMAINDER (Should be zero unless there are distributions below)

Owner Distributions/Incentive Management Fee
Other Distributions/Uses

Attachment L: 20-year Operating Proforma

1515 South Van Ness

Total # Units:				LOSP Units	Non-LOSP Units	Year 1 2026			Year 2 2027			Year 3 2028					
122				31	91												
				25.00%	75.00%												
				inc	% annual	Comments (related to annual inc assumptions)											
				LOSP	increase		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total		
INCOME						1.0%	2.5%		93,000	1,550,196	1,643,196	93,930	1,588,951	1,682,881	94,869	1,628,675	1,723,544
Residential - Tenant Rents						n/a	n/a		-	-	-	-	-	-	-	-	-
Residential - Tenant Assistance Payments (Non-LOSP)						n/a	n/a		-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments						n/a	n/a		484,731	-	484,731	495,569	-	495,569	513,969	-	513,969
Commercial Space						n/a	2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	-	-	120,000	-	-	123,000	-	-	126,075
Residential Parking						2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income						2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income						2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations						2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending						2.5%	2.5%		-	-	-	-	-	-	-	-	-
Tenant Charges						2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income						2.5%	2.5%		-	-	-	-	-	-	-	-	-
Other Commercial Income						n/a	2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)						n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-	-	-	-	-
Gross Potential Income									577,731	1,550,196	2,247,927	589,499	1,588,951	2,301,450	608,838	1,628,675	2,363,588
Vacancy Loss - Residential - Tenant Rents						n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(4,650)	(77,510)	(82,160)	(4,697)	(79,448)	(84,144)	(4,743)	(81,434)	(86,177)
Vacancy Loss - Residential - Tenant Assistance Payments						n/a	n/a		-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial						n/a	n/a		-	-	(24,000)	-	-	(24,800)	-	-	(25,215)
EFFECTIVE GROSS INCOME									573,081	1,472,686	2,141,767	584,802	1,509,503	2,192,706	604,095	1,547,241	2,252,196
OPERATING EXPENSES																	
Management																	
Management Fee						3.5%	3.5%	1st Year to be set according to HUD schedule.	24,888	74,664	99,552	25,759	77,277	103,036	26,661	79,982	106,643
Asset Management Fee						3.5%	3.5%	per MOHCD policy	5,668	17,003	22,670	5,866	17,598	23,463	6,071	18,214	24,285
Sub-total Management Expenses									30,556	91,667	122,222	31,625	94,875	126,500	32,732	98,195	130,927
Salaries/Benefits																	
Office Salaries						3.5%	3.5%		204,095	51,024	255,119	211,238	52,810	264,048	218,632	54,658	273,290
Manager's Salary						3.5%	3.5%		18,143	54,430	72,573	18,778	56,335	75,113	19,436	58,307	77,742
Health Insurance and Other Benefits						3.5%	3.5%		39,680	119,040	158,720	41,069	123,206	164,275	42,506	127,519	170,025
Other Salaries/Benefits						3.5%	3.5%		2,785	8,354	11,138	2,882	8,646	11,528	2,983	8,948	11,931
Administrative Rent-Free Unit						3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits									264,703	232,847	497,550	273,968	240,997	514,964	283,556	249,432	532,988
Administration																	
Advertising and Marketing						3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses						3.5%	3.5%		9,853	29,558	39,410	10,197	30,592	40,789	10,554	31,663	42,217
Office Rent						3.5%	3.5%		925	2,775	3,700	957	2,872	3,830	991	2,973	3,964
Legal Expense - Property						3.5%	3.5%		1,355	4,064	5,418	1,402	4,206	5,608	1,451	4,353	5,804
Audit Expense						3.5%	3.5%		3,343	10,028	13,370	3,459	10,378	13,838	3,581	10,742	14,322
Bookkeeping/Accounting Services						3.5%	3.5%		3,420	10,260	13,680	3,540	10,619	14,159	3,664	10,991	14,654
Bad Debts						3.5%	3.5%		3,296	9,887	13,183	3,411	10,233	13,644	3,530	10,591	14,122
Miscellaneous						3.5%	3.5%		3,007	9,022	12,029	3,113	9,338	12,450	3,221	9,664	12,886
Sub-total Administration Expenses									25,198	75,593	100,790	26,079	78,238	104,318	26,992	80,977	107,969
Utilities																	
Electricity						3.5%	3.5%		16,997	50,992	67,989	17,592	52,776	70,369	18,208	54,624	72,832
Water						3.5%	3.5%		17,211	51,632	68,843	17,813	53,439	71,253	18,437	55,310	73,746
Gas						3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sewer						3.5%	3.5%		23,105	69,316	92,421	23,914	71,742	95,656	24,751	74,253	99,004
Sub-total Utilities									57,313	171,940	229,253	59,319	177,958	237,277	61,395	184,186	245,582
Taxes and Licenses																	
Real Estate Taxes						3.5%	3.5%		2,158	6,474	8,632	2,234	6,701	8,934	2,312	6,935	9,247
Payroll Taxes						3.5%	3.5%		10,651	31,953	42,604	11,024	33,071	44,095	11,410	34,229	45,638
Miscellaneous Taxes, Licenses and Permits						3.5%	3.5%		3,729	11,186	14,914	3,859	11,577	15,436	3,994	11,982	15,976
Sub-total Taxes and Licenses									16,538	49,613	66,150	17,116	51,349	68,465	17,715	53,146	70,862
Insurance																	
Property and Liability Insurance						3.5%	3.5%		25,953	77,860	103,813	26,862	80,585	107,446	27,802	83,405	111,207
Fidelity Bond Insurance						3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation						3.5%	3.5%		5,472	16,415	21,887	5,663	16,990	22,653	5,861	17,584	23,446
Director's & Officers' Liability Insurance						3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance									31,425	94,275	125,700	32,525	97,575	130,100	33,663	100,990	134,653
Maintenance & Repair																	
Payroll						3.5%	3.5%		29,752	89,256	119,008	30,793	92,380	123,173	31,871	95,613	127,484
Supplies						3.5%	3.5%		6,641	19,922	26,562	6,873	20,619	27,492	7,113	21,340	28,454
Contracts						3.5%	3.5%		56,572	169,715	228,286	58,552	175,655	234,206	60,601	181,802	242,403
Garbage and Trash Removal						3.5%	3.5%		10,540	31,620	42,160	10,909	32,727	43,636	11,291	33,872	45,163
Security Payroll/Contract						3.5%	3.5%		3,368	10,104	13,472	3,486	10,458	13,944	3,608	10,824	14,432
HVAC Repairs and Maintenance						3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs						3.5%	3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses						3.5%	3.5%		140	419	559	145	434	579	150	449	599
Sub-total Maintenance & Repair Expenses									107,012	321,035	428,047	110,757	332,271	443,029	114,634	343,901	458,535
Supportive Services						3.5%	3.5%		-	105,300	105,300	-	108,986	108,986	-	112,800	112,800
Commercial Expenses								from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%			63,000			69,552			71,986
TOTAL OPERATING EXPENSES									532,743	1,142,269	1,742,212	551,389	1,182,248	1,803,189	570,688	1,223,627	1,866,301
PUPA (w/o Reserves/GL Base Rent/Bond Fees)											14,280						
Reserves/Ground Lease Base Rent/Bond Fees																	
Ground Lease Base Rent									3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000
Bond Monitoring Fee									625	1,875	2,500	625	1,875	2,500	625	1,875	2,500
Replacement Reserve Deposit									15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000
Operating Reserve Deposit									-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit									-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit									-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial								from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees									19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)									552,368	1,201,144	1,820,712	571,014	1,241,123	1,881,689	590,313	1,282,502	1,944,801
PUPA (w/ Reserves/GL Base Rent/Bond Fees)											14,924						
NET OPERATING INCOME (INCOME minus OP EXPENSES)									20,713	271,543	321,055	13,788	268,380	311,016	13,782	264,739	307,395
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																	
Hard Debt - First Lender								Enter comments re: annual increase, etc.	-	36,803	36,803	-	36,803	36,803	-	36,803	36,803
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)								Enter comments re: annual increase, etc.	21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)								Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender								Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service								from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%									
TOTAL HARD DEBT SERVICE									21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803
CASH FLOW (NOI minus DEBT SERVICE)									(288)	171,740	200,252	(7,212)	168,577	190,213	(7,218)	164,936	186,592
Commercial Only Cash Flow											28,800			28,848			28,874
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)									7,200	21,600		7,212	21,636		7,218	21,655	
AVAILABLE CASH FLOW																	

