

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

MEMORANDUM

DATE: JULY 2, 2021
TO: CITYWIDE AFFORDABLE HOUSING LOAN COMMITTEE
FROM: JONATHAN GAGEN, PROJECT MANAGER
RE: **4200 GEARY BOULEVARD PRELIMINARY GAP REQUEST FOR IIG APPLICATION FINANCING PURPOSES**

SOURCES OF FUNDS:

2019 GO Bond (Committed acquisition/predevelopment funds)	\$14,236,200
AHF Inclusionary (Committed acquisition/predevelopment funds)	\$302,782
AHF Inclusionary (Bridge Loan)	\$1,250,000
2019 GO Bonds – Senior Low Income (New MOHCD gap funding)	\$13,081,460
Total	\$28,870,442

Summary of Request

4200 Geary is a new construction 98-unit project in the Richmond District of San Francisco, located on the corner of 6th Avenue and Geary Boulevard, currently being developed by the Tenderloin Neighborhood Development Corporation (TNDC or the “Sponsor”). The former mortuary will be redeveloped demolished and replaced by a new Type III/I residential building at 7 stories. The project will provide permanent affordable housing in the Westside for low income and formerly homeless seniors that is consistent with the 2019 General Obligation Housing Bond framework, as well as the City’s Consolidated Plan, and Master Plan Housing Element. The proposed project will provide 98 affordable units (46 studios and 52 1-bedrooms), with 20% of units serving formerly homeless seniors, and 30% of units serving extremely low-income seniors. The formerly homeless senior population will be supported by the Local Operating Subsidy Program (LOSP) and the extremely low-income senior population will be supported by the City’s Senior Operating Subsidy (SOS). The remaining 47 units will serve low income seniors at 60% MOHCD AMI. TNDC was selected to develop the project through the 2019 Affordable Multifamily Rental Housing Notice of Funding Availability (NOFA). TNDC is in discussion with the United States Department of

Veterans Affairs and the San Francisco Housing Authority to discuss the feasibility of including Veterans Affairs Supportive Housing (VASH) vouchers.

The proposed project includes a 1,197 square foot ground floor commercial space, which is expected to include a community-serving use. The total building area will be 79,727 square feet. The residential entry is situated along 6th Avenue, where a spacious lobby will connect and open up to a community room and private, landscaped courtyard. Other tenant amenities include common restrooms, kitchen (within the community room), and a laundry room that opens up to the courtyard. TNDC will provide on-site property management and tenant services in two ground floor tenant services offices and a property management suite. Subject to timing of financing awards from the State of California, construction is now anticipated to begin in November 2022 and completion is expected to occur in November 2024.

TNDC has proposed a financing plan that includes a gap loan from MOHCD, 4% tax credit equity, loans from the State of California's Infill Infrastructure Grant (IIG) and Multifamily Housing Program (MHP), a Federal Home Loan Bank Affordable Housing Program (AHP) loan, and General Partner (GP) equity. The borrowing entity is 4200 Geary Associates, L.P.

The Sponsor is requesting up to \$28,870,442 in funding at this preliminary gap request. This is inclusive of the \$14,538,982 of funding MOHCD provided as an acquisition/predevelopment loan, along with \$1.25 million in bridge funds that will bridge the AHP loan until the AHP funds are disbursed. Approval of this loan will make the Project's application competitive for the project's IIG application. MOHCD staff will need to provide an update to this memo when the MHP NOFA is available to assess any changes to the project structure resulting from incorporating updated MHP guidelines.

Progress Update

The project's acquisition and predevelopment loan request was presented before Loan Committee on January 22, 2021. Since then, the Sponsor has obtained approval for the acquisition and predevelopment loan from the San Francisco Board of Supervisors, and has moved forward with design and value engineering (VE). The project is now at 95% CD.

IIG Program

The Sponsor will submit an application to HCD for IIG in the amount of \$7.5 million by the due date of Monday, July 12, 2021. Should the Project not receive an IIG award this round and IIG funds are still available, TNDC will re-apply to the next or evaluate applying for another HCD source.

HCD released the IIG – Round 7 Notice of Funding Availability (NOFA) on May 12, 2021 with \$160MM in funds (the "2021 IIG NOFA" or the "Program"). Of the \$160MM available, \$40MM (or 25%) is made available to projects in Northern California. Funding for this NOFA was provided by the Veterans and Affordable Housing Bond Act of 2018 (Proposition 1). IIG provides permanent financing to promote infill housing development by providing financial assistance for capital improvement projects that are an integral part of or necessary to facilitate the development of a Qualifying Infill Project (QIP) or a Qualifying Infill Area (QIA). Eligible improvements include development or rehabilitation of parks or open space, water, sewer or other utility service

improvements, streets, roads, parking structures, transit linkages, transit shelters, traffic mitigation features, sidewalks, and streetscape improvements. IIG award recipients are required to complete construction of the housing units no more than 3 years after award.

The 2021 IIG NOFA states the total grant award to any QIP is limited to \$7.5 million and applications must receive a minimum point score of 210 out of 250 points to be considered for a funding award. The Program will be highly competitive—for example, requiring a tax-credit reservation letter to maximize leveraged funding commitment points in the scoring. Applications will receive 10 additional tiebreaker points for having the lowest ratio between the requested grant amount to the allowable maximum grant; and 3 additional tiebreaker points for each previously awarded QIP developed by the applicant that received a certificate of occupancy by the NOFA deadline.

With a project score of 230 out of 250 points, the Sponsor expects that the project will be moderately competitive. Based on preliminary scoring, the project lost points because it lacked a leveraged funding commitment in the form of a reservation letter from the Tax Credit Allocation Committee (TCAC).

Multifamily Housing Program

MHP provides permanent financing for affordable new construction, rehabilitation, and preservation of permanent and transitional rental housing for households with incomes at or below the state's 60% Area Median Income (AMI). The Sponsor anticipates that HCD will issue a NOFA for the MHP Program in July 2021. Based on guidelines from previous rounds of MHP funding, the Sponsor has sized 4200 Geary's MHP request at \$17.5 million. The request is high and will require further review by MOHCD staff. MOHCD staff expect to present an updated preliminary gap request closer to the deadline for MHP funding applications.

The program is very competitive. Of the \$175 million available in the 2020 MHP NOFA, Round 3, \$52.5MM (or 20%) was available for projects in Northern California.

The 2020 MHP NOFA stated that projects must receive a minimum point score of 90 points to be considered for a funding award, and outlined a maximum scoring of 115 points, with a bonus point offered to fully formed Borrower entities, bringing the maximum possible score to 116 points. The program will be highly competitive, and the tie-breaker for awarding funds is solely based on a project's average AMI of MHP Assisted units. This funding round prioritizes extremely low-income housing in its design and seeks to award a higher level of funding to High Resource areas. Using these guidelines, TNDC expects to score the maximum 115 points if the project includes more units at lower AMI tiers. In order to achieve this, TNDC has proposed lowering the AMI tiers for the LOSP units from 30% AMI to 15% AMI. TNDC anticipates that the revised AMI mix will have a tiebreaker of 32.99%. The Sponsor will be required to demonstrate financial feasibility of changes to the AMI mix. Any changes to the AMIs of the LOSP units must be approved by HSH. The tiebreaker for the project AMI mix approved at the January 22 Loan Committee is expected to be 34.54%.

Please see Section 5 for further explanation of the proposed revisions to the AMI mix.

Background

In response to Proposition A, which San Francisco voters approved in November 2019, MOHCD released a Notice of Funding Availability (NOFA) for Affordable Multifamily Rental Housing targeting Districts 1, 2, 4, 7, and 8. Proposition A, along with MOHCD's NOFA, aimed to address San Francisco's well-documented and severe housing affordability crisis by meeting several goals:

- Provide funding to create new affordable homes, especially for San Francisco's growing senior populations;
- Serve extremely low income households. While the NOFA asked for project proposals with a maximum AMI of 80% MOHCD AMI and a maximum average of 60% MOHCD AMI, the Bond will allocate \$200 million to serve extremely low-income households at 30% AMI or below. 4200 Geary's project proposal assumes the units subsidized by LOSP and SOS will be rented at 30% AMI or less, and will meet this requirement of the Bond.
- Address concerns of geographic equity by creating new affordable, low-income units to serve vulnerable populations in underserved districts through new affordable housing production. As mentioned above, this includes District 1.

In order to expand their work outside of the Tenderloin and adjacent neighborhoods, TNDC responded to this NOFA in January 2020 after discussions with local community organizations. The proposed project meets the goals of the NOFA due to the site's location in District 1 and its programming as senior housing.

TNDC began due diligence during the acquisition stage, testing for physical and financial feasibility throughout 2019 and into 2020, and acquired the property with a loan from the San Francisco Housing Accelerator Fund (HAF) in May 2020. MOHCD committed \$14,538,982 in acquisition and predevelopment funding in April 2021. Of this loan, the Sponsor used approximately \$11 million to pay down the HAF acquisition loan and associated closing costs.

Update on Project Status

1. Permitting

The Sponsor submitted a site permit application in October 2020 and is expecting site permit approval in June 2021. In addition, the Sponsor submitted an application for ministerial approvals from the Planning Department through SB 35. The Planning Department issued Notice of Final Approval on January 20, 2021. Entitlements are a requirement of the HCD applications.

2. Design

The proposed design makes an efficient use of the site, and the apartments, common areas, and office / service spaces are all typical for a senior building of this size. The budget presented here assumes some value engineering, but the team is still evaluating a number of other options that

could further reduce costs. The contingencies have been reduced to a level that is appropriate for the stage of the drawings, and includes a 5% escalation, assuming that bidding occurs in under a year, which might be low if financing issues cause a significant delay in the bid/construction dates. Total construction costs are at \$540,981 per unit and \$665 per SF. This exceeds MOHCD’s previously stated requirement to achieve \$600 per SF inclusive of contractor contingency, bid contingency and escalation to the start of construction, but is reduced from the January 2021 construction cost of \$709 per SF. Ongoing design and approval of the permanent power design by PUC and PG&E is a substantial cost risks on the horizon, as is coordination with MTA which will be responsible for building the sidewalk bulb-out at the new 38 Geary BRT bus stop which is planned in front the parcel.

Of the project’s total awarded architect, design, and professional services contracts to date, by percentage of amount of SBE/LBE/MBE contract divided by total project contract dollars, the project team has achieved the following:

- SBE: 64%
- LBE: 77%
- MBE: 55%

The project’s architect, YA Studio, is an SBE/LBE/MBE. This is their first affordable housing project as the lead architect. When securing bids, TNDC will work closely with Nibbi Brothers General Contractors and the San Francisco Contract Monitoring Division (CMD) to meet SBE/LBE/MBE hiring goals. Nibbi has worked with the CMD, CityBuild, and many other similar economic opportunity programs to obtain the highest possible number of S/LBE and local hires on projects.

3. Updated Sources and Uses Summary

Acquisition/ Predevelopment Sources	Amount	Terms	Status
MOHCD	\$14,538,982	55 yrs. @ 0-3% Res Rec	Committed
Total	\$14,538,982		

Permanent Sources	Amount	Terms	Status
MOHCD – Gap (inclusive of committed acquisition and predevelopment funding)	\$27,620,442	55 yrs. @ 0-3% Res Rec	This Request

HCD - MHP	\$17,500,000	55 yrs, .42% payment; 3%	Future Request
HCD - IIG	\$1,250,000	n/a	Future Request
GP Equity	\$3,221,113	n/a	Future Commitment – please see MOHCD staff recommendation below to reduce GP equity to make project more competitive for tax credits.
Tax Credit Equity	\$32,204,535	\$0.91	Future Commitment
AHP	\$1,250,000	n/a	Future Commitment
Deferred Fee	\$1,021,113		This Request
Total	\$84,067,203		

Uses	Amount	Per Unit	Per SF
Acquisition Costs	\$11,064,369	\$112,902	\$139
Hard Costs	\$53,016,162	\$540,981	\$665
Soft Costs	\$12,947,987	\$132,122	\$162
Reserves	\$494,253	\$5,043	\$6
Developer Fee/Costs	\$6,544,432	\$66,780	\$82
Total	\$84,067,203	\$857,829	\$1,054

4. Sources and Uses Narrative

a. Permanent Sources Evaluation Narrative:

MOHCD Gap Loan: The Sponsor has request an additional \$13,081,460 of 2019 GO Bonds funds for a total gap request of \$27,620,442. MOHCD staff is working on determining the of costs that are ineligible to be funded by 2019 GO Bonds and will add an additional source of funding to cover ineligible costs.

Tax Credits: The Sponsor anticipates applying for 4% tax credits in the second round of 2022 and has assumed pricing of 0.91 for 4% federal credits. Recent changes to the CDLAC competitive scoring in 2020, dissuades projects in high cost cities like San Francisco from seeking state tax credits and is therefore removed as a source. The project is located in a High Resource area.

AHP: The Sponsor proposes to apply for \$12,755 per unit, totaling \$1.25 million, the current maximum award. The project team anticipates they will submit an application in early-2022. Based on preliminary scoring, the team expects a score of at least 75.40, which is a competitive score. The MOHCD gap loan amount includes a portion that will bridge the AHP funds until these funds are available.

General Partner (GP) Equity: The Sponsor will contribute a GP equity amount of \$3,221,113. MOHCD staff recommends that the Sponsor reduce this amount to lower the Project's CDLAC tiebreaker score.

IIG: see above

MHP: see above

Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Hard Cost per unit are within standards	N	Hard costs are \$540,981/unit and \$665 PSF. This is approximately 1% higher than the MOHCD average of \$659 PSF for comparable projects. MOHCD will require that the Sponsor continue to work to reduce construction costs to \$600 PSF.
Construction Hard Cost Contingency is at least 5% (new construction)	Y	Hard Cost Contingency is 5%.
Architecture and Engineering Fees are within standards	Y	Total project architecture and engineering fees are \$2,522,236.
Construction Management Fees are within standards	Y	The Construction Management Fee is \$100,000. This includes 20 months of predevelopment and 22 months of construction at \$5,000 per month.
Developer Fee is within standards, see also disbursement chart below	Y	Total Dev Fee: \$1,100,000 Total Cash Fee is: \$1,100,000 Total At-Risk Dev Fee is: \$2,200,000
Soft Cost Contingency is 5% or 10% per standards	Y	Soft Cost Contingency is 5%.
Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to three months of operating expenses and debt service.
Capitalized Replacement Reserves are not included	N/A	N/A

b. Developer Fee:

Developer and Commercial Developer Fee Disbursement Schedule		
Payment Milestone	% of Project Mgmt Fee	Amount
PM Fee: At closing of initial pre-development financing	15%	\$165,000
PM Fee: Predevelopment	35%	\$385,000
Site Permit Approval	15%	\$165,000
Submission of HCD funding application	10%	\$110,000
Submission of joint CDLAC and TCAC application	10%	\$110,000
PM Fee: Construction Close	20%	\$220,000
PM Fee: During or at End of Construction	20%	\$220,000
PM Fee: At Project Close Out	10%	\$110,000
<i>Total Project Management Fee</i>	100%	\$1,100,000
At Risk: 95% Leased up and Draft Cost Certification	20%	\$220,000
At Risk: Permanent Loan Closing/Conversion (Final Cost Certification Audit)	50%	\$550,000
At Risk: Project Close Out (Placed-In-Service application; 100% lease-up; City approval of sponsor's project completion report and documents; and City acceptance of final cost certification.)	30%	\$330,000
<i>Total At Risk</i>	100%	\$1,100,000
<i>Total Commercial Space Developer Fee</i>		\$102,206
Total Cash-Out Developer Fee		\$2,302,206
Deferred Developer Fee		\$1,021,113
GP Equity		\$3,221,113
Total Developer Fee		\$6,544,432

5. Unit Mix

The site will serve low income and extremely low income seniors. 20% of the 98 units will serve formerly homeless seniors in units subsidized by LOSP and 30% will serve extremely low income seniors subsidized through the Senior Operating Subsidy (SOS) program. The remainder will serve seniors at 60% MOHCD AMI. The AMI levels for the LOSP will need to be reviewed and approved by HSH.

The January 22 Loan Committee approval assumed 30% AMI for the LOSP units. The Sponsor has proposed reducing the LOSP unit AMIs to 15% in order to make the project more competitive for MHP. This is pending review by HSH. The tenant share of the rent in the SOS units will be 20% MOHCD AMI but the rents will be set at 60% AMI.

Unit Type	Proposed Number of Units	Max. % MOHCD AMI	Rent or Operating Subsidy
Studio	8	15%	LOSP
1BR	12	15%	LOSP
Studio	15	60%	SOS*
1BR	15	60%	SOS*
Studio	18	60%	
1BR	29	60%	
1BR**	1	N/A	
Total Units Income Average	98	53.8%	

The Year 1 SOS subsidy is anticipated to be \$30,855. MOHCD staff will work with TNDC and HSH staff to ensure that the AMI levels for the LOSP units meet HSH's requirements.

6. Operating Budget updates

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Debt Service Coverage Ratio stays above 1:1 through Year 17	N	DSCR is close to 3.00 at Year 1 and 1.09 at Year 17. The delta between Year 1 and Year 17 is typical for buildings with a large percentage of studio apartments due to the lower starting rents as compared to family developments. Additionally, the high operating expenses will make it difficult for the project sponsor to size a substantial permanent loan. MOHCD will continue to request that the Sponsor review feasibility of permanent debt but acknowledges that permanent debt may be infeasible for the project.

Debt Service Coverage Ratio stays above 1.00:1 for entirety of projected 20-year cash flow.	N	DSCR goes below 1.00:1 after Year 17.
Vacancy meets TCAC Standards	Y	Vacancy is 5%
Annual Income Growth is increased at 2.5% per year	Y	Income escalation factor is 2.5%
Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are slightly higher than average at \$13,167 per unit but are similar to comparable projects that include LOSP. The total operating expenses for 735 Davis, another 100% senior project, are approximately \$14,200 per unit per year.
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee is \$79,968 or \$68 PUPM.
Property Management staffing level is reasonable per comparables	N	<p>Staffing costs are \$366,530 per year. This amounts to \$3,740 per unit per year. The breakdown of property staff is as follows:</p> <ul style="list-style-type: none"> • General office and front desk = 2.4 FTE front desk (coverage is M-F: 7 pm-3 am; Sat.: 5:30 PM to 3 AM; Sunday: 7 AM to 3:30 PM) <ul style="list-style-type: none"> • GM = 1 FTE • AGM = 1 FTE • Night Manager = 0.4 FTE • Maintenance = 2 FTE • Janitorial = 1.5 FTE <p>While MOHCD has concerns that these staffing costs are high, these costs are lower than 990 Polk, a 110-unit senior building with staffing costs at approximately \$4,070 per unit based on the</p>

		<p>project's 2019 Asset Management Report.</p> <p>The staffing plan is also subject to further review by HSH and the Department of Disability and Aging Services (DAS).</p>
Asset Management and Partnership Management Fees meet standards	Y	<p>Annual AM Fee is \$21,900/yr.</p> <p>Annual PM Fee is \$22,260/yr.</p>
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$500 per unit per year per HCD requirements.
Limited Partnership Asset Management Fee meets standards	Y	LP Asset Management Fee is \$5,000 below-the-line.

7. Services Budget updates

TNDC will be the sole service provider for tenants at 4200 Geary. Supportive services include: Intakes and Assessments, Case Management, Supportive Counselling, Individualized Service Planning, Crisis Intervention, Mediation, Housing Stabilization and Eviction Prevention. 1 FTE social worker will be on site to serve the LOSP units and .20 FTE social worker will serve the remaining units. Services offices will be located on the ground floor. MOHCD staff recommends increasing the social worker staff coverage for the non-LOSP units to .8 FTE, which is the maximum allowable per MOHCD underwriting guidelines.

The staffing plan and the AMI levels for the LOSP units is pending review by HSH. The San Francisco Department of Disability and Aging Services (DAS) will also review the services plan.

8. Next Steps

The Sponsor will be submitting a joint application to HCD on July 18, 2021 requesting up to \$1,250,000 in funds through HCD's IIG program. MOHCD will be providing a commitment letter per the Loan Committee's recommendation.

MOHCD staff will present another request to Loan Committee in late-summer 2021 in advance of the project's MHP application. The project's final gap request is expected to go before Loan Committee in 2022.

9. Staff Recommendation

Staff recommends approval of the commitment letter to HCD for the Sponsor's IIG application.

10. LOAN CONDITIONS

These loan conditions are held over from the January 22, 2021 predevelopment loan approval and must be met by the time of Loan Committee's approval of gap financing in early-2022.

1. Sponsor to provide MOHCD with detailed monthly updates on Community Outreach completed, outcomes achieved related to racial equity goals, and commercial-use programming (this may be included in the standard MOHCD monthly report form).
2. Sponsor will provide operating and development budgets that meet MOHCD underwriting guidelines and commercial space policy requirements.
3. Sponsor to 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.
4. Sponsor to 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.
5. Sponsor to work with MOHCD staff to revise unit mix so that the project will include a higher number of units serving households at 50% MOHCD AMI.
6. Sponsor to work with MOHCD and HSH staff to review unit mix for LOSP units to insure program compatibility.
7. Sponsor will provide signed LOI from commercial tenants prior to MOHCD's gap loan closing.
8. Sponsor will provide MOHCD with information outlining cost containment, efficiencies and innovation strategies to reduce overall project costs and maximize efficiency of MOHCD gap loans.
9. Sponsor to work with MOHCD staff to revise project cash flow so that it meets MOHCD's underwriting requirement of a Debt Service Coverage Ratio between 1.10:1 and 1.15: 1 at year 15.
10. Sponsor will provide Commercial Space Plan to MOHCD no less than 90 days prior to Loan Committee date for gap loan.
11. Sponsor to work with MOHCD and HSH to establish the LOSP budget and income restrictions for the referrals from Coordinated Entry.
12. Sponsor will provide for MOHCD review any Request for Proposals (RFPs) for equity investors before it is finalized and released for investors.
13. Sponsor will provide for MOHCD review all raw financial data from developer or financial consultant prior to selection.
14. Sponsor will provide for MOHCD review and approval all selected investors.
15. Sponsor will provide for MOHCD review and approval all Letters of Intent from financial partners.

Post-closing:

16. Sponsor will provide initial draft marketing plan within 2 months of anticipated TCO, outlining the affirmative steps TNDC 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.

New Loan Conditions

17. Sponsor will submit a services plan for units subsidized by SOS to DAS.
18. Sponsor will be required to submit an updated MHP preliminary score and financing plan when MHP guidelines have been released.
19. Sponsor will be required to reduce GP equity contribution prior to gap loan Loan Committee.

11. 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: _____

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Friday, July 2, 2021 12:19 PM
To: Chavez, Rosanna (MYR)
Subject: 4200 Geary Preliminary Gap Request

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

Chavez, Rosanna (MYR)

From: Menjivar, Salvador (HOM)
Sent: Friday, July 2, 2021 1:21 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: FUNDING COMMITMENT FOR THE 4200 GEARY IIG

I approve Tenderloin Neighborhood Development Corporation requests for a preliminary gap commitment to support the 4200 Geary application for the California Department of Housing and Community Development (HCD) Infill Infrastructure Grant Program to MOHCD for a City contribution for up to \$27,700,771.

Best,

salvador



Salvador Menjivar
Director of Housing
Pronouns: He/Him
San Francisco Department of Homelessness and Supportive Housing
salvador.menjivar1@sfgov.org | 415-308-2843

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Chavez, Rosanna (MYR)

From: Colomello, Elizabeth (CII)
Sent: Friday, July 2, 2021 12:08 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Oerth, Sally (CII)
Subject: 4200 Geary Preliminary Gap Request

Hi Rosie-

Confirming that I am voting in favor of the subject request before Loan Committee on behalf of OCII.

Thanks-

Elizabeth



Elizabeth Colomello
Senior Development Specialist

📍 One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
📞 415.701-5518, Cell 415.407-1908
🏠 www.sfocii.org

Chavez, Rosanna (MYR)

From: Pereira Tully, Marisa (CON)
Sent: Friday, July 2, 2021 12:07 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: Preliminary Funding Commitment for 4200 Geary IIG Application

Approve

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

Attachments: Attachment A - Updated Family Cost Comparison Chart

Attachment B - Updated Permanent Sources and Uses

Attachment C - 1st Year Operating Budget and Cashflow

Attachment D - January 22, 2021 Acquisition/Predevelopment Loan Evaluation

Attachment A

Please see following page.

Attachment B

Please see following page.

Attachment C

Please see following page.

MOHCD Proforma - 20 Year Cash Flow Summary

4200 Geary

20.00%	80.00%	Year 7		Year 8			Year 9			Year 10			Year 11			Year 12			Year 13				
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040		
		% annual inc. LOSP	% annual increase	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP
INCOME Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP) Residential - LOSP - Tenant Assistance Payments Commercial Space Other Income																							
Gross Potential Income 1,564,942 1,907,421 353,387 1,664,065 1,907,462 364,676 1,644,167 2,008,842 376,360 1,688,271 2,061,631 388,454 1,727,463 2,115,887 400,971 1,770,588 2,171,598 413,927 1,814,852																							
EFFECTIVE GROSS INCOME 1,486,378 1,828,681 349,784 1,524,153 1,873,937 361,037 1,562,256 1,923,284 372,685 1,601,313 1,973,988 384,742 1,641,346 2,026,088 397,223 1,682,379 2,079,602 410,141 1,724,439																							
OPERATING EXPENSES Management Salaries/Benefits Administration Utilities Taxes and Licenses Insurance Maintenance & Repair Supportive Services Commercial Expenses																							
TOTAL OPERATING EXPENSES 1,273,704 1,589,539 317,575 1,318,283 1,635,858 328,690 1,364,423 1,693,113 340,194 1,412,178 1,752,372 352,101 1,461,604 1,813,705 364,424 1,512,760 1,877,184 377,179 1,565,707																							
RESERVES/GROUND LEASE BASE RENT/BOND FEES Ground Lease Base Rent Bond Moneypool Fee Replacement 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) 1,326,703 1,647,039 331,075 1,371,282 1,702,338 342,191 1,417,422 1,739,613 353,695 1,465,177 1,818,872 365,601 1,514,603 1,860,205 377,925 1,565,759 1,943,684 390,688 1,618,706																							
NET OPERATING INCOME (INCOME minus OP EXPENSES) 160,275 178,852 18,709 152,870 171,579 18,847 144,834 163,681 18,991 136,136 155,127 19,141 126,742 145,883 19,298 116,620 135,918 19,461 105,733																							
DEBT SERVICE/MUST PAY PAYMENTS (Hard debt/amortized loans) 1st Debt - First Lender 1st Debt - Second Lender (HCD Program 0.42% Term, or other 2nd Lender) 1st Debt - Third Lender (Other HCD Program, or other 3rd Lender) 1st Debt - Fourth Lender Commercial Hard Debt Service TOTAL HARD DEBT SERVICE																							
CASH FLOW (NOI minus DEBT SERVICE) 101,777 106,362 3,708 94,372 98,079 3,845 86,336 96,161 3,899 77,637 81,627 4,140 68,244 72,363 4,286 58,121 62,418 4,460 47,234																							
USES OF CASH FLOW BELOW (This row also shows DSCR) [Below-the-line Asset Mgt Fee (uncommon in new projects, see policy)] Partnership Management Fee (see policy for limits) Investor Success Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments Non-amortizing Loan Pmt - Lender 1 Non-amortizing Loan Pmt - Lender 2 TOTAL PAYMENTS PRECEDING MOHCD																							
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD) 87,475 72,989 (6) 79,542 64,758 (6) 70,954 55,869 (6) 61,680 46,288 (6) 51,685 35,983 (6) 40,936 24,919 (6) 29,993																							
Does Project Have a MOHCD Residual Receipt Obligation? Will Project Defeat Developer Fee?																							
MOHCD RESIDUAL RECEIPTS DEBT SERVICE MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Residual Ground Lease Proposed MOHCD Residual Receipts Amount to Replacement Reserve REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE																							
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Due 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/Items Final Balance (should be zero)																							
RR Running Balance 343,000 392,000 441,000 490,000 539,000 588,000																							
DEFERRED DEVELOPER FEE - RUNNING BALANCE Developer Fee Stamp Balance Deferred Developer Fee Earned in Year Developer Fee Remaining Balance																							

MOHCD Proforma - 20 Year Cash Flow Summary

4200 Geary

Total # Units:	LOSP		Non-LOSP		Year 20 2044		
	98	78	78	78			
	20.00%	80.00%	% annual inc. LOSP	% annual increase	LOSP	non-LOSP	Total
INCOME							
Residential - Tenant Rents	1.0%	2.5%	61,185	1,520,431	1,601,616		
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	629,037	629,037		
Residential - LOSP Tenant Assistance Payments	n/a	n/a	435,117	-	435,117		
Commercial Space	n/a	2.5%	-	-	-		
Other Income			-	-	-		
Gross Potential Income					518,267	2,157,289	2,675,546
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(4,059)	(16,222)	(20,281)		
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	(31,456)	(31,456)		
Vacancy Loss - Commercial	n/a	n/a	-	-	-		
EFFECTIVE GROSS INCOME					514,197	2,049,616	2,564,613
OPERATING EXPENSES							
Management	3.5%	3.5%	39,971	155,870	195,841		
Salaries/Benefits	3.5%	3.5%	130,227	507,529	638,056		
Administration	3.5%	3.5%	35,593	138,373	173,966		
Utilities	3.5%	3.5%	61,336	205,344	266,680		
Taxes and Licenses	3.5%	3.5%	19,862	77,525	97,387		
Insurance	3.5%	3.5%	80,285	319,674	399,959		
Maintenance & Repair	3.5%	3.5%	123,602	491,979	615,582		
Supportive Services	3.5%	3.5%	-	56,421	56,421		
Commercial Expenses			-	-	-		
TOTAL OPERATING EXPENSES					479,877	1,992,016	2,471,893
RESERVES/GROUND LEASE BASE RENT/BOND FEES							
Ground Lease Base Rent			3000	12000	15,000		
Bond Monies/Fee			600	2400	2,500		
Replacement Reserve Deposit			10000.9	38999.1	49,000		
Operating Reserve Deposit			0	0	0		
Other Required Reserve 1 Deposit			0	0	0		
Other Required Reserve 2 Deposit			0	0	0		
Required Reserve Deposits - Commercial			0	0	0		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					13,501	52,999	66,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					493,378	2,045,016	2,538,393
NET OPERATING INCOME (INCOME minus OP EXPENSES)					20,820	4,900	25,620
DEBT SERVICE/MUST PAY PAYMENTS (hard debt/amortized loans)							
1st Debt - First Lender			-	-	-		
Hard Debt - Second Lender (HCD Program 0.42% term, or other 2nd Lender)			15,001	58,499	73,500		
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-		
Hard Debt - Fourth Lender			-	-	-		
Commercial Hard Debt Service			-	-	-		
TOTAL HARD DEBT SERVICE					15,001	58,499	73,500
CASH FLOW (NOI minus DEBT SERVICE)					5,818	(53,698)	(47,880)
USES OF CASH FLOW BELOW (This row also shows DSCR)							
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL					DSCR:		0.348
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-		
"Below-the-line" Asset Mgt Fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-		
Partnership Management Fee (see policy for limits)	3.5%	3.5%	8,559	34,236	42,795		
Investor Success Fee (aka "LP Asset Mgt Fee") (see policy for limits)			1,000	4,000	5,000		
Other Payments			-	-	-		
Non-amortizing Loan Pmt - Lender 1			-	-	-		
Non-amortizing Loan Pmt - Lender 2			-	-	-		
TOTAL PAYMENTS PRECEDING MOHCD					9,559	38,236	47,795
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					-	(76,972)	(85,675)
Does Project have a MOHCD Residual Receipt Obligation?							
Will Project Defeat Developer Fee?			Yes				
1st Residual Receipts Split - Lender/Deferred Developer Fee			59% / 50%				
MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
MOHCD Residual Receipts Amount Due			68.39%				
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			-		-		
Proposed MOHCD Residual Receipts Amount to Replacement Reserve			-		-		
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
HCD Residual Receipts Amount Due			31.61%				
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)							
RR Running Balance							880,000
OR Running Balance							-
Other Required Reserve 1 Running Balance							-
Other Required Reserve 2 Running Balance							-
DEFERRED DEVELOPER FEE - RUNNING BALANCE							
Developer Fee Startup Balance							999,806
Deferred Developer Fee Earned in Year							-
Developer Fee Remaining Balance							999,806

Attachment D

Please see following page.

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

4200 Geary Boulevard

\$14,538,982 Acquisition/Predevelopment Loan
(\$11,064,369 Acquisition Loan and \$3,474,613
Predevelopment Loan)

Evaluation of Request for:	Acquisition/Predevelopment Loan
Loan Committee Date:	January 22, 2021
Prepared By:	Jonathan Gagen
Source of Funds Recommended:	AHF Inclusionary Funds - \$14,462,005
NOFA/PROGRAM/RFP:	2019 Affordable Multifamily Rental Housing NOFA
Total Previous City Funds Committed:	N/A

Applicant/Sponsor Name:

Tenderloin Neighborhood Development
Corporation

EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	4200 Geary	Sponsor(s):	Tenderloin Neighborhood Development Corporation (TNDC)
Project Address (w/ cross St):	4200 Geary Blvd (6 th Ave)	Ultimate Borrower Entity:	4200 Geary Associates, L.P.

Project Summary:

4200 Geary is a new construction project in the Richmond District of San Francisco, located on the corner of 6th Avenue and Geary Boulevard. The former mortuary will be redeveloped into a Type III/I residential building at 7 stories. The project will provide permanent affordable housing in the Westside for low income and formerly homeless seniors that is consistent with the 2019 General Obligation Housing Bond framework, as well as the City's Consolidated Plan, and Master Plan Housing Element. The proposed project will provide 98 affordable units (46 studios and 52 1-bedrooms), with 20% of units serving formerly homeless seniors, and 30% of units serving extremely low-income seniors. The formerly homeless senior population will be supported by the Local Operating Subsidy Program (LOSP) and the extremely low-income senior population will be supported by the City's Senior Operating Subsidy (SOS). The remaining units will serve low income seniors at 60% MOHCD AMI. The ground floor will also include approximately 1,369 SF of commercial retail space along Geary Boulevard, which is planned to be nonprofit community serving use. TNDC was selected to develop the project through the 2019 Affordable Multifamily Rental Housing Notice of Funding Availability (NOFA).