INCOME	Total # Units:		LOSP Units		Non-LOSP Units		Year 1 2026			Year 2 2027			Year 3 2028		
	122		31		91										
	25.00%		75.00%												
	inc	% annual	Comments		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total		
	LOSP	increase	(related to annual inc assumptions)												
OTHER RESERVE 2 - RUNNING BALANCE															
Other Reserve 2 Starting Balance															
Other Reserve 2 Deposits															
Other Reserve 2 Withdrawals															
Other Reserve 2 Interest															
Other Required Reserve 2 Running Balance															

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Total # Units:		LOSP		Non-LOSP		Year 4			Year 5			Year 6		
		Units	25.00%	Units	75.00%	2029			2030			2031		
		inc	% annual			Comments								
		LOSP	increase			(related to annual inc assumptions)			LOSP			non-LOSP		
						LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME														
Residential - Tenant Rents		1.0%	2.5%			95,818	1,669,392	1,765,210	96,776	1,711,126	1,807,903	97,744	1,753,904	1,851,648
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a			-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments		n/a	n/a			533,041	-	533,041	552,810	-	552,810	573,300	-	573,300
Commercial Space		n/a	2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%		-	-	129,227	-	-	132,458	-	-	135,769
Residential Parking		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Supportive Services Income		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Laundry and Vending		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Tenant Charges		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Other Commercial Income		n/a	2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%		-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)		n/a	n/a	Link from Reserve Section below, as applicable		-	-	-	-	-	-	-	-	-
Gross Potential Income						628,859	1,669,392	2,427,478	649,586	1,711,126	2,493,170	671,044	1,753,904	2,560,717
Vacancy Loss - Residential - Tenant Rents		n/a	n/a	Enter formulas manually per relevant MOH schedule		(4,791)	(83,470)	(88,260)	(4,839)	(85,556)	(90,395)	(4,887)	(87,695)	(92,582)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a	policy; annual incrementing usually not appropriate		-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial		n/a	n/a			-	-	(25,845)	-	-	(26,492)	-	-	(27,154)
EFFECTIVE GROSS INCOME						624,068	1,585,922	2,313,372	644,747	1,625,570	2,376,283	666,156	1,666,209	2,440,981
OPERATING EXPENSES														
Management														
Management Fee		3.5%	3.5%	1st Year to be set according to HUD		27,594	82,781	110,375	28,560	85,679	114,238	29,559	88,677	118,237
Asset Management Fee		3.5%	3.5%	per MOHCD policy		6,284	18,851	25,135	6,504	19,511	26,014	6,731	20,194	26,925
Sub-total Management Expenses						33,877	101,632	135,510	35,063	105,189	140,253	36,290	108,871	145,161
Salaries/Benefits														
Office Salaries		3.5%	3.5%			226,284	56,571	282,855	234,204	58,551	292,755	242,401	60,600	303,001
Manager's Salary		3.5%	3.5%			20,116	60,347	80,463	20,820	62,459	83,279	21,548	64,645	86,194
Health Insurance and Other Benefits		3.5%	3.5%			43,994	131,962	175,976	45,534	136,601	182,135	47,127	141,382	188,510
Other Salaries/Benefits		3.5%	3.5%			3,087	9,262	12,349	3,195	9,586	12,781	3,307	9,921	13,228
Administrative Rent-Free Unit		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits						293,481	258,162	551,643	303,753	267,197	570,950	314,384	276,549	590,933
Administration														
Advertising and Marketing		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Office Expenses		3.5%	3.5%			10,924	32,771	43,695	11,306	33,918	45,224	11,702	35,105	46,807
Office Rent		3.5%	3.5%			1,026	3,077	4,102	1,061	3,184	4,246	1,099	3,296	4,394
Legal Expense - Property		3.5%	3.5%			1,502	4,505	6,007	1,554	4,663	6,217	1,609	4,826	6,435
Audit Expense		3.5%	3.5%			3,706	11,118	14,824	3,836	11,507	15,342	3,970	11,910	15,879
Bookkeeping/Accounting Services		3.5%	3.5%			3,792	11,375	15,167	3,925	11,774	15,698	4,062	12,198	16,248
Bad Debts		3.5%	3.5%			3,654	10,962	14,616	3,782	11,346	15,128	3,914	11,743	15,657
Miscellaneous		3.5%	3.5%			3,334	10,003	13,337	3,451	10,353	13,804	3,572	10,715	14,287
Sub-total Administration Expenses						27,937	83,811	111,748	28,915	86,744	115,659	29,927	89,780	119,707
Utilities														
Electricity		3.5%	3.5%			18,845	56,535	75,381	19,505	58,514	78,019	20,187	60,562	80,750
Water		3.5%	3.5%			19,082	57,246	76,327	19,750	59,249	78,999	20,441	61,323	81,764
Gas		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sewer		3.5%	3.5%			25,617	76,852	102,469	26,514	79,541	106,055	27,442	82,325	109,767
Sub-total Utilities						63,544	190,633	254,177	65,768	197,305	263,073	68,070	204,210	272,281
Taxes and Licenses														
Real Estate Taxes		3.5%	3.5%			2,393	7,178	9,570	2,476	7,429	9,905	2,563	7,689	10,252
Payroll Taxes		3.5%	3.5%			11,809	35,427	47,236	12,222	36,667	48,889	12,650	37,950	50,600
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%			4,134	12,402	16,535	4,279	12,836	17,114	4,428	13,285	17,713
Sub-total Taxes and Licenses						18,335	55,006	73,342	18,977	56,931	75,909	19,641	58,924	78,565
Insurance														
Property and Liability Insurance		3.5%	3.5%			28,775	86,324	115,099	29,782	89,346	119,128	30,824	92,473	123,297
Fidelity Bond Insurance		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Worker's Compensation		3.5%	3.5%			6,067	18,200	24,267	6,279	18,837	25,116	6,499	19,496	25,995
Director's & Officers' Liability Insurance		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Insurance						34,841	104,524	139,366	36,061	108,183	144,244	37,323	111,969	149,292
Maintenance & Repair														
Payroll		3.5%	3.5%			32,987	98,960	131,946	34,141	102,423	136,564	35,336	106,008	141,344
Supplies		3.5%	3.5%			7,362	22,087	29,450	7,620	22,860	30,481	7,887	23,660	31,547
Contracts		3.5%	3.5%			62,722	188,165	250,887	64,917	194,751	259,668	67,189	201,569	268,757
Garbage and Trash Removal		3.5%	3.5%			11,686	35,058	46,744	12,095	36,285	48,380	12,518	37,555	50,073
Security Payroll/Contract		3.5%	3.5%			3,734	11,202	14,937	3,865	11,595	15,459	4,000	12,000	16,001
HVAC Repairs and Maintenance		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses		3.5%	3.5%			155	465	620	160	481	641	166	498	664
Sub-total Maintenance & Repair Expenses						118,646	355,938	474,583	122,798	368,395	491,194	127,096	381,289	508,386
Supportive Services		3.5%	3.5%			-	116,748	116,748	-	120,834	120,834	-	125,063	125,063
Commercial Expenses						-	-	74,506	-	-	77,114	-	-	79,813
TOTAL OPERATING EXPENSES						590,662	1,266,454	1,931,622	611,335	1,310,779	1,999,228	632,732	1,356,657	2,069,201
PUPA (w/o Reserves/GL Base Rent/Bond Fees)														
Reserves/Ground Lease Base Rent/Bond Fees														
Ground Lease Base Rent						3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000
Bond Monitoring Fee						625	1,875	2,500	625	1,875	2,500	625	1,875	2,500
Replacement Reserve Deposit						15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000
Operating Reserve Deposit						-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit						-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit						-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial						-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees						19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)						610,287	1,325,329	2,010,122	630,960	1,369,654	2,077,728	652,357	1,415,532	2,147,701
PUPA (w/ Reserves/GL Base Rent/Bond Fees)														
NET OPERATING INCOME (INCOME minus OP EXPENSES)						13,781	260,593	303,250	13,787	255,916	298,555	13,799	250,678	293,280
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)														
Hard Debt - First Lender		Enter comments re: annual increase, etc.				-	36,803	36,803	-	36,803	36,803	-	36,803	36,803
Hard Debt - Second Lender (HCD Program 0.42% pymt; or other 2nd Lender)		Enter comments re: annual increase, etc.				21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		Enter comments re: annual increase, etc.				-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender		Enter comments re: annual increase, etc.				-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service		from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%				-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE						21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803
CASH FLOW (NOI minus DEBT SERVICE)						(7,219)	160,790	182,447	(7,213)	156,113	177,752	(7,201)	150,875	172,477
Commercial Only Cash Flow								28,876			28,852			28,803
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)						7,219	21,657		7,213	21,639		7,201	21,602	
AVAILABLE CASH FLOW						0	182,447	182,447	0	177,752	177,752	0	172,477	172,477
USES OF CASH FLOW BELOW (This row also shows DSCR.)						DSCR:		2.51			2.471			2.428
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL														
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%	per MOHCD policy		-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)		3.5%	3.5%	per MOHCD policy		-	-	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase		-	-	-	-	-	-	-	-	-
Other Payments						-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1				Enter comments re: annual increase, etc.		-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2				Enter comments re: annual increase, etc.		-	-	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)						-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD						-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						0	182,447	182,447	0	177,752	177,752	0	172,477	172,477
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				62.24%				75,703			73,755			71,566
Proposed MOHCD Residual Receipts Amount to Loan Repayment								75,703			73,755			71,566
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease								-			-			-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
HCD Residual Receipts Amount Due				37.76%				45,928			44,746			