Project Description:

Construction Type:	Type III/I	Project Type:	New Construction
Number of Stories:	7	Lot Size (acres and sf):	0.39 acres/16,738 SF
Number of Units:	98	Architect:	Y.A. Studio
Total Residential Area:	83,109 sf	General Contractor:	Nibbi Brothers
Total Commercial Area:	2,442 sf	Property Manager:	Tenderloin Neighborhood Development Corporation
Total Building Area:	85,551 sf	Supervisor and District:	Supervisor Connie Chan (D1)
Land Owner:	4200 Geary Associates, L.P.		
Total Development Cost (TDC):	\$90,374,412	Total Acquisition Cost:	\$11,064,369
TDC/unit:	\$922,188	TDC less land cost/unit:	\$809,286
Loan Amount Requested:	\$14,462,005	Request Amount / unit:	\$147,571
HOME Funds?	N	Parking?	TBD

PRINCIPAL DEVELOPMENT ISSUES

- **Permanent budget assumptions.** While this request is for approval of the acquisition and predevelopment loans, the Sponsor has presented a permanent budget that does not meet all of the City’s policy goals as articulated in the NOFA. In particular, the project’s hard costs are high. The Sponsor will need to continue to work with MOHCD to refine the budget so it meets MOHCD’s underwriting guidelines and lower project costs. MOHCD has tied developer fee disbursements to TNDC’s ability to achieve milestones tied to reducing project costs. Please see Sections 4.4, 4.7 and 6.5.1.
- **State funding assumptions (MHP, credits and bonds).** The State Department of Housing and Community Development (HCD) plans to revise Multifamily Housing Program (MHP) guidelines to synchronize with latest TCAC and CDLAC regulation changes. TNDC will need to track how MHP changes could impact the \$20 million maximum request. Please see Section 6.5.1.
- **Meeting MOHCD’s racial equity goals with community outreach and marketing.** As part of the developer selection process, MOHCD is requiring TNDC to provide a detailed marketing plan that addresses the City’s racial equity goals related to housing access, as well as a separate racial equity plan that addresses community outreach. Please see recommended conditions of loan approval.

SOURCES AND USES SUMMARY

PREDEVELOPMENT SOURCES	AMOUNT	TERMS	STATUS
MOHCD Acquisition Loan	\$11,064,369	3 yrs @ 3.00% Res Rec	This Request
MOHCD Predevelopment Loan	\$3,474,613	3 yrs @ 3.00% Res Rec	This Request

PERMANENT SOURCES	AMOUNT	TERMS	STATUS
MOHCD Gap	\$27,791,624	55 yrs @ 3.00% / Res Rec	Not Committed
LIHTC Equity	\$37,737,969	\$0.95 per credit pricing	Not Committed
HCD MHP	\$20,000,000	55 years @ .42% plus 3% residual receipts	Not Committed
AHP	\$1,250,000	55 years @ 0%	Not Committed

GP Equity	\$2,897,409	N/A	Not Committed
Deferred Fee	\$697,409	N/A	Not Committed
TOTAL	\$90,374,412		

USES	AMOUNT	Per Unit	Per SF
Acquisition	\$11,064,369	\$112,902	\$133
Hard Costs	\$60,680,584	\$619,190	\$730
Soft Costs	\$12,100,123	\$123,471	\$146
Developer Fee	\$5,919,819	\$60,406	\$71.23
Reserves	\$609,516	\$6,220	\$7
TOTAL	\$90,374,412	\$922,188	\$1,087

1. BACKGROUND

1.1. Project History Leading to This Request.

In response to Proposition A, which San Francisco voters approved in November, 2019, MOHCD released a Notice of Funding Availability (NOFA) for Affordable Multifamily Rental Housing targeting Districts 1, 2, 4, 7, and 8. Proposition A, along with MOHCD's NOFA, aimed to address San Francisco's well-documented and severe housing affordability crisis by meeting several goals. These goals included the following:

- Proposition A aimed to provide funding to create new affordable homes, especially for San Francisco's growing senior populations;
- While the NOFA asked for project proposals with a maximum AMI of 80% MOHCD AMI and a maximum average of 60% MOHCD AMI, the Bond will allocate \$200 million to serve extremely low-income households (30% AMI or less). 4200 Geary's project proposal assumes the units subsidized by LOSP and SOS will be rented at 30% AMI or less, and will meet this requirement of the Bond.
- Addressing concerns of geographic equity by investing in affordable housing in districts that have not benefited significantly from new affordable housing production.

The NOFA sought proposals from development teams that addressed Proposition A's mandate to create new affordable, low-income units to serve vulnerable populations in underserved districts through new affordable housing production. As mentioned above, this includes District 1.

In order to expand their work outside of the Tenderloin and adjacent neighborhoods, TNDC responded to this NOFA in January 2020 after

discussions with local community organizations. The proposed project meets the goals of the NOFA due to the site’s location in District 1 and its programming as senior housing.

TNDC began due diligence during the acquisition stage, testing for physical and financial feasibility, throughout 2019 and into 2020, and closed on the acquisition of the property with an acquisition loan from the San Francisco Housing Accelerator Fund in May 2020.

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

Borrower entity is 4200 Geary Associates, L.P. TNDC is the manager of the LP’s general partner, 4200 Geary LLC.

TNDC was founded in 1981 with the acquisition of a single property and a commitment to creating permanently affordable homes for low-income San Franciscans. Over its 37-year history, TNDC has developed, owned, and managed 3,674 units, with another 263 under construction and 1,129 in predevelopment, totaling 5,066 units in total.

TNDC’s in-house Property Management, Tenant Services, Asset Management, Accounting, and Community Organizing teams will ensure the Project’s transition from development and construction into leasing and stabilized operations.

Below is a list of TNDC staff assigned to 4200 Geary along with the percentage of their total workload that will be dedicated to this project:

- Colleen Ma (Project Manager) – 30%
- Nicole Guzman (Assistant Project Manager) – 30%
- Christopher Cummings (Associate Director of Housing Development) – 10%
- Katie Lamont (Senior Director of Housing Development) – 4%

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

Site Description	
Zoning:	NCD – Geary Boulevard Neighborhood Commercial District
Maximum units allowed by current zoning (N/A if rehab):	Can only allow approximately 28 units (1 unit per 600 sf lot area). Project proposes 98.
Number of units added or removed (rehab only, if applicable):	N/A
Seismic (if applicable):	Seismic Zone 4

Soil type:	According to the Phase I report by Harris and Lee Environmental Sciences, LLC, dated November 18, 2019: Soil type: Urban Land, Class D – very slow infiltration rates, soils are clayey, have a high water table, or are shallow to an impervious layer
Environmental Review:	Phase I: November 18, 2019. Please see Section 2.4 for the findings. Limited Phase II: March 5, 2020 <i>Full Phase II and Maher Application in progress</i> EIR Dates: N/A
Adjacent uses (North):	Zoned for Neighborhood Commercial District and Low Density Residential. Single family residential and multifamily apartment buildings surround the project site to the North
Adjacent uses (South):	Zoned for Neighborhood Commercial District and Low Density Residential. Single family residential homes, multifamily apartment buildings, local restaurants and small businesses surround the project site to the South
Adjacent uses (East):	Zoned for Neighborhood Commercial District and Low Density Residential. Single-family residential, multifamily apartment buildings, and restaurants/commercial uses surround the project site to the East, including a parking lot and KFC.
Adjacent uses (West):	Zoned for Neighborhood Commercial District and Low Density Residential. Local businesses and restaurants along Geary Blvd, including Peekadoodle (preschool) and an Enterprise Rent a Car
Neighborhood Amenities within 0.5 miles:	<p>Grocery Stores:</p> <ul style="list-style-type: none"> • Smart & Final • Safeway • M & K Market • Richmond New May Wah Supermarket • First Korean Market • Lien Hing Supermarket <p>Schools:</p> <ul style="list-style-type: none"> • George Peabody Elementary School • Roosevelt Middle School <p>Healthcare:</p> <ul style="list-style-type: none"> • Kaiser Permanente Medical center <p>Places of worship:</p> <ul style="list-style-type: none"> • St. James Episcopal Church • Good News Korean Church of SF • Park Presidio United Methodist • Star of the Sea Church • Christ Church at Park Presidio
Public Transportation within 0.5 miles:	1 – California 1BX – California B Express 1AX – California A Express 2 – Clement

	<p>5 – Fulton 5R – Fulton Rapid 21 – Hayes 28R – 19th Avenue Rapid 28 – 19th Avenue 33 – Ashbury/18th 31 – Balboa 31AX – AX Balboa A Express 31BX – Balboa B Express 38BX – Geary B Express 38R – Geary Rapid 38 – Geary 44 – O’Shaughnessy 91 3rd Street/19th Avenue Owl</p>
Article 34:	Not Exempt. In progress.
Article 38:	<p>Not Exempt</p> <p>4200 Geary Blvd is within the Exposure Zone Map Area for 2020</p>
Accessibility:	<p>Project proposes the below:</p> <ul style="list-style-type: none"> • # of mobility units – 43 units (44%) • # of adaptable units – 35 units (36%)
Green Building:	<p>Project proposes to meet or exceed Green Point Rated Multifamily Platinum level and Title 24 by 15% or more. Green Point Rated Program – Target: 154 points</p>
Recycled Water:	Exempt
Storm Water Management:	<p>SCP Pre-Application meeting took place on September 17, 2020. The anticipated submittal date for the Stormwater Control Plan is 12/14/2020.</p>

2.1. Zoning.

The site is currently zoned Neighborhood Commercial with 3+ commercial stories (NC-3) with a 40-X height limit. Planning code will allow for an additional 5’ of ground floor height for an active ground floor, and the building has been designed to meet the conditions of the Affordable Housing Bonus Program (AHBP), which will allow for an additional 30’ of building height and an additional 3 stories of residential use. At 7 stories and 78’, the project is at the maximum allowable height.

2.2. Probable Maximum Loss. N/A – new construction

2.3. Local/Federal Environmental Review.

No federal funds are included as part of the project so no NEPA review will be required. The project’s SB-35 application will cover CEQA approval.

2.4. Environmental Issues.

- Phase I/II Site Assessment Status and Results. Soil and groundwater sampling

- Following compounds were **not detected** in any of the soil or groundwater samples:
 - VOCs
 - PCBs
 - TPHg
 - Asbestos
- Potential/Known Hazards.

Formaldehyde, cobalt, copper, vanadium, and zinc were found in groundwater. The risk posed by formaldehyde in soil appears to be minimal based on limited soil sampling. The maximum reported concentration of formaldehyde in soil of 44 mg/kg is below the DTSC screening level of 50 mg/kg for commercial/industrial soil

2.5. Adjacent uses and neighborhood amenities.

4200 Geary Boulevard is located on a transit-rich corner at 6th Avenue and Geary Boulevard. The project site is located near 6 grocery stores, 5 places of worship, 1 hospital, and they are all within a half mile radius; residents are able to take public transit or walk 10-15 minutes to access these amenities. There will also be opportunities for intergenerational community building, with a middle school and high school nearby.

2.6. Green Building.

Please see above. As was indicated in the NOFA, MOHCD seeks to maximize the overall sustainability of selected projects through the integrated use of “green” building elements in compliance with local and state ordinances. In order to address this requirement the building will feature: photovoltaic system, high-efficiency irrigation system, water efficient fixtures and high-efficiency lighting fixtures and ENERGY STAR appliances. MOHCD staff will work to ensure these green building components do not add to the overall project cost.

3. OTHER ENTITLEMENTS ISSUES

3.1. Community Support.

In early discussions, Supervisor Fewer, with whom the Sponsor first conferred about this project, expressed support at the conceptual phase, and connected the Sponsor to several community organizations based in the neighborhood. Supervisor Fewer and her office staff conducted several studies, including the District 1 Community Needs Assessment, which highlighted the growing population of low income seniors in District 1, and the lack of affordable housing there.

Other organizations that have expressed positive feedback on the project include: Richmond District Rising, a community Senior Roundtable, the Richmond

Community Coalition, and the Planning Association of the Richmond. These community organizations have expressed an interest in the sustainability features and design of the building, the Urban Agriculture program, and the community serving programming planned for the ground floor commercial space.

Outreach efforts to neighborhood organizations started in Q1 of 2020. During these meetings, the Owner and Architect team introduced the project, providing a general overview of the preliminary concept design for the building and the programming of the residential and commercial spaces. During these community meetings, the Sponsor conducted a Q&A portion, answering questions related to financing, services for seniors, proposed income and rent levels, green/sustainable elements of the building, and parking.

- Richmond District Rising (Monthly Meetings) on February 3, 2020, and April 13, 2020
- Senior Roundtable meeting on February 20, 2020
- Richmond Community Coalition on March 12, 2020
- Planning Association of the Richmond on April 6, 2020 and June 1, 2020

TNDC hosted a virtual general community meeting on October 26, 2020 from 6-8 p.m. TNDC targeted residents within a 300 feet radius from 4200 Geary, and the District Supervisor advertised the meeting in the publication, “The Richmond Review.” TNDC also invited community members to register for the community meeting through 4x6 postcards that were mailed out the week of October 5th. Additionally, an online copy of the mailer was distributed through the community organizations described above to encourage members to register for the community meeting. The community meeting provided a general overview of the project and included a Q&A session. While community members were generally supportive of the project, some expressed concerns about the building’s height. While translation services were not planned for the Zoom meeting due to logistical issues, TNDC provided community members with translated fact sheets and Q&A sheets in Chinese and Russian.

Neighborhood notification is required under Prop. I. The Sponsor posted the Prop I sign in September, 2020.

4. DEVELOPMENT PLAN

- 4.1. Site Control. TNDC has acquired the project site with a Housing Accelerator Fund (HAF) loan as of May 12, 2020. Funds from MOHCD for acquisition and predevelopment will be used to pay down the HAF loan and accrued interest, and ownership of the site will be transferred to MOHCD at construction loan closing. The ground lease will be subject to MOHCD’s ground lease policy and is anticipated to have a 99-year term.

4.1.1. Proposed Property Ownership Structure TNDC will own and hold the site during predevelopment. Prior to construction, the site will be transferred to the City. Improvements built upon the site will be owned by the partnership entity.

4.2. Proposed Design. The residential entry is situated along 6th Avenue, a spacious lobby will connect and open up to a community room and private, landscaped courtyard. Other tenant amenities include a bike storage room, common restrooms, kitchen (within the community room), and a laundry room that opens up to the courtyard. TNDC will provide on-site property management and tenant services in two ground floor tenant services offices and a property management suite. About 1,369 sf of commercial space is planned along Geary Boulevard. Urban agriculture will be featured in the West-facing upper courtyard and the East-facing upper courtyard will be available to tenants and programs. The site will have no on-site parking. The overall building design efficiently stacks units and maximizes the number of studio and one bedroom units possible.

Avg Unit SF by type:	Studio avg sf: 350 sf 1-brdm avg sf: 690 sf
Residential SF:	79,993 sf
Circulation SF:	9,216 sf
Parking Garage SF:	N/A
Common Area SF:	2,374 sf
Building Total SF:	81,362 sf
Retail:	1,399 sf

4.3. Proposed Rehab Scope. N/A

4.4. Construction Supervisor/Construction Specialist’s evaluation. The proposed design makes an efficient use of the site, and the apartments, common areas, and office / service spaces are all typical for a Senior building of this size. Other than a switch from all-concrete construction to a mix of wood over concrete, the Value Engineering efforts to date have been fairly minimal, and the budget currently carries a relatively high amount in design/bid/plan-check/hard cost contingencies, as well as a robust allowance for COVID related construction protocols that might not remain in effect when construction starts. One driver for the high design/bid/plan-check/hard contingencies is the accommodate design changes tied to primary switchgear for PUC/PG&E service. MOHCD staff will continue to monitor contingencies to ensure they are sized properly. All told, these add up to over \$10 million and contribute to the project currently being about 15%-30% more expensive than comparable projects on a per-unit, - bedroom, and - sf basis. Lowering and eventually eliminating many of these contingencies as the design progresses should help bring the cost down, but it is likely that some significant VE efforts will need to be made. The team is

considering using factor-built bathroom “pods” as a cost saving measure, which has great potential to lower cost, but it is unclear if there is sufficient time to navigate the union and permitting challenges that these pods would present without causing schedule delays. Total construction costs are at \$619,190 per unit and \$709 per SF. MOHCD will require that the Sponsor work with the General Contractor to bring construction costs down to \$600 per SF inclusive of contractor contingency, bid contingency and escalation to the start of construction.

- 4.5. Commercial Space. The proposed ground floor commercial space is oriented along Geary Boulevard, is approximately 1,369 SF and will serve a community serving nonprofit tenant. The Sponsor will work with community stakeholders to identify a tenant and determine an appropriate use. If there is significant interest in the site, the Sponsor will select a commercial tenant through a Requests for Proposals process.

Tenants will pay a base rent of \$2/SF and prorated Common Area Maintenance (CAM) expenses. TNDC will refine the commercial fee structure based on further research on local commercial market conditions gathered during the predevelopment phase.

TNDC has proposed that MOHCD funds finance warm shell tenant improvements if commercial space is confirmed as a nonprofit community serving use. TNDC’s initial commercial space plan conforms with MOHCD’s commercial underwriting guidelines. MOHCD staff will continue to review the commercial space assumptions prior to gap loan approval.

- 4.6. Service Space. The service space will include two offices, both of which will be approximately 230 SF. The ground floor will include a 1,734 SF community room. Service space will be programmed in coordination with the City’s Department of Homelessness and Supportive Services (HSH) as part of programming and service plan review. 1.5 FTE social workers will be on site to serve all tenants on a voluntary basis, and both offices will be located on the ground floor. Please see Section 8.1 for additional information about the proposed services plan.

- 4.7. Target Population The site will serve low income and extremely low income seniors. 20% of the 98 units will serve formerly homeless seniors (LOSP), 30% will serve extremely low income seniors (Senior Operating Subsidy), and the remainder will serve seniors at 60% MOHCD AMI. TNDC’s initial plan included units at 75% MOHCD AMI and 85% AMI. In response to MOHCD’s concern about marketing of these higher AMI units, TNDC reduced the higher tiers so that the highest tier will be 60% MOHCD AMI. The AMI levels for the LOSP and SOS units will need to be reviewed and approved by HSH. MOHCD

staff will work with TNDC and HSH staff to ensure that the AMI levels for the LOSP units. meet HSH’s requirements.

4.8. Marketing & Occupancy Preferences

MOHCD’s marketing policies and procedures will be applied to all units except the on-site manager’s unit. The following preferences will apply:

1. Certificate of Preference Program
2. Displaced Tenants Housing Preference
3. Neighborhood Residential Housing Preference
4. Live/Work in San Francisco

4.9. Relocation.

The current tenant, a mortuary, will vacate the site by December 2020. The Sponsor is exploring the potential for an interim commercial tenant for both income generation for the project and continued site activation.

5. DEVELOPMENT TEAM

Development Team			
Consultant Type	Name	SBE/LBE	Outstanding Procurement Issues
Architect	Y.A. Studio	Y – SBE/LBE/MBE	N
Landscape Architect	Miller Company	Y – LBE/MICRO	N
JV/other Architect	N/A	N/A	N/A
General Contractor	Nibbi Brothers	N	N
Owner’s Rep/Construction Manager	Waypoint Consulting	N	N
Financial Consultant	California Housing Partnership Corporation	N	N
Joint Trench	Urban Design Consulting Engineers (UDCE)	Y – LBE/MBE	N
Legal	Gubb & Barshay	N	N
Property Manager	Tenderloin Neighborhood Development Corporation	N	N
Services Provider	Tenderloin Neighborhood Development Corporation	N	N
MEP Consultant	E350	Y - LBE	N

5.1. Outstanding Procurement Issues.

None.

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

6.1. Prior MOHCD/OCII Funding (this project and historical for the project):

No prior MOHCD/OCII funding has been awarded to this project.

6.2. Disbursement Status.

The project has incurred costs dating back to December 1, 2019, shortly before MOHCD released the original NOFA. Staff requests Loan Committee approval of payment of costs no earlier than December 1, 2019, so long as these costs are deemed acceptable and correspond to the predevelopment budget attached herein.

6.3. Fulfillment of Loan Conditions. N/A

6.4. Proposed Predevelopment Financing

6.4.1. Predevelopment Sources Evaluation Narrative

The Sponsor requests a \$11,064,396 acquisition loan and \$3,397,639 predevelopment loan, funded by 2019 GO Bond Proceeds but bridges with Affordable Housing Fund funds. The acquisition loan will pay off the Sponsor's HAF loan and fund holding costs incurred since site acquisition.

6.4.2. Predevelopment Uses Evaluation:

Predevelopment Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Acquisition Cost is based on appraisal	Y	Acquisition Cost, not including closing fees and holding costs, amounts to \$10,500,000. The Sponsor provided an appraisal dated December 23, 2019, which includes an as-is value of \$10,050,000.
Architecture and Engineering Fees are within standards	Y	Architecture and Engineering fees are \$17,563 per unit. As a comparison, 730 Stanyan Street's architecture and engineering fees amounted to \$23,643 per unit.
Bid Contingency is at least 5% of total hard costs	N	Sponsor did not include bid contingency as part of the predevelopment loan request
Escalation amount is commensurate with time period until expected construction start, not to exceed 15%	Y	Sponsor included \$125,000 in escalation.
Construction Management Fees are within standards	Y	The construction management fee during predevelopment is \$70,000 and assumes an 20 month preconstruction period.
Developer Fee is within standards	Y	Total cash-out developer fee during predevelopment is \$550,000
Soft Cost Contingency is 10% per standards	N	Soft Cost Contingency is 5.3% of soft costs excluding acquisition costs
Financing Costs are reasonable	N/A	The predevelopment budget does not include financing fees

6.5. Potential Proposed Permanent Financing

The proposed permanent financing is being presented to demonstrate the project’s overall feasibility for predevelopment loan approval but is not intended to be presented for Loan Committee approval at this time. It is anticipated that the Sponsor will bring a gap commitment loan request to the Committee in 2022. Prior to Loan Committee for the project’s gap commitment, TNDC will be required to present a budget addressing the concerns listed below in Section 6.5.1.

6.5.1. Permanent Sources Evaluation Narrative:

As was required in the NOFA, the permanent budget anticipates state funding along with MOHCD gap financing. The current budget assumes a Multifamily Housing Program (MHP) loan from the State of California’s Department of Housing and Community Development (HCD). Securing the expected funding sources will be challenging due to changing regulations at the state level and increased competition for these funding sources and may lead to a delay in the project’s construction start.

Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Hard Cost per unit are within standards	N	Hard costs are \$619,190/unit and \$709 PSF. This is higher than the MOHCD average of \$549 PSF. MOHCD staff will require that the Sponsor reduce construction costs to \$600 PSF. Please see Section 4.4 for additional explanation.
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	Hard Cost Contingency is 5%
Architecture and Engineering Fees are within standards	Y	Total project architecture and engineering fees are \$2,476,716
Construction Management Fees are within standards	N	The construction management fee at \$180,000 is high and exceeds MOHCD’s policy
Developer Fee is within standards, see also disbursement chart below	Y	Total Dev Fee is \$5,919,819 Total Cash Fee is \$1,100,000 Total At-Risk Dev Fee is \$1,100,000
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10%

Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to 3 months of operating expense and debt service
----------------------------------------------------------	---	------------------------------------------------------------------------------------------

Developer Fee Disbursement Schedule		
Payment Milestone	% of Project Mgmt Fee	Amount
Acquisition/Close of Predevelopment Financing	15%	\$165,000
Approval Schematic Design/Site Plan	15%	\$165,000
Preliminary Gap Loan Approval Prior Submission of HCD Funding Application	10%	\$110,000
Submission of Joint CDLAC and TCAC Application	10%	\$110,000
At Construction Closing	20%	\$220,000
At Construction Completion	20%	\$220,000
Project Close-Out (Placed-in-Service application)	10%	\$110,000
<i>Total Project Management Fee</i>	<i>100%</i>	<i>\$1,100,000</i>
95% Leased Up and Draft Cost Cert	20%	\$220,00
Permanent Loan Closing	50%	\$550,000
Project Close Out	30%	\$330,000
<i>At-Risk</i>	<i>100%</i>	<i>\$1,100,000</i>
Total Cash Developer Fee	100%	\$2,220,000
Commercial Developer Fee		\$125,000
Deferred Fee		\$697,409
GP Equity		\$2,897,409
Total Developer Fee		\$5,919,819

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

7.1. Annual Operating Budget

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

7.2. Income

Unit Type	Proposed Number of Units	Max. % MOHCD AMI	Rent or Operating Subsidy
Studio	8	30%	LOSP
1BR	12	30%	LOSP
Studio	15	60%	SOS*
1BR	15	60%	SOS*
Studio	18	60%	
1BR	29	60%	
1BR**	1	N/A	
Total Units Income Average	98	53.8%	

* Year 1 SOS subsidy is anticipated to be \$30,855

**Manager's Unit

7.3. Annual Operating Expenses Evaluation.

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Debt Service Coverage Ratio is between minimum 1.10:1 and maximum 1.15:1 at year 15	N	DSC is high at 2.67 in Year 1 and 1.7 at Year 15. Please see related loan condition.
Debt Service Coverage Ratio stays above 1.00:1 for entirety of projected 20-year cash flow	N	DSC goes below 1.00:1 after Year 11
Vacancy meets TCAC Standards	Y	Vacancy is 5%
Annual Income Growth is increased at 2.5% per year	Y	Income escalation factor is 2.5%
Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are slightly higher at \$13,218 per unit but are similar to comparable

		projects that include LOSP. The total operating expenses for 735 Davis, another 100% senior project, were approximately \$14,200 per unit per year.
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee is \$79,968 or \$68 PUPM
Property Management staffing level is reasonable per comparables	N	<p>Staffing costs at \$470,366 per year are high. This amounts to \$4,800 per unit per year. The breakdown of property staff is as follows:</p> <ul style="list-style-type: none"> • General office and front desk = 1.25 FTE front desk • GM = 1 FTE • AGM = 1 FTE • Night Manager = 0.4 FTE • Maintenance = 2 FTE • Janitorial = 1.5 FTE <p>While 100% senior housing often requires high staffing costs, MOHCD staff does not approve these staffing costs.</p>
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is \$21,900/yr Annual PM Fee is \$22,260/yr
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$500 per unit per year
Limited Partnership Asset Management Fee meets standards	Y	LP Asset Management Fee is \$5,000/yr

7.4. Capital Needs Assessment & Replacement Reserve Analysis. N/A

8. SUPPORT SERVICES

8.1. Services Plan. TNDC will be the sole service provider for tenants at 4200 Geary. Supportive services include: Intakes and Assessments, Case Management, Supportive Counselling, Individualized Service Planning, Crisis Intervention,

Mediation, Housing Stabilization and Eviction Prevention. 1 FTE social worker will be on site to serve the LOSP units and .20 FTE social worker will serve the remaining units. Services offices will be located on the ground floor.

8.2. Service Budget. Total services at 1.2 is \$154,200. The Sponsor is assuming that HSH will provide a total of \$87,460 for the 20 LOSP units via an HSH services grant. This is based on HSH’s Tier 4 funding level for 2020-2021 and is subject to review and approval by HSH. The remaining \$66,740 will be funded by project operations.

8.3. HSH Assessment of Service Plan and Budget. Pending receipt of the final Service Plan and Budget.

9. THRESHOLD ELIGIBILITY REQUIREMENTS

Category	Possible Points	4200 Geary
EXPERIENCE (subtotal):	40	37
Developer (20 pts)	20	19
<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 for low-income families, including senior and formerly homely residents ➤ Building community support through outreach ➤ Current staff capacity and experience to take on this project type 		
Owner (10 pts)	10	9
<ul style="list-style-type: none"> ➤ Track record successfully owning housing financed with Low-Income Housing Tax Credits ➤ Experience owning affordable housing for low-income families and formerly homeless households ➤ Current asset management structure, staffing and portfolio ➤ Capacity for assuming asset management of an expanded portfolio once the development is complete 		

<p>Property Manager (5 pts)</p> <ul style="list-style-type: none"> ➤ Experience property managing for low-income families, including senior and formerly homeless residents ➤ Experience achieving high rates of housing retention ➤ Implementing low barrier tenant selection policies ➤ Contributing to long-term sustainability of the development ➤ Achieving cost efficiencies in operations 	5	5
<p>Service Providers (5 pts)</p> <ul style="list-style-type: none"> ➤ Experience delivering services to low-income families, including senior and formerly homeless households ➤ Experience linking residents to the City’s safety net of services ➤ Working with property management to achieve high rates of housing retention ➤ Supporting positive outcomes for residents around health and economic mobility ➤ If applicable, provides explanation for service contracts terminated prematurely within the last 5 years 	5	5
VISION (subtotal):	60	51
<p>Program Concept (30 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, young adults, adults, elderly, disabled etc.). 	30	26
<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 	10	8

<p>non-English speaking members of the community;</p> <ul style="list-style-type: none"> ○ How the Development Team intends to comply with the City’s Language Access Ordinance. <p>➤ 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.</p>		
<p>Finance and Cost Containment Approach (10 pts)</p> <ul style="list-style-type: none"> ➤ Describes the Development Team’s financing approach to the project. ➤ Includes the Team’s process for structuring the project and controlling development costs. ➤ 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. 	10	8
<p>Commitment to MOHCD’s Racial Equity Framework (10 pts)</p> <ul style="list-style-type: none"> ➤ Describes capacity and strategies for effectively implementing MOHCD’s Housing Preferences, including neighborhood preference, to meet the goals of the program and ensure that residents of surrounding neighborhood will have maximum opportunity to access housing at the development. ➤ Describes proposed outreach strategies to engage communities that have traditionally lacked access to affordable housing opportunities in San Francisco, and how such strategies will support these communities to pursue opportunities at the proposed site 	10	10
<p>➤ TOTAL POSSIBLE POINTS</p>	100	89
	Possible Points	

10. RANKING CRITERIA

TNDC’s proposal for 4200 Geary met the NOFA’s goal to serve a vulnerable population, in this case senior residents, in a community that has not seen significant affordable housing production. The panel recommended that MOHCD move forward with the project proposal and request for acquisition takeout financing. While TNDC was the sole respondent and the NOFA did not require a minimum score as a threshold, the panel determined that TNDC provided a strong proposal and scored it accordingly.

11. STAFF RECOMMENDATIONS

11.1. Proposed Loan/Grant Terms

Financial Description of Proposed Loan	
Loan Amount:	\$14,462,005
Loan Term:	55 years
Loan Maturity Date:	2077 (assumes the loan will close in March, 2021)
Loan Repayment Type:	Residual Receipts
Loan Interest Rate:	3%

11.2. Recommended disbursement conditions/schedule

1. Sponsor to provide MOHCD with detailed monthly updates on Community Outreach completed, outcomes achieved related to racial equity goals, and commercial-use programming (this may be included in the standard MOHCD monthly report form).
2. Sponsor will provide operating and development budgets that meet MOHCD underwriting guidelines and commercial space policy requirements.
3. Sponsor to 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.
4. Sponsor to 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.
5. Sponsor to work with MOHCD staff to revise unit mix so that the project will include a higher number of units serving households at 50% MOHCD AMI.
6. Sponsor will provide signed LOI from commercial tenants prior to MOHCD’s gap loan closing.
7. Sponsor will provide MOHCD with information outlining cost containment, efficiencies and innovation strategies to reduce overall project costs and maximize efficiency of MOHCD gap loans.

8. Sponsor to work with MOHCD staff to revise project cash flow so that it meets MOHCD's underwriting requirement of a Debt Service Coverage Ratio between 1.10:1 and 1.15: 1 a year 15.
9. Sponsor will provide Commercial Space Plan to MOHCD no less than 90 days prior to Loan Committee date for gap loan.
10. Sponsor to work with MOHCD and HSH to establish the LOSP budget and income restrictions for the referrals from Coordinated Entry.
11. Sponsor will provide for MOHCD review any Request for Proposals (RFPs) for equity investors before it is finalized and released for investors.
12. Sponsor will provide for MOHCD review all raw financial data from developer or financial consultant prior to selection.
13. Sponsor will provide for MOHCD review and approval all selected investors.
14. Sponsor will provide for MOHCD review and approval all Letters of Intent from financial partners.

Post-closing:

15. Sponsor will provide initial draft marketing plan within 2 months of anticipated TCO, outlining the affirmative steps TNDC 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.

12. LOAN COMMITTEE MODIFICATIONS

N/A

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: _____

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Wednesday, January 27, 2021 8:26 PM
To: Chavez, Rosanna (MYR)
Subject: 4200 Geary Acquisition

I approve

Eric D. Shaw
Director

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

Chavez, Rosanna (MYR)

From: Menjivar, Salvador (HOM)
Sent: Wednesday, January 27, 2021 9:15 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: PREDEVELOPMENT FINANCING FOR 4200 GEARY BOULEVARD

I approve TNDC (through 4200 Geary Associates, L.P.) request for \$14,538,982 in acquisition and predevelopment financing for 4200 Geary Boulevard.