Total # Units: 122			LOSP Units	Non-LOSP Units										
			31	91	Year 4 2029			Year 5 2030			Year 6 2031			
			25.00%	75.00%										
INCOME			inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
OTHER RESERVE 2 - RUNNING BALANCE														
Other Reserve 2 Starting Balance								-			-			-
Other Reserve 2 Deposits								-			-			-
Other Reserve 2 Withdrawals														
Other Reserve 2 Interest														
Other Required Reserve 2 Running Balance								-			-			-

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Total # Units:		LOSP		Non-LOSP		Year 7 2032			Year 8 2033			Year 9 2034		
		Units	Units	25.00%	75.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
122		31	91											
INCOME		inc LOSP	% annual increase	Comments (related to annual inc assumptions)		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents		1.0%	2.5%			98,721	1,797,752	1,896,473	99,709	1,842,696	1,942,404	100,706	1,888,763	1,989,469
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a			-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments		n/a	n/a			594,536		594,536	616,546		616,546	639,357		639,357
Commercial Space		n/a	2.5%	from 'Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%				139,163			142,642			148,208
Residential Parking		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Supportive Services Income		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Laundry and Vending		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Tenant Charges		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income		2.5%	2.5%			-	-	-	-	-	-	-	-	-
Other Commercial Income		n/a	2.5%	from 'Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%				-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)		n/a	n/a	Link from Reserve Section below, as applicable		-	-	-	-	-	-	-	-	-
Gross Potential Income						693,258	1,797,752	2,630,173	716,255	1,842,696	2,701,593	740,062	1,888,763	2,775,034
Vacancy Loss - Residential - Tenant Rents		n/a	n/a	Enter formulas manually per relevant MOH policy, annual incrementing usually not appropriate		(4,936)	(89,888)	(94,824)	(4,985)	(92,135)	(97,120)	(5,035)	(94,438)	(99,473)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a			-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial		n/a	n/a			-	-	(27,833)	-	-	(28,528)	-	-	(29,242)
EFFECTIVE GROSS INCOME						688,322	1,707,864	2,507,517	711,269	1,750,561	2,575,944	735,027	1,794,325	2,646,319
OPERATING EXPENSES														
Management														
Management Fee		3.5%	3.5%	1st Year to be set according to HUD schedule.		30,594	91,781	122,375	31,664	94,993	126,658	32,773	98,318	131,016
Asset Management Fee		3.5%	3.5%	per MOHCD policy		6,967	20,900	27,867	7,211	21,632	28,843	7,463	22,389	29,852
Sub-total Management Expenses						37,561	112,682	150,242	38,875	116,625	155,501	40,236	120,707	160,943
Salaries/Benefits														
Office Salaries		3.5%	3.5%			250,885	62,721	313,606	259,666	64,917	324,583	268,754	67,189	335,943
Manager's Salary		3.5%	3.5%			22,303	66,908	89,211	23,083	69,250	92,333	23,891	71,674	95,565
Health Insurance and Other Benefits		3.5%	3.5%			48,777	146,331	195,107	50,484	151,452	201,936	52,251	156,753	209,004
Other Salaries/Benefits		3.5%	3.5%			3,423	10,269	13,691	3,543	10,628	14,171	3,667	11,000	14,667
Administrative Rent-Free Unit		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits						325,387	286,228	611,616	336,776	296,246	633,022	348,563	306,615	655,178
Administration														
Advertising and Marketing		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Office Expenses		3.5%	3.5%			12,111	36,334	48,445	12,535	37,605	50,141	12,974	38,922	51,895
Office Rent		3.5%	3.5%			1,137	3,411	4,548	1,177	3,531	4,707	1,218	3,654	4,872
Legal Expense - Property		3.5%	3.5%			1,665	4,995	6,660	1,723	5,170	6,893	1,784	5,351	7,134
Audit Expense		3.5%	3.5%			4,109	12,326	16,435	4,253	12,758	17,010	4,401	13,204	17,606
Bookkeeping/Accounting Services		3.5%	3.5%			4,204	12,612	16,816	4,351	13,054	17,405	4,503	13,510	18,014
Bad Debts		3.5%	3.5%			4,051	12,154	16,205	4,193	12,579	16,772	4,340	13,020	17,359
Miscellaneous		3.5%	3.5%			3,697	11,090	14,787	3,826	11,478	15,304	3,960	11,880	15,840
Sub-total Administration Expenses						30,974	92,922	123,897	32,058	96,175	128,233	33,180	99,541	132,721
Utilities														
Electricity		3.5%	3.5%			20,804	62,682	83,576	21,625	64,876	86,501	22,382	67,146	89,529
Water		3.5%	3.5%			21,156	63,469	84,626	21,897	65,691	87,588	22,663	67,990	90,653
Gas		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sewer		3.5%	3.5%			28,402	85,207	113,609	29,396	88,189	117,585	30,425	91,276	121,701
Sub-total Utilities						70,453	211,358	281,810	72,918	218,755	291,674	75,471	226,412	301,882
Taxes and Licenses														
Real Estate Taxes		3.5%	3.5%			2,653	7,958	10,611	2,746	8,237	10,982	2,842	8,525	11,367
Payroll Taxes		3.5%	3.5%			13,093	39,278	52,371	13,551	40,653	54,204	14,025	42,076	56,101
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%			4,583	13,750	18,333	4,744	14,231	18,975	4,910	14,729	19,639
Sub-total Taxes and Licenses						20,329	60,986	81,315	21,040	63,121	84,161	21,777	65,330	87,107
Insurance														
Property and Liability Insurance		3.5%	3.5%			31,903	95,710	127,613	33,020	99,059	132,079	34,175	102,526	136,702
Fidelity Bond Insurance		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Worker's Compensation		3.5%	3.5%			6,726	20,179	26,905	6,962	20,885	27,846	7,205	21,616	28,821
Director's & Officers' Liability Insurance		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Insurance						38,629	115,888	154,517	39,981	119,944	159,926	41,381	124,142	166,523
Maintenance & Repair														
Payroll		3.5%	3.5%			36,573	109,718	146,291	37,853	113,559	151,411	39,178	117,533	156,711
Supplies		3.5%	3.5%			8,163	24,489	32,651	8,449	25,346	33,794	8,744	26,233	34,977
Contracts		3.5%	3.5%			69,541	208,625	278,163	71,975	215,924	287,899	74,494	223,492	297,975
Garbage and Trash Removal		3.5%	3.5%			12,856	38,869	51,825	13,410	40,229	53,639	13,879	41,638	55,517
Security Payroll/Contract		3.5%	3.5%			4,140	12,420	16,561	4,285	12,855	17,140	4,435	13,305	17,740
HVAC Repairs and Maintenance		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs		3.5%	3.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses		3.5%	3.5%			172	515	687	178	533	711	184	552	736
Sub-total Maintenance & Repair Expenses						131,545	394,634	526,179	136,149	408,446	544,595	140,914	422,742	563,656
Supportive Services		3.5%	3.5%			-	129,441	129,441	-	133,971	133,971	-	138,660	138,660
Commercial Expenses								82,606			85,497			88,490
TOTAL OPERATING EXPENSES						654,878	1,404,140	2,141,623	677,798	1,453,285	2,216,580	701,521	1,504,150	2,294,160
PUPA (w/o Reserves/GL Base Rent/Bond Fees)														
Reserves/Ground Lease Base Rent/Bond Fees														
Ground Lease Base Rent						3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000
Bond Monitoring Fee						625	1,875	2,500	625	1,875	2,500	625	1,875	2,500
Replacement Reserve Deposit						15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000
Operating Reserve Deposit						-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit						-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit						-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial						-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees						19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)						674,503	1,463,015	2,220,123	697,423	1,512,160	2,295,080	721,146	1,563,025	2,372,660
PUPA (w/ Reserves/GL Base Rent/Bond Fees)														
NET OPERATING INCOME (INCOME minus OP EXPENSES)						13,819	244,850	287,393	13,846	238,402	280,864	13,881	231,301	273,658
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)														
Hard Debt - First Lender				Enter comments re: annual increase, etc.		-	36,803	36,803	-	36,803	36,803	-	36,803	36,803
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				Enter comments re: annual increase, etc.		21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				Enter comments re: annual increase, etc.		-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				Enter comments re: annual increase, etc.		-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service				from 'Commercial Op. Budget Worksheet, Commercial to Residential allocation: 100%		-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE						21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803
CASH FLOW (NOI minus DEBT SERVICE)						(7,181)	145,047	166,590	(7,154)	138,599	160,061	(7,119)	131,498	152,855
Commercial Only Cash Flow								28,725			28,617			28,477
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)						7,181	21,543		7,154	21,462		7,119	21,358	
AVAILABLE CASH FLOW						(0)	166,590	166,590	0	160,061	160,061	(0)	152,855	152,855
USES OF CASH FLOW BELOW (This row also shows DSCR.)														
DSCR:								2.379			2.325			2.265
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL														
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%	per MOHCD policy		-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)		3.5%	3.5%	per MOHCD policy		-	-	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase		-	-	-	-	-	-	-	-	-
Other Payments						-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1				Enter comments re: annual increase, etc.		-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2				Enter comments re: annual increase, etc.		-	-	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)						-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD						-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						(0)	166,590	166,590	0	160,061	160,061	(0)	152,855	152,855
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				62.24%				69,124			66,415			63,425
Proposed MOHCD Residual Receipts Amount to Loan Repayment								69,124			66,415			63,425
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease								-			-			-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
HCD Residual Receipts Amount Due				37.76%				41,936			40,293			38,479
Lender 4 Residual Receipts Due				0.00%				-			-			-
Lender 5 Residual Receipts Due				0.00%				-			-			-
Total Non-MOHCD Residual Receipts Debt Service								41,936			40,293			38,479
REMAINDER (Should be zero unless there are distributions below)								55,530			53,354			50,952
Owner Distributions/Incentive Management Fee								55,530			53,354			50,952
Other Distributions/Uses		</												

Total # Units: 122		LOSP Units		Non-LOSP Units										
		31		91		Year 7 2032			Year 8 2033			Year 9 2034		
		25.00%		75.00%										
		inc LOSP	% annual increase	Comments (related to annual inc assumptions)		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME														
OTHER RESERVE 2 - RUNNING BALANCE														
Other Reserve 2 Starting Balance						-			-			-		
Other Reserve 2 Deposits						-			-			-		
Other Reserve 2 Withdrawals														
Other Reserve 2 Interest														
Other Required Reserve 2 Running Balance						-			-			-		

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Total # Units:				LOSP	Non-LOSP										
122				31	91										
				25.00%	75.00%										
				inc	% annual	Comments			LOSP			LOSP			
				LOSP	increase	(related to annual inc assumptions)			non-LOSP			non-LOSP			
							Total			Total			Total		
INCOME				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total			
Residential - Tenant Rents				1.0%	2.5%		101,713	1,935,982	2,037,695	102,730	1,984,382	2,087,112	103,757	2,033,991	2,137,749
Residential - Tenant Assistance Payments (Non-LOSP)				n/a	n/a		-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments				n/a	n/a		662,996	-	662,996	687,495	-	687,495	712,882	-	712,882
Commercial Space				n/a	2.5%		-	-	149,864	-	-	153,610	-	-	157,450
Residential Parking				2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income				2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income				2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations				2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending				2.5%	2.5%		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Gross Potential Income							764,709	1,935,982	2,850,555	790,225	1,984,382	2,928,217	816,640	2,033,991	3,008,081
Vacancy Loss - Residential - Tenant Rents				n/a	n/a		(5,086)	(96,799)	(101,885)	(5,136)	(99,219)	(104,356)	(5,188)	(101,700)	(106,887)
Vacancy Loss - Residential - Tenant Assistance Payments				n/a	n/a		-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial				n/a	n/a		-	-	(29,973)	-	-	(30,722)	-	-	(31,490)
EFFECTIVE GROSS INCOME							759,624	1,839,183	2,718,698	785,088	1,885,163	2,793,139	811,452	1,932,292	2,869,704
OPERATING EXPENSES															
Management															
Management Fee				3.5%	3.5%		33,920	101,759	135,679	35,107	105,321	140,428	36,336	109,007	145,343
Asset Management Fee				3.5%	3.5%		7,724	23,173	30,897	7,995	23,984	31,978	8,274	24,823	33,098
Sub-total Management Expenses							41,644	124,932	166,576	43,102	129,305	172,406	44,610	133,830	178,440
Salaries/Benefits															
Office Salaries				3.5%	3.5%		278,161	69,540	347,701	287,896	71,974	359,870	297,973	74,493	372,466
Manager's Salary				3.5%	3.5%		24,727	74,182	98,910	25,593	76,779	102,371	26,489	79,466	105,954
Health Insurance and Other Benefits				3.5%	3.5%		54,080	162,239	216,319	55,973	167,918	223,890	57,932	173,795	231,726
Other Salaries/Benefits				3.5%	3.5%		3,795	11,385	15,180	3,928	11,783	15,711	4,065	12,196	16,261
Administrative Rent-Free Unit				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits							360,763	317,347	678,110	373,390	328,454	701,843	386,458	339,950	726,408
Administration															
Advertising and Marketing				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses				3.5%	3.5%		13,428	40,284	53,712	13,898	41,694	55,592	14,384	43,153	57,537
Office Rent				3.5%	3.5%		1,261	3,782	5,043	1,305	3,914	5,219	1,350	4,051	5,402
Legal Expense - Property				3.5%	3.5%		1,846	5,538	7,384	1,911	5,732	7,643	1,978	5,933	7,910
Audit Expense				3.5%	3.5%		4,555	13,666	18,222	4,715	14,145	18,860	4,880	14,640	19,520
Bookkeeping/Accounting Services				3.5%	3.5%		4,661	13,983	18,644	4,824	14,473	19,297	4,993	14,979	19,972
Bad Debts				3.5%	3.5%		4,492	13,475	17,967	4,649	13,947	18,596	4,812	14,435	19,247
Miscellaneous				3.5%	3.5%		4,099	12,296	16,394	4,242	12,726	16,968	4,390	13,171	17,562
Sub-total Administration Expenses							34,342	103,025	137,366	35,544	106,631	142,174	36,788	110,363	147,150
Utilities															
Electricity				3.5%	3.5%		23,166	69,497	92,662	23,976	71,929	95,905	24,815	74,446	99,262
Water				3.5%	3.5%		23,456	70,369	93,826	24,277	72,832	97,110	25,127	75,382	100,509
Gas				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sewer				3.5%	3.5%		31,490	94,470	125,960	32,592	97,777	130,369	33,733	101,199	134,932
Sub-total Utilities							78,112	234,336	312,448	80,846	242,538	323,384	83,676	251,027	334,702
Taxes and Licenses															
Real Estate Taxes				3.5%	3.5%		2,941	8,823	11,765	3,044	9,132	12,176	3,151	9,452	12,602
Payroll Taxes				3.5%	3.5%		14,516	43,549	58,065	15,024	45,073	60,097	15,550	46,650	62,201
Miscellaneous Taxes, Licenses and Permits				3.5%	3.5%		5,082	15,245	20,326	5,259	15,778	21,038	5,443	16,330	21,774
Sub-total Taxes and Licenses							22,539	67,617	90,156	23,328	69,983	93,311	24,144	72,433	96,577
Insurance															
Property and Liability Insurance				3.5%	3.5%		35,372	106,115	141,486	36,610	109,829	146,438	37,891	113,673	151,564
Fidelity Bond Insurance				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation				3.5%	3.5%		7,457	22,372	29,830	7,718	23,155	30,874	7,989	23,966	31,954
Director's & Officers' Liability Insurance				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance							42,829	128,487	171,316	44,328	132,984	177,312	45,880	137,639	183,518
Maintenance & Repair															
Payroll				3.5%	3.5%		40,549	121,647	162,196	41,968	125,904	167,873	43,437	130,311	173,748
Supplies				3.5%	3.5%		9,050	27,151	36,201	9,367	28,101	37,468	9,695	29,085	38,780
Contracts				3.5%	3.5%		77,101	231,303	308,405	79,800	239,399	319,199	82,593	247,778	330,371
Garbage and Trash Removal				3.5%	3.5%		14,365	43,095	57,460	14,868	44,603	59,471	15,388	46,164	61,552
Security Payroll/Contract				3.5%	3.5%		4,590	13,771	18,361	4,751	14,253	19,004	4,917	14,752	19,869
HVAC Repairs and Maintenance				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses				3.5%	3.5%		190	571	762	197	591	789	204	612	816
Sub-total Maintenance & Repair Expenses							145,846	437,538	583,384	150,951	452,852	603,803	156,234	468,702	624,936
Supportive Services				3.5%	3.5%		-	143,513	143,513	-	148,536	148,536	-	153,735	153,735
Commercial Expenses							-	-	91,587	-	-	94,792	-	-	98,110
TOTAL OPERATING EXPENSES															
PUPA (w/o Reserves/GL Base Rent/Bond Fees)							726,075	1,556,795	2,374,456	751,487	1,611,283	2,457,562	777,789	1,667,677	2,543,577
Reserves/Ground Lease Base Rent/Bond Fees															
Ground Lease Base Rent							3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000
Bond Monitoring Fee							625	1,875	2,500	625	1,875	2,500	625	1,875	2,500
Replacement Reserve Deposit							15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000
Operating Reserve Deposit							-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit							-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit							-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial							-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees							19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)							745,700	1,615,670	2,452,956	771,112	1,670,158	2,536,062	797,414	1,726,552	2,622,077
PUPA (w/ Reserves/GL Base Rent/Bond Fees)															
NET OPERATING INCOME (INCOME minus OP EXPENSES)							13,924	223,513	265,742	13,976	215,005	257,077	14,037	205,739	247,627
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)															
Hard Debt - First Lender							-	36,803	36,803	-	36,803	36,803	-	36,803	36,803
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)							21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)							-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender							-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service							-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE							21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803
CASH FLOW (NOI minus DEBT SERVICE)															
							(7,076)	123,710	144,939	(7,024)	115,202	136,274	(6,963)	105,936	126,824
Commercial Only Cash Flow							-	-	28,304	-	-	28,096	-	-	27,850
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)							7,076	21,228	-	7,024	21,072	-	6,963	20,888	-
AVAILABLE CASH FLOW							(0)	144,939	144,939	(0)	136,274	136,274	0	126,824	126,824
USES OF CASH FLOW BELOW (This row also shows DSCR.)									2.2			2.128			2.05
DSCR:															
"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%		-	-	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)							-	-	-	-	-	-	-	-	-
Other Payments							-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1							-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2							-	-	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)							-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD							-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)															
							(0)	144,939	144,939	(0)	136,274	136,274	0	126,824	126,824
Does Project have a MOHCD Residual Receipt Obligation?															
Will Project Defer Developer Fee?				Yes	No										
Residual Receipts split for all years - Lender/Owner				67% / 33%											
MOHCD RESIDUAL RECEIPTS DEBT SERVICE															
MOHCD Residual Receipts Amount Due				62.24%			-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Loan Repayment							-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease							-	-	-	-	-	-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE															
HCD Residual Receipts Amount Due				37.76%			-	-	-	-	-	-	-	-	-
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)							-	-	-	-	-	-	-	-	-
REPLACEMENT RESERVE - RUNNING BALANCE															
Replacement Reserve Starting Balance							-	-	-	-	-	-	-	-	-
Replacement Reserve Deposits							549,000	-	549,000						

Total # Units: 122		LOSP Units 31	Non-LOSP Units 91									
		25.00%	75.00%									
				Year 10 2035			Year 11 2036			Year 12 2037		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME				inc LOSP	% annual increase	Comments (related to annual inc assumptions)						
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance												
Other Reserve 2 Deposits												
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance												