Salvador Menjivar
Director of Housing
Pronouns: He/Him
San Francisco Department of Homelessness and Supportive Housing
salvador.menjivar1@sfgov.org | 415-308-2843

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Chavez, Rosanna (MYR)

From: Oerth, Sally (CII)
Sent: Friday, January 22, 2021 1:38 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Gagen, Jonathan (MYR)
Subject: 4200 Geary Acq/Predev Loan - 1.22.21 Loan Committee

I approve the 4200 Geary Acquisition and Predevelopment Loan, presented at the 1/22/21 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: Katz, Bridget (CON)
Sent: Friday, January 22, 2021 1:38 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: 4200 Geary

Approve

Bridget Katz

Development Finance Specialist, Office of Public Finance
Controller's Office | City & County of San Francisco
Office Phone: (415) 554-6240
Cell Phone: (858) 442-7059
E-mail: bridget.katz@sfgov.org

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

Attachment A: Project Milestones and Schedule

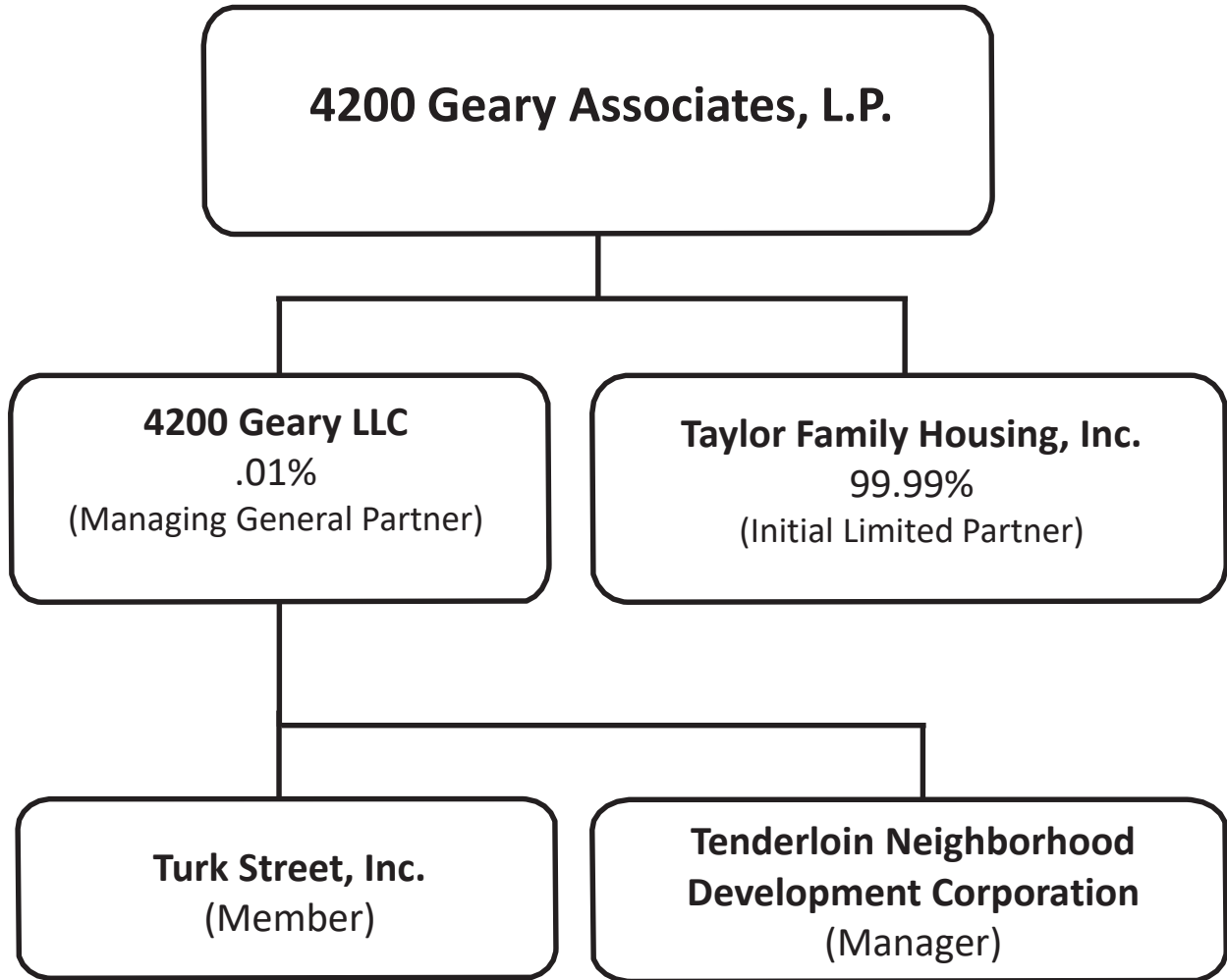
No.	Performance Milestone	Estimated or Actual Date	Contractual Deadline
A.	Prop I Noticing (if applicable)		
1.	Acquisition/Predev Financing Commitment	<u>10/10/2019</u>	
2.	Site Acquisition	<u>05/13/2020</u>	_____
3.	Development Team Selection		
a.	Architect	<u>4/23/2020</u>	
b.	General Contractor	<u>08/12/2020</u>	
c.	Owner's Representative	<u>06/04/2020</u>	
d.	Property Manager	<u>01/04/2021</u>	
e.	Service Provider	<u>01/04/2021</u>	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	<u>08/13/2020</u>	_____
b.	Submittal of Design Development & Cost Estimate	<u>12/11/2020</u>	
c.	Submittal of 50% CD Set & Cost Estimate	<u>02/12/2021</u>	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	<u>11/05/2021</u>	
5.	Environ Review/Land-Use Entitlements		
a.	CEQA Environ Review Submission	<u>N/A</u>	
b.	NEPA Environ Review Submission	<u>N/A at this time</u>	
c.	CUP/PUD/Variances Submission	<u>N/A</u>	
6.	Permits		
a.	Building / Site Permit Application Submitted	<u>09/11/2020</u>	_____
b.	Addendum #1 Submitted	<u>02/12/2021</u>	
c.	Addendum #2 Submitted	<u>05/14/2021</u>	
7.	Request for Bids Issued	<u>11/08/2021</u>	
8.	Service Plan Submission		
a.	Preliminary	_____	
b.	Interim	_____	
c.	Update	_____	

9.	Additional City Financing		
a.	Predevelopment Financing Application #2	_____	
b.	Gap Financing Application	<u>09/24/2021</u>	
10.	Other Financing		
a.	MHP Application	<u>03/01/2021</u>	
b.	Construction Financing RFP	_____	
c.	AHP Application	_____	
d.	CDLAC Application	_____	
e.	TCAC Application	_____	
f.	HUD 202 or 811 Application	_____	
g.	Other Financing Application	_____	
11.	Closing		
a.	Construction Closing	<u>02/22/2022</u>	
b.	Permanent Financing Closing	<u>02/22/2022</u>	
12.	Construction		
a.	Notice to Proceed	<u>02/22/2022</u>	_____
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	<u>01/01/2024</u>	_____
13.	Marketing/Rent-up		
a.	Marketing Plan Submission	<u>01/01/2024</u>	_____
b.	Commence Marketing	<u>02/01/2024</u>	
c.	95% Occupancy	<u>04/01/2024</u>	_____
14.	Cost Certification/8609	<u>02/01/2025</u>	
15.	Close Out MOH/OCII Loan(s)	<u>09/01/2024</u>	

Attachment B: Borrower Org Chart

Please see attached.

**4200 Geary
Project Organizational Chart
Until Closing (May 8, 2020)**



Attachment C: Developer Resume

Colleen Ma is a Project Manager with TNDC Housing Development. She joined TNDC in 2017 and has helped to manage acquisition, new construction, and rehabilitation projects in various phases of development, lease up, and close out. Prior to her time at TNDC, Colleen worked at Mercy Housing Lakefront in Chicago to analyze portfolio performance, delivery of social services, and conduct research on housing outcomes. She previously worked in social services as a case manager and housing coordinator in San Francisco, as well as in community organizing with public housing tenants and the unhoused in Los Angeles. Colleen holds a Master's in Urban Planning and Policy from the University of Illinois at Chicago and a Bachelor's in Geography/Environmental Studies from the University of California, Los Angeles.

Nicole Guzman is an Assistant Project Manager with TNDC Housing Development. She joined TNDC in 2019 and has helped manage several rehabilitation projects. Prior to her time at TNDC, Nicole worked at Mission Economic Development Agency (MEDA) as a Project Assistant and managed new construction projects. Nicole holds a Master's in Urban Planning from San Jose State University. She was also a part of the 2018-2019 Bay Area Housing Internship Program (BAHIP) Cohort.

Christopher Cummings is an Associate Director of Housing Development at TNDC. Chris joined TNDC in 2013 as a project manager, and brings over ten years of professional experience in affordable housing development and consulting. At TNDC, he oversees acquisition, new construction and portfolio recapitalization. Prior to TNDC, he worked at Diamond and Associates, an affordable housing developer in Philadelphia, and Recap Real Estate Advisors in Boston, where he worked on strategic capital planning projects for existing affordable housing assets, including comprehensive portfolio planning for several large public housing authorities. Chris holds a Masters of City Planning from the University of Pennsylvania and a Bachelor's in Architectural Studies from College of the Holy Cross.

Katie Lamont is a Senior Director of Housing Development at TNDC. Katie Lamont joined TNDC in April 2012 as Director of Housing Development. She is responsible for leading the housing development team as it carries out all phases of development from feasibility through acquisition, predevelopment, construction, and completion. Prior to joining TNDC, Katie worked nine years for Eden Housing, most recently as Associate Director of Real Estate Development, where she supervised junior staff, led new business development activity, worked on policy, and managed her own project teams implementing all aspects of affordable housing development, including mixed-use and mixed-tenure developments and joint ventures with homebuilders and service providers. She began her career working in fair housing at Housing Opportunities Project for Excellence in Miami, Florida. Katie earned a Master in Urban Planning from the University of California, Los Angeles, and a Bachelor's in American Civilization from Brown University.

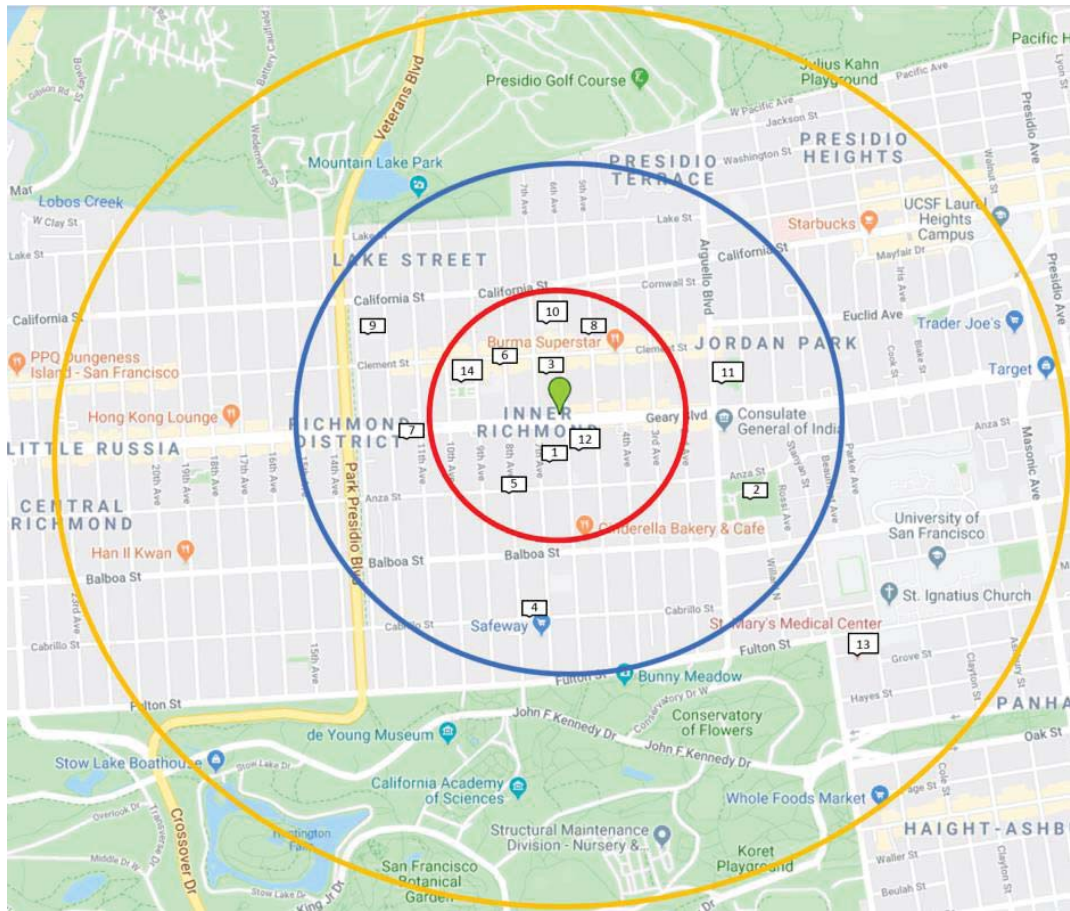
Attachment D: Asset Management Evaluation of Project Sponsor

TNDC has 42 projects in its portfolio, with an additional 17 projects in the pipeline including recapitalization. The average units per project ranges from 75-120.

There are three full-time employees. The department is headed by the Senior Asset Manager with two Asset Managers reporting to the Senior Asset Manager, who reports to the CFO. Each of the three employees in the Asset Management Department have a set number of projects in the portfolio. Each is responsible for developing asset management plans for each property, as well as managing the needs and requests of the partner and/or lender in each of the properties, examining opportunities related to the rental structure/operating subsidies, and developing, when necessary, partner exit strategies and/or resyndication and refinancing strategies for those projects that are approaching Year 15.

Members of the Asset Management Department work closely with other TNDC departments. Each project in development in the Housing Development Department has a multidisciplinary “interdepartmental team” to help inform rehab or new construction scopes in which one or more members of asset management participates. Additionally, TNDC has a Recapitalization Workgroup, in which all members of the Asset Management Department attend in order to update senior staff members and the Housing Development Department about asset management plans, partner exit strategies and other asset management related activities, challenges and opportunities.

Attachment E: Site Map with amenities



Map amenities:

1. Site Amenities

Map source: Google Maps

Inner red circle is 1/4 mile radius, blue circle is 1/2 mile radius, and the outer yellow circle is a 1 mile radius.

Project is located within 1/2 mile of a park or recreational facility:

- #1: Muriel Leff Mini Park – within 1/4 mile
- #2: Angelo J. Rossi Playground – within 1/2 mile

Project within close proximity of groceries and other essential shopping needs 1/2 mile or 1/4 mile:

- #3: Smart & Final – within 1/4 mile
- #4: Safeway – within 1/2 mile
- #5: M & K Market – within 1/4 mile
- #6: Richmond New May Wah Supermarket - within 1/4 mile
- #7: First Korean Market - within 1/2 mile
- #8: Lien Hing Supermarket – within 1/4 mile

1 mile from a hospital:

- #12: Kaiser Permanente Medical center – within 1/4 mile

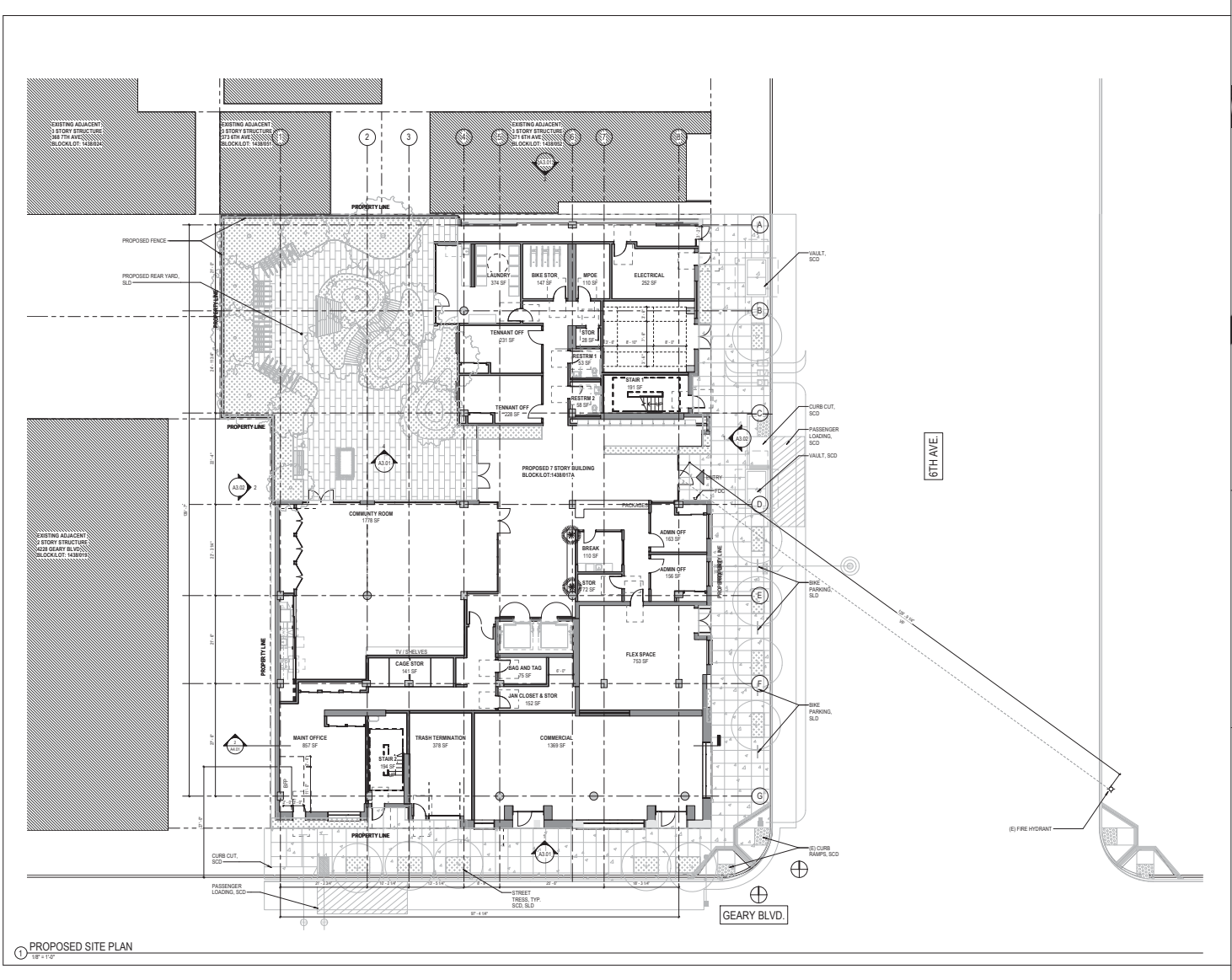
#13: St. Mary's Medical Center – within 1 mile

1/2 mile of a public library:

#14: Richmond/Senator Milton Marks Branch Library – within ¼ mile

Attachment F: Elevations and Floor Plans

Please see attached.