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Total # Units:				LOSP	Non-LOSP												
122				31	91				Year 13			Year 14			Year 15		
				25.00%	75.00%				2038			2039			2040		
				inc	% annual	Comments	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total		
				LOSP	increase		(related to annual inc assumptions)										
INCOME						(related to annual inc assumptions)											
Residential - Tenant Rents				1.0%	2.5%		104,795	2,084,841	2,189,636	105,843	2,136,962	2,242,805	106,901	2,190,386	2,297,287		
Residential - Tenant Assistance Payments (Non-LOSP)				n/a	n/a		-	-	-	-	-	-	-	-	-		
Residential - LOSP Tenant Assistance Payments				n/a	n/a		739,191	-	739,191	766,452	-	766,452	794,701	-	794,701		
Commercial Space				n/a	2.5%	From 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	-	-	161,387	-	-	165,421	-	-	169,557		
Residential Parking				2.5%	2.5%		-	-	-	-	-	-	-	-	-		
Miscellaneous Rent Income				2.5%	2.5%		-	-	-	-	-	-	-	-	-		
Supportive Services Income				2.5%	2.5%		-	-	-	-	-	-	-	-	-		
Interest Income - Project Operations				2.5%	2.5%		-	-	-	-	-	-	-	-	-		
Laundry and Vending				2.5%	2.5%		-	-	-	-	-	-	-	-	-		
Tenant Charges				2.5%	2.5%		-	-	-	-	-	-	-	-	-		
Miscellaneous Residential Income				2.5%	2.5%		-	-	-	-	-	-	-	-	-		
Other Commercial Income				n/a	2.5%	From 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-		
Withdrawal from Capitalized Reserve (deposit to operating account)				n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-	-	-	-	-		
Gross Potential Income							843,985	2,084,841	3,090,213	872,295	2,136,962	3,174,678	901,602	2,190,386	3,261,545		
Vacancy Loss - Residential - Tenant Rents				n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(5,240)	(104,242)	(109,482)	(5,292)	(106,848)	(112,140)	(5,345)	(109,519)	(114,864)		
Vacancy Loss - Residential - Tenant Assistance Payments				n/a	n/a		-	-	-	-	-	-	-	-	-		
Vacancy Loss - Commercial				n/a	n/a		-	-	(32,277)	-	-	(33,084)	-	-	(33,911)		
EFFECTIVE GROSS INCOME							838,746	1,980,599	2,948,454	867,002	2,030,114	3,029,454	896,257	2,080,867	3,112,769		
OPERATING EXPENSES																	
Management																	
Management Fee				3.5%	3.5%	1st Year to be set according to HUD schedule.	37,607	112,822	150,430	38,924	116,771	155,695	40,286	120,858	161,144		
Asset Management Fee				3.5%	3.5%	per MOHCD policy	8,564	25,692	34,256	8,864	26,591	35,455	9,174	27,522	36,696		
Sub-total Management Expenses							46,171	138,514	184,686	47,787	143,362	191,150	49,460	148,380	197,840		
Salaries/Benefits																	
Office Salaries				3.5%	3.5%		308,402	77,100	385,502	319,196	79,799	398,995	330,368	82,592	412,960		
Manager's Salary				3.5%	3.5%		27,416	82,247	109,663	28,375	85,126	113,501	29,368	88,105	117,474		
Health Insurance and Other Benefits				3.5%	3.5%		59,959	179,878	239,837	62,058	186,173	248,231	64,230	192,689	256,919		
Other Salaries/Benefits				3.5%	3.5%		4,208	12,623	16,830	4,355	13,065	17,419	4,507	13,522	18,029		
Administrative Rent-Free Unit				3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Sub-total Salaries/Benefits							399,984	351,848	751,832	413,984	364,163	778,146	428,473	376,908	805,381		
Administration																	
Advertising and Marketing				3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Office Expenses				3.5%	3.5%		14,888	44,663	59,551	15,409	46,227	61,636	15,948	47,845	63,793		
Office Rent				3.5%	3.5%		1,398	4,193	5,591	1,447	4,340	5,787	1,497	4,492	5,989		
Legal Expense - Property				3.5%	3.5%		2,047	6,140	8,187	2,118	6,355	8,474	2,193	6,578	8,770		
Audit Expense				3.5%	3.5%		5,051	15,152	20,203	5,228	15,683	20,910	5,410	16,231	21,642		
Bookkeeping/Accounting Services				3.5%	3.5%		5,168	15,504	20,671	5,349	16,046	21,395	5,536	16,608	22,144		
Bad Debts				3.5%	3.5%		4,980	14,940	19,920	5,154	15,463	20,618	5,335	16,004	21,339		
Miscellaneous				3.5%	3.5%		4,544	13,632	18,177	4,703	14,110	18,813	4,868	14,603	19,471		
Sub-total Administration Expenses							38,075	114,225	152,301	39,408	118,223	157,631	40,787	122,361	163,148		
Utilities																	
Electricity				3.5%	3.5%		25,684	77,052	102,736	26,583	79,749	106,332	27,513	82,540	110,053		
Water				3.5%	3.5%		26,007	78,020	104,026	26,917	80,751	107,667	27,859	83,577	111,436		
Gas				3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Sewer				3.5%	3.5%		34,914	104,741	139,654	36,136	108,407	144,542	37,400	112,291	149,801		
Sub-total Utilities							86,604	259,813	346,417	89,635	268,906	358,542	92,773	278,318	371,091		
Taxes and Licenses																	
Real Estate Taxes				3.5%	3.5%		3,261	9,783	13,044	3,375	10,125	13,500	3,493	10,479	13,973		
Payroll Taxes				3.5%	3.5%		16,094	48,283	64,378	16,658	49,973	66,631	17,241	51,722	68,963		
Miscellaneous Taxes, Licenses and Permits				3.5%	3.5%		5,634	16,902	22,536	5,831	17,494	23,325	6,035	18,106	24,141		
Sub-total Taxes and Licenses							24,989	74,968	99,957	25,864	77,592	103,456	26,769	80,307	107,077		
Insurance																	
Property and Liability Insurance				3.5%	3.5%		39,217	117,651	156,869	40,590	121,769	162,359	42,010	126,031	168,042		
Fidelity Bond Insurance				3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Worker's Compensation				3.5%	3.5%		8,268	24,805	33,073	8,558	25,673	34,230	8,857	26,571	35,428		
Director's & Officers' Liability Insurance				3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Sub-total Insurance							47,485	142,456	189,941	49,147	147,442	196,589	50,867	152,602	203,470		
Maintenance & Repair																	
Payroll				3.5%	3.5%		44,957	134,872	179,829	46,531	139,592	186,123	48,159	144,478	192,638		
Supplies				3.5%	3.5%		10,034	30,103	40,137	10,385	31,156	41,542	10,749	32,247	42,996		
Contracts				3.5%	3.5%		85,483	256,450	341,934	88,475	265,426	353,901	91,572	274,716	366,288		
Garbage and Trash Removal				3.5%	3.5%		15,927	47,780	63,707	16,484	49,452	65,936	17,061	51,183	68,244		
Security Payroll/Contract				3.5%	3.5%		5,089	15,268	20,357	5,267	15,802	21,070	5,452	16,355	21,807		
HVAC Repairs and Maintenance				3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Vehicle and Maintenance Equipment Operation and Repairs				3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Miscellaneous Operating and Maintenance Expenses				3.5%	3.5%		211	634	845	219	656	874	226	679	905		
Sub-total Maintenance & Repair Expenses							161,702	485,106	646,808	167,362	502,085	669,447	173,219	519,658	692,877		
Supportive Services				3.5%	3.5%		-	159,116	159,116	-	164,685	164,685	-	170,449	170,449		
Commercial Expenses						Commercial to Residential allocation: 100%	-	-	101,544	-	-	105,098	-	-	108,776		
TOTAL OPERATING EXPENSES							805,012	1,726,046	2,632,602	833,187	1,786,458	2,724,743	862,349	1,848,984	2,820,109		
PUPA (w/o Reserves/GL Base Rent/Bond Fees)																	
Reserves/Ground Lease Base Rent/Bond Fees																	
Ground Lease Base Rent							3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000		
Bond Monitoring Fee							625	1,875	2,500	625	1,875	2,500	625	1,875	2,500		
Replacement Reserve Deposit							15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000		
Operating Reserve Deposit							-	-	-	-	-	-	-	-	-		
Other Required Reserve 1 Deposit							-	-	-	-	-	-	-	-	-		
Other Required Reserve 2 Deposit							-	-	-	-	-	-	-	-	-		
Required Reserve Deposit/s, Commercial							-	-	-	-	-	-	-	-	-		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees							19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500		
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)							824,637	1,784,921	2,711,102	852,812	1,845,333	2,803,243	881,974	1,907,859	2,898,609		
PUPA (w/ Reserves/GL Base Rent/Bond Fees)																	
NET OPERATING INCOME (INCOME minus OP EXPENSES)							14,109	195,678	237,352	14,190	184,781	226,211	14,283	173,008	214,160		
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																	
Hard Debt - First Lender							-	36,803	36,803	-	36,803	36,803	-	36,803	36,803		
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)							21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000		
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)							-	-	-	-	-	-	-	-	-		
Hard Debt - Fourth Lender							-	-	-	-	-	-	-	-	-		
Commercial Hard Debt Service							-	-	-	-	-	-	-	-	-		
TOTAL HARD DEBT SERVICE							21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803		
CASH FLOW (NOI minus DEBT SERVICE)							(6,891)	95,875	116,549	(6,810)	84,978	105,408	(6,717)	73,205	93,357		
Commercial Only Cash Flow							-	-	27,566	-	-	27,239	-	-	26,869		
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)							6,891	20,674	-	6,810	20,429	-	6,717	20,152	-		
AVAILABLE CASH FLOW							0	116,549	116,549	(0)	105,408	105,408	(0)	93,357	93,357		
USES OF CASH FLOW BELOW (This row also shows DSCR.)																	
DSCR:									1.965			1.873			1.773		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																	
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)							3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-		
Partnership Management Fee (see policy for limits)							3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-		
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)									per MOHCD policy no annual increase	-	-	-	-	-	-		
Other Payments										-	-	-	-	-	-		
Non-amortizing Loan Pmnt - Lender 1									Enter comments re: annual increase, etc.	-	-	-	-	-	-		
Non-amortizing Loan Pmnt - Lender 2									Enter comments re: annual increase, etc.	-	-	-	-	-	-		
Deferred Developer Fee (Enter amt <= Max Fee from row 131)										-	-	-	-	-	-		
TOTAL PAYMENTS PRECEDING MOHCD										-	-	-	-	-	-		
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)							0	116,549	116,549	(0)	105,408	105,408	(0)	93,357	93,357		
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							62.24%			48,360		43,737		38,737			
Proposed MOHCD Residual Receipts Amount to Loan Repayment										48,360		43,737		38,737			
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease										-		-		-			
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE																	
HCD Residual Receipts Amount Due							37.76%			29,339		26,535		23,501			
Lender 4 Residual Receipts Due							0.00%			-		-		-			
Lender 5 Residual Receipts Due							0.00%			-		-		-			
Total Non-MOHCD Residual Receipts Debt Service										29,339		26,535		23,501			
REMAINDER (Should be zero unless there are distributions below)										38,850		35,136		31,119			
Owner Distributions/Incentive Management Fee										38,850		35,136		31,119			
Other Distributions/Uses										-		-		-			
Final Balance (should be zero)										-		-		-			
REPLACEMENT RESERVE - RUNNING BALANCE																	
Replacement Reserve Starting Balance										732,000		793,000		854,000			
Replacement Reserve Deposits										61,000		61,000		61,000			
Replacement Reserve Withdrawals (ideally tied to CNA)										-		-		-			
Replacement Reserve Interest										-	</						