PROPOSED SITE PLAN
1/8" = 1'-0"

ED 13-01
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Y.A. studio
ARCHITECTS
1775 CALIFORNIA ST. SUITE 300 SAN FRANCISCO, CA 94109
OFFICE: 415.398.1500
WWW.YA-STUDIO.COM

PROJECT: **4200 GEARY**
SAN FRANCISCO, CA 94118
OWNER: **YAP HO CHIANG ARCHITECTURAL FIRM & L.P.P.**
301 TUDY STREET, SAN FRANCISCO, CA 94102

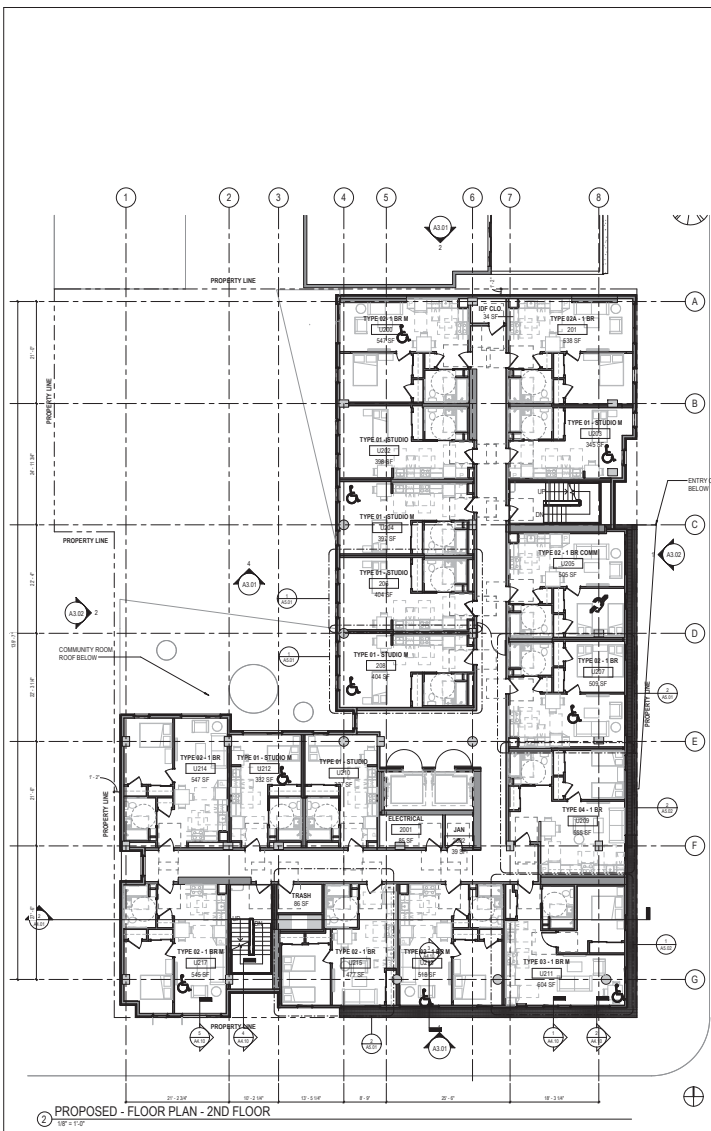


REVISIONS	NO.	DESCRIPTION	DATE

TITLE: **PROPOSED SITE PLAN**

ISSUE: SITE PERMIT
ISSUE DATE: 09/11/2020
TEAM: YAP/HOCHIANG

SHEET NO. **A1.03**
BY: Y.A. STUDIO



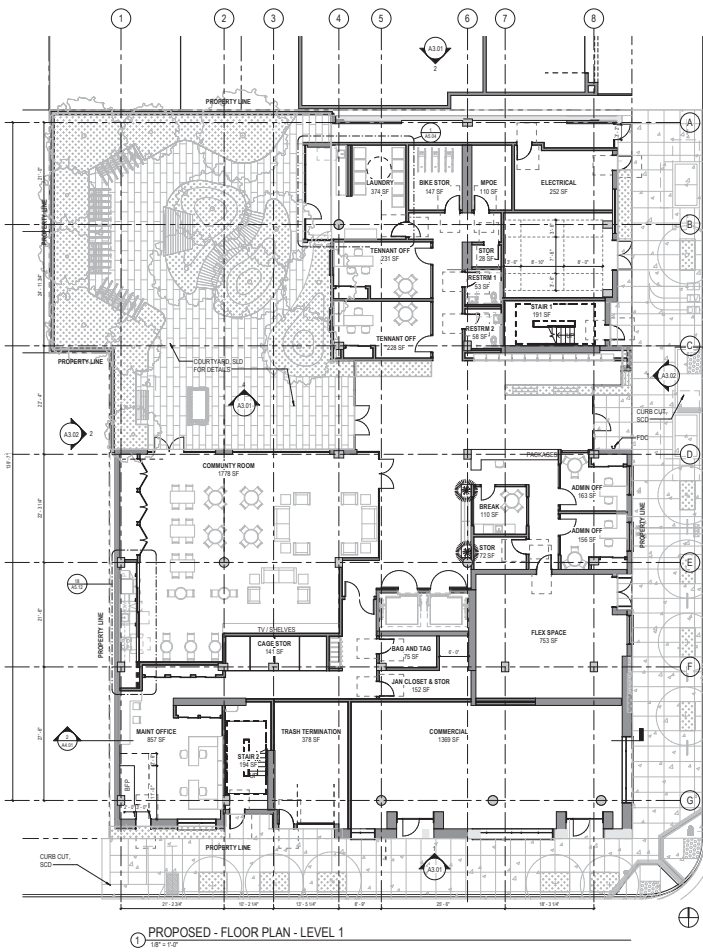
GENERAL FLOOR PLAN NOTES:

1. SEE SCHEDULE DIMENSIONS Q1.01 AND Q1.02 FOR ADDITIONAL WALL RATING INFORMATION. SEE ALSO PROJECT DATA FOR ADDITIONAL RATING REQUIREMENTS BASED ON CONSTRUCTION NOTES.
2. ALL EXTERIOR WALLS ARE DIMENSIONED FROM F.O. SHEATHING OR CONCRETE S/C.
3. ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
4. ALL DOORS ADJACENT TO WALLS ARE 4" FROM FACE OF JAMB TO FACE OF FINISH OF ADJACENT WALL U.O.N.
5. SEE ALSO SCHEDULE FOR PARTITION AND HORIZONTAL ASSEMBLY.
6. TYPE 'L' SERIES SHEETS FOR LIFE SAFETY INFORMATION.
7. SEE Q2.04 FOR ACCESSIBILITY COMPLIANCE NOTES AND DETAILS.
8. SEE Q2.04 FOR ACCESSIBILITY DIMENSIONS AND CLEARANCES AT TOILET ROOMS AND BATHROOMS.
9. ALL FLOOR ELEVATIONS FROM T.O. CONC. OR T.O. GYPSUM CEMENT, UNLESS OTHERWISE NOTED.

WALL LEGEND:

PARTITION AS SCHEDULED

SEE PROJECT DATA Q2.02 AND LIFE SAFETY Q1.01 FOR SHEETS FOR ADDITIONAL HORIZONTAL AND VERTICAL ASSEMBLY REQUIREMENTS.



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Y.A. studio
ARCHITECTS
OFFICE: 4200 GEARY BLVD. #100 SAN FRANCISCO, CA 94118
STUDIO: 1000 MARKET STREET, SAN FRANCISCO, CA 94102

PROJECT: 4200 GEARY
SAN FRANCISCO, CA 94118



REVISIONS	NO.	DESCRIPTION	DATE

TITLE: PROPOSED - FLOOR PLAN - LEVEL 1 & 2
ISSUE: SITE PERMIT
ISSUE DATE: 09/11/2020
TEAM: YAP/POPOV/QUINN
SHEET NO.: A2.01



REVISIONS	NO.	DESCRIPTION	DATE

TITLE: PROPOSED - FLOOR PLAN - TYP FLOOR & LEVEL 5
ISSUE: SITE PERMIT
ISSUE DATE: 09/11/2020
TEAM: YAPPOPOULOU
SHEET NO.

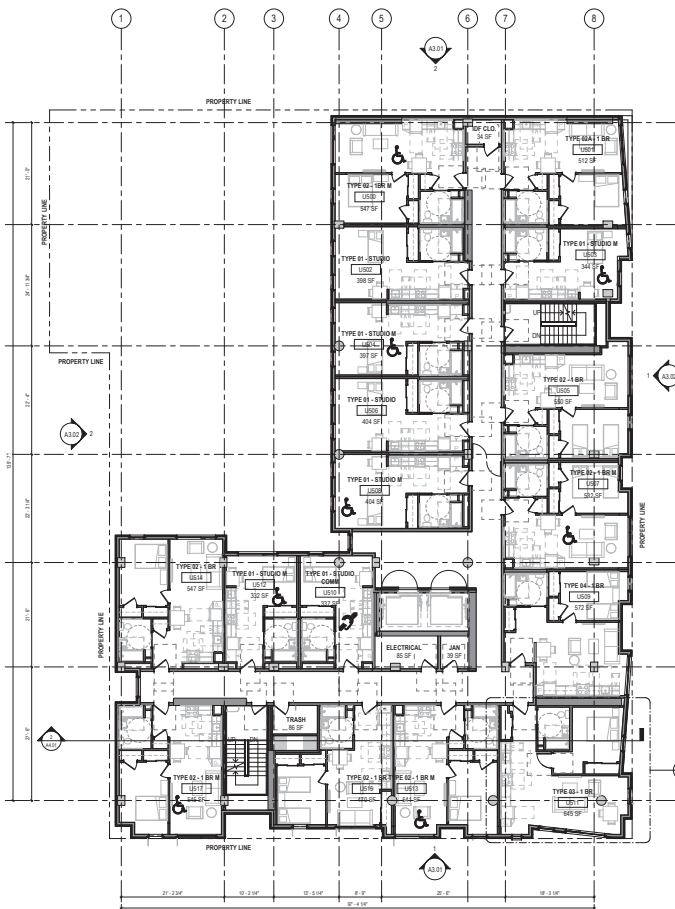
GENERAL FLOOR PLAN NOTES:

1. SEE CROSS SECTIONS Q1-01 AND Q1-02 FOR ADDITIONAL WALL RATING INFORMATION. SEE ALSO PROJECT DATA FOR ADDITIONAL RATING REQUIREMENTS BASED ON CONSTRUCTION NOTES.
2. ALL EXTERIOR WALLS ARE DIMENSIONED FROM F.O. SHEATHING OR CONCRETE I.O.M.
3. ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
4. ALL DOORS ADJACENT TO WALLS ARE 4" FROM FACE OF LAMB TO FACE OF FINISH OF ADJACENT WALL I.O.M.
5. SEE ALSO A3.03 FOR PARTITION AND HORIZONTAL ASSEMBLY.
6. TYPE L SERIES SHEETS FOR LIFE SAFETY INFORMATION.
7. SEE Q2.04 FOR ACCESSIBILITY COMPLIANCE NOTES AND DETAILS.
8. SEE Q2.04 FOR ACCESSIBILITY DIMENSIONS AND CLEARANCES AT TOILET ROOMS AND BATHROOMS.
9. ALL SPOT ELEVATIONS FROM G.D. CONC. OR T.O. GYPSUM CEMENT, UNLESS OTHERWISE NOTED.

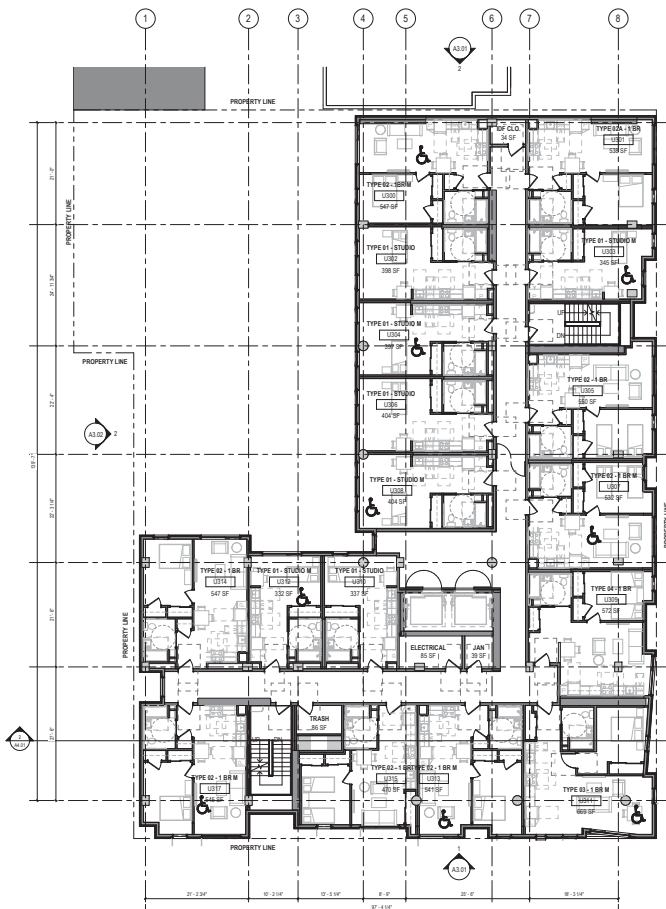
WALL LEGEND:



SEE PROJECT DATA Q2.02 AND LIFE SAFETY Q1.01 DX SHEETS FOR ADDITIONAL HORIZONTAL AND VERTICAL ASSEMBLY REQUIREMENTS.



2 PROPOSED - FLOOR PLAN - LEVEL 5
1/8" = 1'-0"



1 PROPOSED - FLOOR PLAN - LEVEL 3 (LEVEL 4 SIM.)
1/8" = 1'-0"



REVISIONS	NO.	DESCRIPTION	DATE

TITLE: PROPOSED - FLOOR PLAN - LEVEL 6 & 7
ISSUE: SITE PERMIT
ISSUE DATE: 09/11/2020
TEAM: YAPPOPOULOU
SHEET NO.

A2.03
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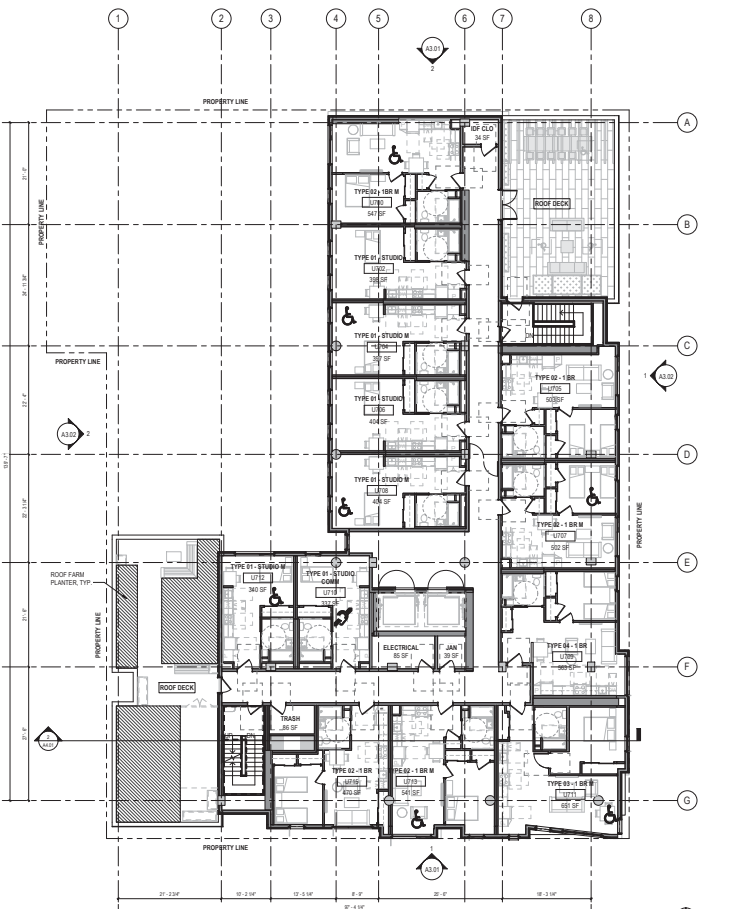
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- ALL EXTERIOR WALLS ARE DIMENSIONED FROM F.O. SHEATHING OR CONCRETE S/C.
- ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
- ALL DOORS ADJACENT TO WALLS ARE 4" FROM FACE OF JAMB TO FACE OF FINISH OF ADJACENT WALL U.O.N.
- SEE ALSO A-1.03 FOR PARTITION AND HORIZONTAL ASSEMBLY.
- TYPE L-SERIES SHEETS FOR LIFE SAFETY INFORMATION.
- SEE 02-04 FOR ACCESSIBILITY COMPLIANCE NOTES AND DETAILS.
- SEE 02-04 FOR ACCESSIBILITY DIMENSIONS AND CLEARANCES AT TOILET ROOMS AND BATHROOMS.
- ALL FLOOR ELEVATIONS FROM T.O. CONC. OR T.O. GYPSUM CEMENT, UNLESS OTHERWISE NOTED.