			LOSP			Non-LOSP					
			Units			Units					
Total # Units:			122			31			91		
			25.00%			75.00%					
						Year 13			Year 14		
						2038			2039		
									Year 15		
									2040		
INCOME			inc	% annual	Comments	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
OTHER RESERVE 2 - RUNNING BALANCE			LOSP	increase	(related to annual inc assumptions)						
Other Reserve 2 Starting Balance											
Other Reserve 2 Deposits											
Other Reserve 2 Withdrawals											
Other Reserve 2 Interest											
Other Required Reserve 2 Running Balance											

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Total # Units:				LOSP Units		Non-LOSP Units		Year 16 2041			Year 17 2042			Year 18 2043		
		122	31	25.00%	91	75.00%										
		inc	% annual													
		LOSP	increase													

Total # Units:			LOSP Units	Non-LOSP Units												
122			31	91				Year 16 2041			Year 17 2042			Year 18 2043		
			25.00%	75.00%												
			inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total		
INCOME																
OTHER RESERVE 2 - RUNNING BALANCE																
Other Reserve 2 Starting Balance								-			-			-		
Other Reserve 2 Deposits								-			-			-		
Other Reserve 2 Withdrawals																
Other Reserve 2 Interest																
Other Required Reserve 2 Running Balance								-			-			-		

1515 South Van Ness

Total # Units:				LOSP Units		Non-LOSP Units									
122				31		91									
25.00%				75.00%					Year 19 2044		Year 20 2045				
				inc		% annual		Comments		LOSP		non-LOSP		Total	
				LOSP		increase		(related to annual inc assumptions)		LOSP		non-LOSP		Total	
INCOME				1.0%		2.5%				111,242		2,417,777		2,529,018	
Residential - Tenant Rents				n/a		n/a				-		-		-	
Residential - Tenant Assistance Payments (Non-LOSP)				n/a		n/a				918,285		-		918,285	
Residential - LOSP Tenant Assistance Payments				n/a		n/a		from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%		-		952,019		-	
Commercial Space				n/a		2.5%				-		187,159		-	
Residential Parking				2.5%		2.5%				-		-		-	
Miscellaneous Rent Income				2.5%		2.5%				-		-		-	
Supportive Services Income				2.5%		2.5%				-		-		-	
Interest Income - Project Operations				2.5%		2.5%				-		-		-	
Laundry and Vending				2.5%		2.5%				-		-		-	
Tenant Charges				2.5%		2.5%				-		-		-	
Miscellaneous Residential Income				2.5%		2.5%				-		-		-	
Other Commercial Income				n/a		2.5%		from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%		-		-		-	
Withdrawal from Capitalized Reserve (deposit to operating account)				n/a		n/a		Link from Reserve Section below, as applicable		-		-		-	
Gross Potential Income										1,029,526		2,417,777		3,634,462	
Vacancy Loss - Residential - Tenant Rents				n/a		n/a		Enter formulas manually per relevant MOH schedule		(5,562)		(120,889)		(126,451)	
Vacancy Loss - Residential - Tenant Assistance Payments				n/a		n/a		policy; annual incrementing usually not appropriate		-		-		-	
Vacancy Loss - Commercial				n/a		n/a				-		-		(38,368)	
EFFECTIVE GROSS INCOME										1,023,964		2,296,888		3,470,579	
OPERATING EXPENSES															
Management															
Management Fee				3.5%		3.5%		1st Year to be set according to HUD schedule		46,229		138,688		184,917	
Asset Management Fee				3.5%		3.5%		per MOHCD policy		10,527		31,582		42,109	
Sub-total Management Expenses										56,757		170,270		227,026	
Salaries/Benefits				3.5%		3.5%				379,105		94,776		473,881	
Office Salaries				3.5%		3.5%				33,701		101,103		134,804	
Manager's Salary				3.5%		3.5%				73,705		221,116		294,821	
Health Insurance and Other Benefits				3.5%		3.5%				5,172		15,517		20,689	
Other Salaries/Benefits				3.5%		3.5%				-		-		-	
Administrative Rent-Free Unit				3.5%		3.5%				-		-		-	
Sub-total Salaries/Benefits										491,683		432,511		924,194	
Administration				3.5%		3.5%				-		-		-	
Advertising and Marketing				3.5%		3.5%				18,301		54,903		73,204	
Office Expenses				3.5%		3.5%				1,718		5,155		6,873	
Office Rent				3.5%		3.5%				2,516		7,548		10,064	
Legal Expense - Property				3.5%		3.5%				6,209		18,626		24,835	
Audit Expense				3.5%		3.5%				6,353		19,058		25,410	
Bookkeeping/Accounting Services				3.5%		3.5%				6,122		18,365		24,487	
Bad Debts				3.5%		3.5%				5,586		16,758		22,344	
Miscellaneous				3.5%		3.5%				46,804		140,412		187,216	
Sub-total Administration Expenses										46,804		140,412		187,216	
Utilities				3.5%		3.5%				31,572		94,717		126,289	
Electricity				3.5%		3.5%				31,969		95,906		127,875	
Water				3.5%		3.5%				-		-		-	
Gas				3.5%		3.5%				42,918		128,753		171,671	
Sewer				3.5%		3.5%				106,459		319,376		425,835	
Sub-total Utilities										106,459		319,376		425,835	
Taxes and Licenses				3.5%		3.5%				4,008		12,025		16,034	
Real Estate Taxes				3.5%		3.5%				19,784		59,352		79,136	
Payroll Taxes				3.5%		3.5%				6,926		20,777		27,703	
Miscellaneous Taxes, Licenses and Permits				3.5%		3.5%				30,718		92,155		122,873	
Sub-total Taxes and Licenses										30,718		92,155		122,873	
Insurance				3.5%		3.5%				48,208		144,624		192,832	
Property and Liability Insurance				3.5%		3.5%				-		-		-	
Fidelity Bond Insurance				3.5%		3.5%				10,164		30,491		40,655	
Worker's Compensation				3.5%		3.5%				-		-		-	
Director's & Officers' Liability Insurance				3.5%		3.5%				58,372		175,115		233,486	
Sub-total Insurance										58,372		175,115		233,486	
Maintenance & Repair				3.5%		3.5%				55,264		165,792		221,056	
Payroll				3.5%		3.5%				12,335		37,004		49,339	
Supplies				3.5%		3.5%				105,081		315,243		420,324	
Contracts				3.5%		3.5%				19,578		58,734		78,312	
Garbage and Trash Removal				3.5%		3.5%				6,256		18,768		25,024	
Security Payroll/Contract				3.5%		3.5%				-		-		-	
HVAC Repairs and Maintenance				3.5%		3.5%				-		-		-	
Vehicle and Maintenance Equipment Operation and Repairs				3.5%		3.5%				260		779		1,038	
Miscellaneous Operating and Maintenance Expenses				3.5%		3.5%				-		-		-	
Sub-total Maintenance & Repair Expenses										198,773		596,320		795,093	
Supportive Services				3.5%		3.5%				-		195,594		195,594	
Commercial Expenses										-		-		124,823	
TOTAL OPERATING EXPENSES										989,565		2,121,751		3,236,140	
PUPA (w/o Reserves/GL Base Rent/Bond Fees)														1,024,200	
Reserves/Ground Lease Base Rent/Bond Fees														2,196,013	
Ground Lease Base Rent										3,750		11,250		15,000	
Bond Monitoring Fee										625		1,875		2,500	
Replacement Reserve Deposit										15,520		45,750		61,000	
Operating Reserve Deposit										-		-		-	
Other Required Reserve 1 Deposit										-		-		-	
Other Required Reserve 2 Deposit										-		-		-	
Required Reserve Deposits, Commercial										-		-		-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees										19,625		58,875		78,500	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)										1,009,190		2,180,626		3,314,640	
PUPA (w/ Reserves/GL Base Rent/Bond Fees)														1,043,825	
NET OPERATING INCOME (INCOME minus OP EXPENSES)										14,774		116,261		155,939	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)														14,930	
Hard Debt - First Lender										-		36,803		36,803	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)										21,000		63,000		84,000	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)										-		-		-	
Hard Debt - Fourth Lender										-		-		-	
Commercial Hard Debt Service										-		-		-	
TOTAL HARD DEBT SERVICE										21,000		99,803		120,803	
CASH FLOW (NOI minus DEBT SERVICE)										(6,226)		16,458		35,136	
Commercial Only Cash Flow														24,904	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)										6,226		18,678		-	
AVAILABLE CASH FLOW										(0)		35,136		35,136	
USES OF CASH FLOW BELOW (This row also shows DSCR.)														1,291	
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL														-	
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)				3.5%		3.5%		per MOHCD policy		-		-		-	
Partnership Management Fee (see policy for limits)				3.5%		3.5%		per MOHCD policy		-		-		-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)								per MOHCD policy no annual increase		-		-		-	
Other Payments										-		-		-	
Non-amortizing Loan Pmtnt - Lender 1										-		-		-	
Non-amortizing Loan Pmtnt - Lender 2										-		-		-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)										-		-		-	
TOTAL PAYMENTS PRECEDING MOHCD										-		-		-	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)										(0)		35,136		35,136	
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				62.24%								14,579		7,397	
Proposed MOHCD Residual Receipts Amount to Loan Repayment												14,579		7,397	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease												-		-	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE															
HCD Residual Receipts Amount Due				37.76%								8,845		4,488	
Lender 4 Residual Receipts Due				0.00%								-		-	
Lender 5 Residual Receipts Due				0.00%								-		-	
Total Non-MOHCD Residual Receipts Debt Service												8,845		4,488	
REMAINDER (Should be zero unless there are distributions below)												11,712		5,943	
Owner Distributions/Incentive Management Fee												11,712		5,943	
Other Distributions/Uses												-		-	
Final Balance (should be zero)												-		-	
REPLACEMENT RESERVE - RUNNING BALANCE															
Replacement Reserve Starting Balance												1,098,000		1,159,000	
Replacement Reserve Deposits												61,000		61,000	
Replacement Reserve Withdrawals (ideally tied to CNA)												-		-	
Replacement Reserve Interest												-		-	
RR Running Balance												1,159,000		1,220,000	
RR Balance/Unit												\$9,500		\$10,000	
OPERATING RESERVE - RUNNING BALANCE															
Operating Reserve Starting Balance												-		-	
Operating Reserve Deposits												-		-	
Operating Reserve Withdrawals												-		-	
Operating Reserve Interest												-		-	
OR Running Balance												-		-	
OR Balance as a % of Prior Yr Op Exps + Debt Service												0.0%		0.0%	
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE															
Other Reserve 1 Starting Balance												-		-	
Other Reserve 1 Deposits												-		-	
Other Reserve 1 Withdrawals												-		-	
Other Reserve 1 Interest												-		-	
Other Required Reserve 1 Running Balance												-		-	

INCOME	Total # Units:		LOSP Units		Non-LOSP Units							
	122		31		91					Year 19 2044		
	25.00%		75.00%					Year 20 2045				
			inc	% annual	Comments		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
			(related to annual inc assumptions)									
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance									-			-
Other Reserve 2 Deposits									-			-
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance									-			-