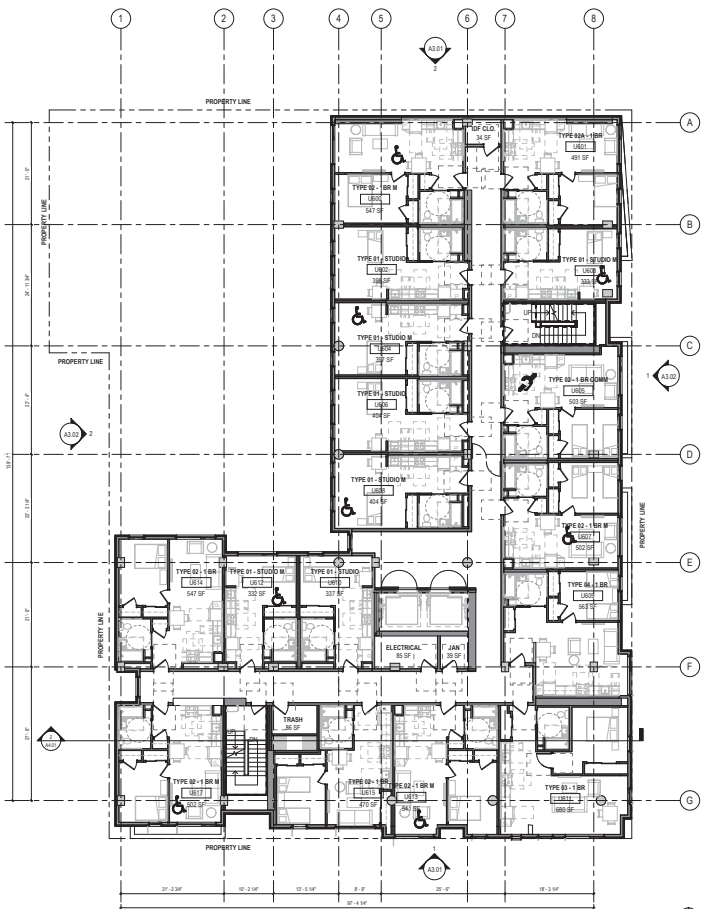
WALL LEGEND:



SEE PROJECT DATA 02-02 AND LIFE SAFETY 01-01 OR SHEETS FOR ADDITIONAL HORIZONTAL AND VERTICAL ASSEMBLY REQUIREMENTS.



PROPOSED - FLOOR PLAN - LEVEL 7
1/8" = 1'-0"



PROPOSED - FLOOR PLAN - LEVEL 6
1/8" = 1'-0"

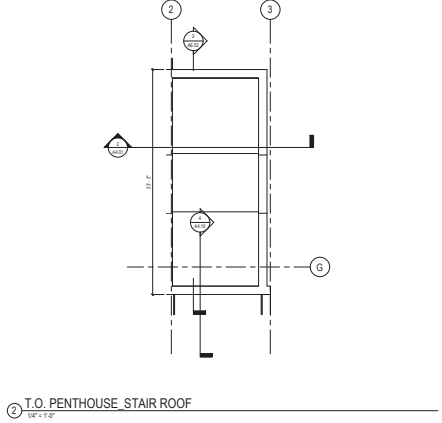
GENERAL FLOOR PLAN NOTES:

1. SEE CROSS DIAGRAMS Q1-D1 AND Q1-D2 FOR ADDITIONAL WALL RATING INFORMATION. SEE ALSO PROJECT DATA FOR ADDITIONAL RATING REQUIREMENTS BASED ON CONSTRUCTION NOTES.
2. ALL EXTERIOR WALLS ARE DIMENSIONED FROM F.O. SHEATHING OR CONCRETE I.C.M.
3. ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
4. ALL DOORS ADJACENT TO WALLS ARE 4" FROM FACE OF JAMB TO FACE OF FINISH OF ADJACENT WALL I.O.D.
5. SEE ALSO A3.03 FOR PARTITION AND HORIZONTAL ASSEMBLY.
6. TYPE L SERIES SHEETS FOR LIFE SAFETY INFORMATION.
7. SEE Q3.04 FOR ACCESSIBILITY COMPLIANCE NOTES AND DETAILS.
8. SEE Q3.04 FOR ACCESSIBILITY DIMENSIONS AND CLEARANCES AT TOILET ROOMS AND BATHROOMS.
9. ALL FLOOR ELEVATIONS FROM F.O. CONC. OR T.O. GYPSUM CEMENT, UNLESS OTHERWISE NOTED.

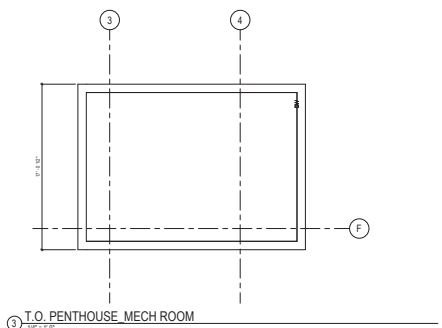
WALL LEGEND:

———— PARTITION AS SCHEDULED

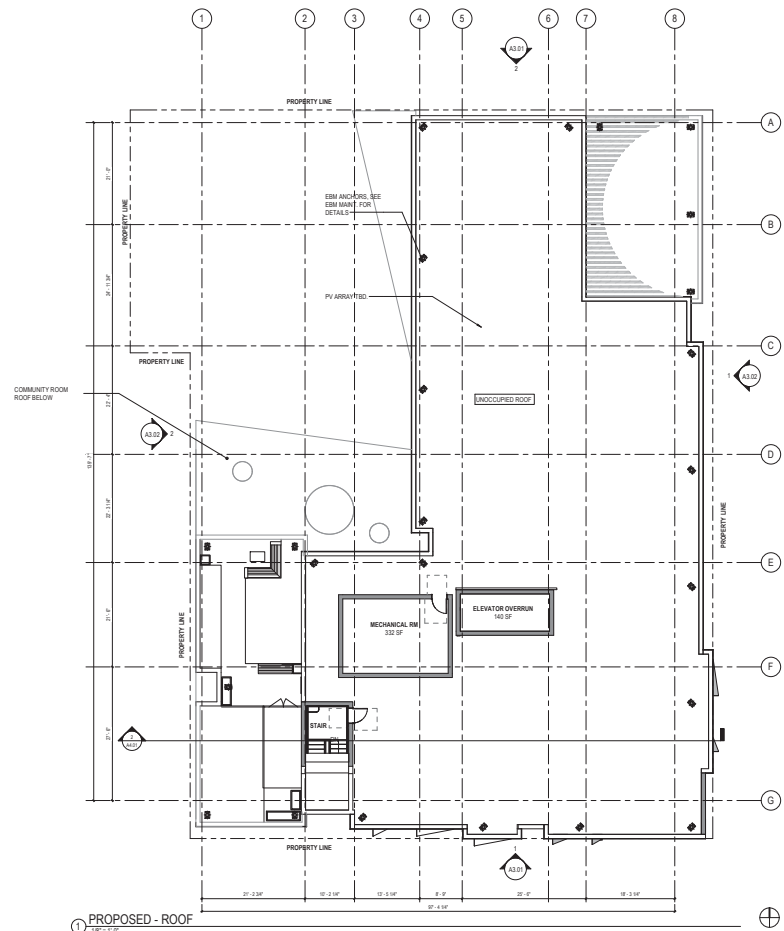
SEE PROJECT DATA Q3.05-DX AND LIFE SAFETY Q1.01-DX SHEETS FOR ADDITIONAL HORIZONTAL AND VERTICAL ASSEMBLY REQUIREMENTS.



② T.O. PENTHOUSE STAIR ROOF
1/8" = 1'-0"



③ T.O. PENTHOUSE MECH ROOM
1/8" = 1'-0"



① PROPOSED - ROOF
1/8" = 1'-0"

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Y.A. studio
ARCHITECTS
OFFICE 445 S. BAY ST. #400 SAN FRANCISCO, CA 94108
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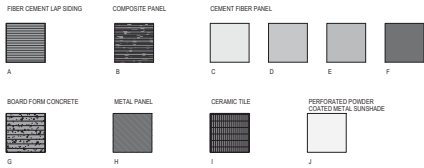
PROJECT: 4200 GEARY
SAN FRANCISCO, CA 94118
OWNER: YAP WOPAN KUIAN INC. 100% AFFORDABLE HOUSING DEVELOPMENT
301 EDDY STREET, SAN FRANCISCO, CA 94102



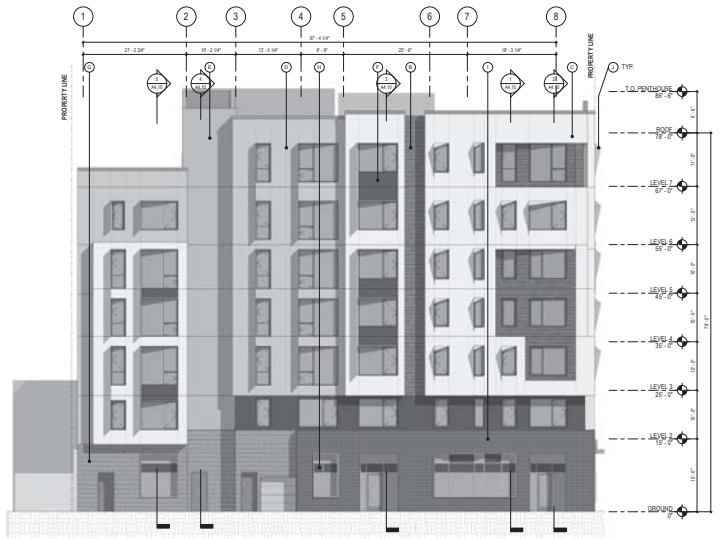
REVISIONS	NO.	DESCRIPTION	DATE

TITLE: PROPOSED - FLOOR PLAN - ROOF
ISSUE: SITE PERMIT
ISSUE DATE: 09/11/2020
TEAM: YAP WOPAN KUIAN
SHEET NO. **A2.04**

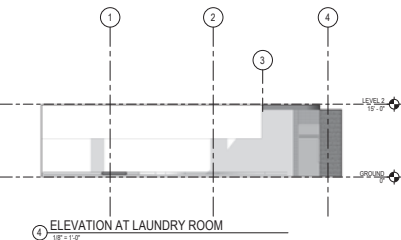
MATERIAL LEGEND:



PROPOSED - NORTH ELEVATION
1/8" = 1'-0"



PROPOSED - SOUTH ELEVATION
1/8" = 1'-0"



ELEVATION AT LAUNDRY ROOM
1/8" = 1'-0"

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YA studio

PROJECT
4200 GEARY
SAN FRANCISCO, CALIFORNIA
94118

OWNER
YAPPOPOPOLIUM
371 6TH AVE
BLOCKLOT 148602
SAN FRANCISCO, CALIFORNIA
94103



REVISIONS	NO.	DESCRIPTION	DATE

TITLE:
**BUILDING ELEVATIONS -
SOUTH AND NORTH**

ISSUE: SITE PERMIT

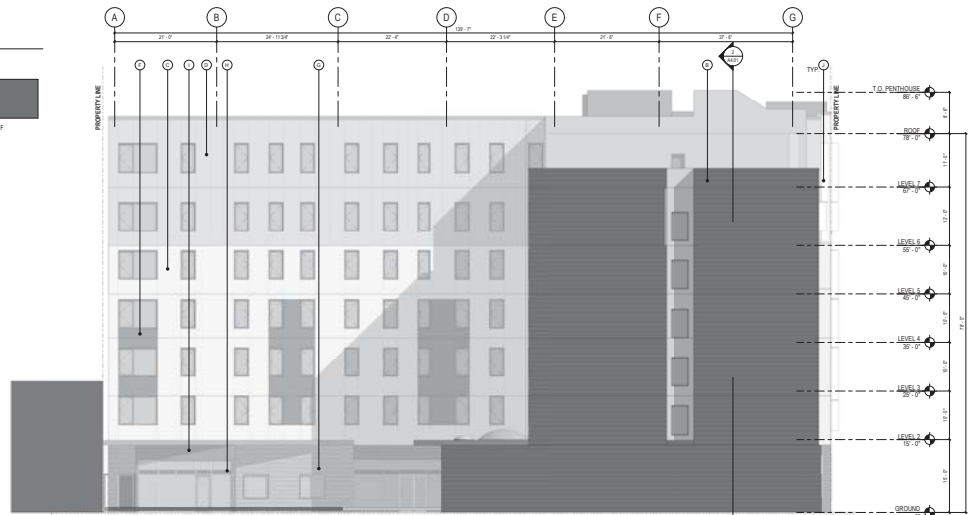
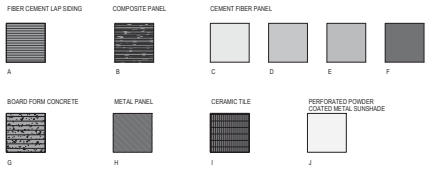
ISSUE DATE: 09/11/2020

TEAM: YAPPOPOPOLIUM

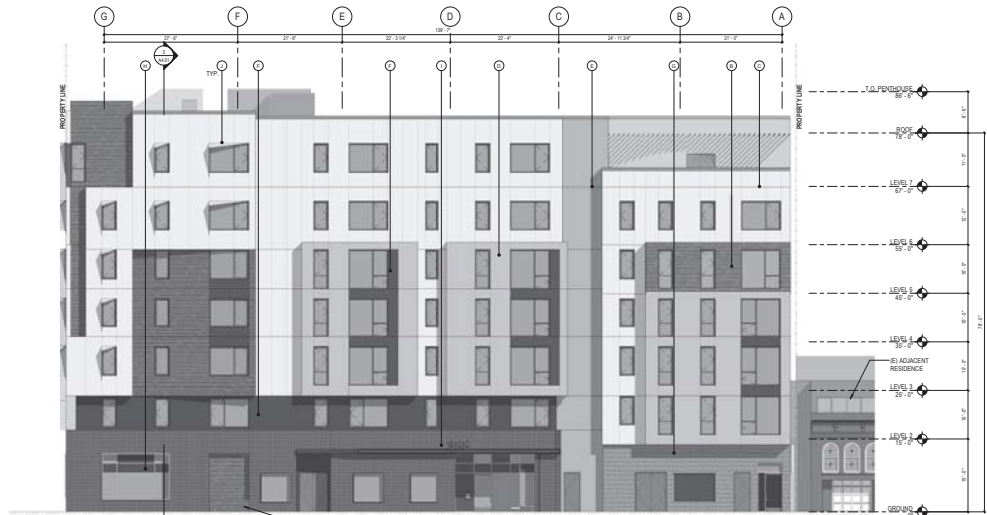
SHEET NO.

A3.01

MATERIAL LEGEND:



PROPOSED - WEST ELEVATION
1/8" = 1'-0"



PROPOSED - EAST ELEVATION
1/8" = 1'-0"

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YA.ya.studio

PROJECT LOCATION: 301 EDDY STREET, SAN FRANCISCO, CA 94102
OFFICE: 301 EDDY STREET, SAN FRANCISCO, CA 94102
www.yaya.studio.com

PROJECT: 4200 GEARY
SAN FRANCISCO, CA 94118
19111

OWNER: YAPWOPHOPHOUAN



REVISIONS	NO.	DESCRIPTION	DATE

TITLE: BUILDING ELEVATIONS - EAST AND WEST
ISSUE: SITE PERMIT
ISSUE DATE: 09/11/2020
TEAM: YAPWOPHOPHOUAN
SHEET NO.

A3.02

Attachment G: Comparison of City Investment in Other Housing Developments

Affordable Multifamily Housing New Construction Cost Comparison

PROJECTS COMPLETED		BUILDING SQUARE FOOTAGE		TOTAL PROJECT COSTS													
Project Name	Address	Let sq ft	Comp. Date	# of Units	# of BR	Res. 1	Non-Res.	Total	Acq. Cost3	Const. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments	
Hunter View Phase 3 - Block 10	140 West Reed Street	53,331	Jun-18	72	144	95,974	13,528	109,502	-\$	46,681,024	1,842,389	48,523,413	10,770,281	37,753,132	48,544,415	2% LHFC	Open BA over Type I (Phases 3-5) - Parking, Community Hub and Children
Mission Bay B & East	620 Mission Bay Blvd No.	69,246	Nov-18	143	286	102,980	8,719	111,700	171,709	11,124,051	16,222,607	95,546,598	35,730,601	60,805,997	95,807,881	HCD APFC Loan	Type III & V over Type I (Subsidy) - 41 plus spaces, Mission Bay and open lot parking
Mission Bay S - Block 9	1138 Third Street	47,142	Jan-20	119	238	78,133	41,062	119,195	15,236,371	28,243,814	1,428,711	74,908,956	20,000,000	54,908,956	75,351,713	HCD APFC Loan	Type V over Type I (Subsidy) - strong sustainability - open lot parking, no 100' height
Pepper Block S (Northside)	25th and Commercial	30,000	May-19	72	144	88,869	29,995	118,864	20,700	61,403,475	3,768,230	74,981,000	17,000,000	57,981,000	74,263,100		Type III & V over Type I (Subsidy) - 1.48 stories, exposed or Ecogrocery, No-Street Cost
Hilly and Taylor Family Housing	322 Taylor	25,344	Jan-19	113	226	58,449	21,088	79,537	3,923,000	37,529,727	14,637,829	61,090,556	29,187,254	31,903,302	73,013,758	PHCD Equity Invest/B, 100%	Type III & V over, affordable PHCD - exposed north-west
Pepper Block W	1001 4th Street	27,426	Jan-19	108	216	52,117	31,378	83,495	-\$	59,397,341	7,968,949	67,366,290	17,700,761	49,665,529	65,066,280	HCD APFC Loan	Type V over Type I (Subsidy) - open lot parking, open lot parking
Sustainable Martel G	1471 West Serrano Ave	29,267	Jan-20	99	198	79,343	24,113	103,456	42,027,287	34,089,237	1,929,139	83,045,663	8,925,147	74,120,516	83,970,660	2% LHFC	Type IV - 3 stories over grade urban parking
Completed Projects - Average		39,179		97	176	78,466	24,312	102,778	116,999	\$ 3,156,273	\$ 6,498,486	\$ 70,986,957	\$ 24,468,174	\$ 46,518,783	\$ 64,986,443		

PROJECTS UNDER CONSTRUCTION		BUILDING SQUARE FOOTAGE		TOTAL PROJECT COSTS													
Project Name	Address	Let sq ft	Comp. Date	# of Units	# of BR	Res. 1	Non-Res.	Total	Acq. Cost3	Const. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments	
1900 Palms Street	1900 Palms	20,047	Dec-20	143	286	118,844	16,903	135,747	8,407,388	79,788,332	25,619,512	124,015,232	48,771,680	75,243,552	124,015,232		Marketplace - Type III (Subsidy) and 3-story Type I over Podium
720 Davis Center Housing	720 Davis	33,782	Nov-20	93	186	46,942	2,202	49,144	-\$	20,999,077	1,968,397	49,087,299	3,925,000	45,162,299	49,087,299		Type III & V over Type I (Subsidy) - 3.6 stories
BR Brackley - Family Housing	BR Brackley	36,182	Mar-21	125	250	142,276	8,739	151,015	14,800,000	66,841,828	12,758,038	112,505,166	27,938,678	84,566,488	112,505,166		Type III & V over Type I (Subsidy) - 3.6 stories - Family
BR (Civic/Basin Hill South RW)	BR Civic/Basin Hill South RW	46,637	Mar-21	152	304	178,553	7,038	185,591	10,917,462	27,287,092	47,381,890	121,184,514	47,381,890	73,802,624	HCD APFC Loan	Type III (Subsidy) and Type IV (Subsidy) on main wing, lot 20 parking spaces, 4 level of cost-pace	
Pepper Block W	Treasure Island 12 S.C.A.	52,293	Feb-22	109	218	89,480	24,477	113,957	1,153,511	37,112,968	3,536,518	71,702,989	24,120,000	47,582,989	74,398,668	HCD APFC Loan / Land / 100%	Type III (Subsidy) - 2nd floor (Phases 1, 2, 3) - 20 parking spaces, 10 development credits, resident center
St Colton (Pepper Union DA)	St Colton	37,393	Dec-20	98	196	47,949	47,880	95,829	37,889	34,888,629	7,471,274	82,348,733	2,730,000	79,618,733	82,348,733	4% Fed & St Credits, HCD MHP - AMP, \$10M GM Credits	Type III over Type I (podium and basement, 6 stories, constrained site, efficiency studio
Under Construction - Average		37,179		112	224	114,963	13,318	128,281	\$ 7,471,274	\$ 67,629,448	\$ 21,892,689	\$ 96,993,411	\$ 27,871,800	\$ 69,121,611	\$ 96,993,411		

PROJECTS IN PREDEVELOPMENT		BUILDING SQUARE FOOTAGE		TOTAL PROJECT COSTS													
Project Name	Address	Let sq ft	Start Date (anticipated)	# of Units	# of BR	Res. 1	Non-Res.	Total	Acq. Cost3	Const. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments	
T1 Parcel C11	Treasure Island C11	49,497	Jul-21	138	276	140,833	52,000	192,833	25,000	52,760,267	16,309,370	109,149,377	2,000,000	107,149,377	HCD APFC Loan	Type III & V over Type I (in 3.0) - 3 stories - mixed - 20 day and Youth Activity spaces	
Harbor View Phase 1B - Housing	1511 4th St	92,000	Mar-21	178	356	167,938	11,200	179,138	8,072,222	110,600,000	16,000,000	191,734,442	25,000,000	166,734,442	191,734,442	PHCD Equity Invest	Type III (Subsidy) and 2nd floor (Phases 1, 2) - 20 parking spaces, 10 development credits, 100' height
Sustainable Block 1B	1180	50,000	Feb-22	108	216	107,000	8,000	115,000	6,000	38,124,259	4,653,011	61,777,270	9,125,000	52,652,270	61,777,270	4% Credits, HCD III & APFC	Type III (Subsidy) - 3.6 stories - 41 plus spaces, 41 plus spaces, Mission Bay and open lot parking
Pepper Block B	25th and Commercial	36,311	Aug-21	102	204	214,813	10,384	225,197	-\$	119,098,000	28,000,000	144,000,000	19,888,000	124,112,000	144,000,000	4% Credits, HCD III & APFC	Type III over Type III & 5.6 stories - mixed, 65 day - 100% and parking, includes PHCD in 1st story
Harbor View PH Block 14 & 17	1401 Serrano Street	62,923	Jan-21	116	232	122,943	3,481	126,424	-\$	65,366,754	4,932,884	133,299,638	27,765,261	105,534,377	133,299,638	4% Credits, HCD MHP	Type III over Type III & 5.6 stories with Current (Comments) exp. includes 5 parking spaces (100' CC Block)
720 Serrano	720 Serrano Street	37,813	Dec-21	120	240	106,770	20,000	126,770	32,691	51,249,549	2,319,589	80,121,310	36,225,850	43,895,460	80,121,310	4% Credits, HCD MHP	Type III over Type III & 5.6 stories with Current (Comments) exp. includes 5 parking spaces (100' CC Block)
In Predevelopment - Average		65,663		140	280	146,224	21,005	167,229	\$ 32,691	\$ 69,249,394	\$ 24,311,659	\$ 123,749,128	\$ 47,749,610	\$ 76,000,000	\$ 123,749,128		

ALL PROJECTS - Average:	48,817		117	209	122,558	19,665	140,349	\$ 3,020,765	\$ 72,326,725	\$ 18,755,101	\$ 93,408,845	\$ 24,351,174	\$ 69,057,671	\$ 93,408,845		
SUBJECT PROJECT	4200 Geary	16,138	Feb-22	98	98	83,169	2,442	85,611	\$ 11,664,369	\$ 69,659,584	\$ 18,629,458	\$ 90,374,412	\$ 27,791,624	\$ 73,510,431	4% Credits, HCD MHP - AMP, Private Loan	Type III over Type I, 7 stories, TI space, no parking, Urban Agriculture (Reg. 1)

PROJECTS COMPLETED		ACQUISITION BY UNIT/BSF			CONSTRUCTION BY UNIT/BSF			SOFT COSTS BY UNIT/BSF			TOTAL DEVELOPMENT COST (incl. Land)			SUBSIDY	
Project Name	Comp. Date	Acq/ft	Acq/BR	Acq/ft sq ft	Const/ft	Const/BR	Const/ft sq ft	Soft/ft	Soft/BR	Soft/ft sq ft	Gross TDC/ft	Gross TDC/BR	Gross TDC/ft sq ft	Subsidy / unit	Leveraging 7
Hunter View Phase 3 - Block 10	Jan-18	-	-	-	\$ 585.46	\$ 354.243	\$ 485	\$(4.79)	\$(2.376)	-\$	\$ 633.721	\$ 321.899	\$ 447	274.735	57.4%
Mission Bay B&E	Nov-18	1,078	937	-2.1	\$ 567.872	\$ 296.112	\$ 423	\$(6.454)	\$(6.199)	-\$	\$ 575.147	\$ 299.864	\$ 362	200,993	49.0%
Mission Bay S - Block 7 East	Jan-20	-	-	-	\$ 749.575	\$ 362.622	\$ 507	\$(11.299)	\$(6.822)	-\$	\$ 662.228	\$ 470.444	\$ 455	198,894	74.9%
Pepper Block S (Northside)	May-19	388	484	-1	\$ 644.629	\$ 462.452	\$ 532	\$(17.208)	\$(9.843)	-\$	\$ 1,031.876	\$ 597.966	\$ 493	261,727	58.2%
Hilly & Taylor Family Housing	Jan-19	62,301	44,078	416	\$ 311.820	\$ 274.508	\$ 447	\$(11.208)	\$(7.320)	111	\$ 725.438	\$ 393.620	\$ 433	196,249	72.0%
Pepper Block W	Jan-19	33,965	311	116	266	122,643	3,481	-\$	65,366,754	-\$	65,366,754	27,765,261	\$	153,213	51.6%
Sustainable Martel G	Jan-20	-	-	-	\$ 488.37	\$ 368.628	\$ 475	\$(8.11)	\$(8.74)	103	\$ 811.86	\$ 483.617	\$ 391	179,484	58.7%
Completed Projects - Average		59,829	11,212	127	\$ 577,150	\$ 299,756	\$ 488	\$(14.097)	\$(6.446)	102	\$ 741,034	\$ 498,276	\$ 383	245,171	71%

PROJECTS UNDER CONSTRUCTION		ACQUISITION			CONSTRUCTION			SOFT COSTS			TOTAL DEVELOPMENT COST (incl. Land)			SUBSIDY	
Project Name	Comp. Date	Acq/ft	Acq/BR	Acq/ft sq ft	Const/ft	Const/BR	Const/ft sq ft	Soft/ft	Soft/BR	Soft/ft sq ft	Gross TDC/ft	Gross TDC/BR	Gross TDC/ft sq ft	Subsidy / unit	Leveraging 7
1900 Palms Street	Dec-20	93,759	67,201	265	\$ 115,686	\$ 268.373	\$ 419	\$(78.16)	\$(14.24)	-\$	\$ 753.736	\$ 403.921	\$ 447	218,401	56.7%
720 Davis Center Housing	Nov-20	-	-	-	\$ 548.13	\$ 377.673	\$ 613	\$(20.917)	\$(20.918)	20	\$ 717.04	\$ 703.324	\$ 463	345,585	58.7%
BR Brackley - Family Housing	Mar-21	119,220	67,421	393	\$ 355.86	\$ 314.537	\$ 486	\$(22.86)	\$(22.86)	189	\$ 486.961	\$ 307.311	\$ 750	223,269	75.1%
BR (Civic/Basin Hill South RW)	Mar-21	-	-	-	\$ 375.293	\$ 218.427	\$ 308	\$(19.96)	\$(9.765)	-\$	\$ 708.977	\$ 421.988	\$ 455	311,969	69.2%
Mission Bay B	Feb-22	143	159	-3	\$ 749.021	\$ 413.875	\$ 549	\$(18.24)	\$(11.52)	184	\$ 708.436	\$ 437.587	\$ 714	237,714	87.8%
Harbor View PH Block 14 & 17	Feb-22	258	116	266	\$ 122,643	\$ 3,481	-\$	-\$	-\$	-\$	\$ 122,643	\$ 3,481	\$	\$	-\$
720 Serrano	Dec-21	1,789	1,099	59	\$ 393.49	\$ 303.488	\$ 422	\$(14.18)	\$(14.18)	141	\$ 633.489	\$ 329.495	\$ 1,020	39,249	58.7%
Under Construction - Average		59,827	17,174	117	\$ 654,592	\$ 366,614	\$ 554	\$(76.227)	\$(9.775)	167	\$ 646,458	\$ 466,958	\$ 702	257,574	70%

PROJECTS IN PREDEVELOPMENT		ACQUISITION			CONSTRUCTION			SOFT COSTS			TOTAL DEVELOPMENT COST (incl. Land)			SUBSIDY		
Project Name	Start Date (anticipated)	Acq/ft	Acq/BR	Acq/ft sq ft	Const/ft	Const/BR	Const/ft sq ft	Soft/ft	Soft/BR	Soft/ft sq ft	Gross TDC/ft	Gross TDC/BR	Gross TDC/ft sq ft	Subsidy / unit	Leveraging 7	
T1 Parcel C11	Jul-21	181	78	78	-\$	\$(72.17)	\$(268.973)	\$ 481	\$(18.838)	\$(9.966)	-\$	\$ 766.984	\$ 360.011	\$ 460	14,403	58.2%
Harbor View Housing	Mar-21	-	-	-	\$ 397.163	\$ 237.362	\$ 312	\$(8.223)	\$(8.223)	123	\$ 622.381	\$ 402.631	\$ 455	199,683	64.6%	
Sustainable Block 1B	Feb-22	238	102	1	\$ 812.12	\$ 417.263	\$ 628	\$(18.428)	\$(9.724)	141	\$ 844.808	\$ 511.109	\$ 770	199,683	70.0%	
Pepper Block B	Aug-21	-	-	-	\$ 749.021	\$ 413.875	\$ 549	\$(18.24)	\$(11.52)	184	\$ 708.436	\$ 437.587	\$ 714	237,714	87.8%	
Harbor View PH Block 17	Jan-21	-	-	-	\$ 393.49	\$ 303.488	\$ 422	\$(14.18)	\$(14.18)	141	\$ 633.489	\$ 329.495	\$ 1,020	39,249	58.7%	
720 Serrano	Dec-21	1,789	1,099	59	\$ 393.49	\$ 303.488	\$ 422	\$(14.18)	\$(14.18)	141	\$ 633.489	\$ 329.495	\$ 1,020	39,249	58.7%	
In Predevelopment - Average		738	661	8	\$ 6											

Attachment H: Sources and Uses

Application Date: 11/28/20 # Units: 98
 Project Name: 4200 Geary # Bedrooms: 98
 Project Address: 4200 Geary Blvd # Beds:
 Project Sponsor: Tenderlich Neighborhood Development Corporation

LOSP Project

SOURCES	14,538,982	-	-	-	-	14,538,982	Comments
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USES	MOHCD/COP						
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ACQUISITION							
Acquisition cost or value	10,900,000	0				10,900,000	\$500,000 is TNDI equity for acq.
Legal / Closing costs / Broker's Fee	95,780	0				95,780	Acq closing costs with HAF (notary, cogency, title recording, appraisal), closing extension and seller fee, HAF legal
Holding Costs	468,589	0				468,589	Loan fees (\$130,650), interest through end of March 2021 (\$337,939)
Transfer Tax	0	0				0	
TOTAL ACQUISITION	11,064,369	0	0	0	0	11,064,369	

CONSTRUCTION (HARD COSTS)							
Unit Construction/Rehab	125,000					125,000	Escalation and design built (fire only)
Commercial Shell Construction						0	
Demolition						0	
Environmental Remediation						0	
Onsight Improvements/Landscaping						0	
Offsite Improvements						0	
Infrastructure Improvements						0	
Parking						0	
GC Bond Premium/GC Insurance/GC Taxes						0	
GC Overhead & Profit						0	
GC General Conditions						0	
Sub-total Construction Costs	125,000	0	0	0	0	125,000	
Design Contingency (remove at CO)						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	8% new construction / 15% rehab
Sub-total Construction Contingences	0	0	0	0	0	0	
TOTAL CONSTRUCTION COSTS	125,000	0	0	0	0	125,000	

Construction line item costs as a % of hard costs

SOFT COSTS							
Architecture & Design							
Architect design fees	838,900					838,900	
Design Subconsultants to the Architect (incl. Fees)	719,070					719,070	Structural, Civil/Stormwater, Joint trench, MEP, landscape, urban agriculture, waterproofing, acoustic, EBM, trash, specifications
Architect Construction Admin	15,000					15,000	
Reimbursables	0					0	
Additional Services	0					0	
Sub-total Architect Contract	1,572,970	0	0	0	0	1,572,970	
Other Third Party design consultants (not included under Architect contract)	148,250					148,250	low voltage, commissioning, spec reproduction
Total Architecture & Design	1,721,220	0	0	0	0	1,721,220	

Engineering & Environmental Studies							
Survey	20,000					20,000	
Geotechnical studies	153,691					153,691	
Phase I & II Reports	69,875					69,875	
CEQA / Environmental Review consultants	0					0	
NEPA / TRB Review	0					0	
CMARNA (rehab only)	0					0	
Other environmental consultants	41,945					41,945	SPR (\$27,945) + Title 24 (\$14,000)
Total Engineering & Environmental Studies	285,481	0	0	0	0	285,481	

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

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

Other Development Costs							
Appraisal	31,500					31,500	
Market Study	20,000					20,000	
Insurance	0					0	
Property Taxes	123,900					123,900	Property taxes during predev
Accounting / Audit	0					0	
Organizational Costs	15,000					15,000	
Entitlement / Permit Fees	15,000					15,000	Zoning and planning fees
Marketing / Rent-up	2,000					2,000	Community outreach
Furnishings	0					0	\$2,000/limit. See MOHCD UJW Guidelines: http://mohcd.org/documents/report-and-forms
PGE / Utility Fees	130,000					130,000	
TCAC App / Alloc / Monitor Fees	39,512					39,512	
Financial Consultant fees	50,000					50,000	
Construction Management fees / Owner's Rep	70,000					70,000	20 months of predev. at \$3,500/month
Security during Construction	0					0	
Restoration	0					0	
Other consultants - Historic and Archeological	42,500					42,500	
	0					0	
	0					0	
Total Other Development Costs	539,412	0	0	0	0	539,412	

Total Soft Cost Contingency as % of Total Soft Costs 18.9%

Soft Cost Contingency							
Contingency (Arch, Eng, Fin, Legal & Other Dev)	253,500					253,500	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	2,789,613	0	0	0	0	2,789,613	

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	

DEVELOPER COSTS							
Developer Fee - Cash-out Paid at Milestones	550,000					550,000	
Developer Fee - Cash-out At Risk	0					0	
Commercial Developer Fee	0	0				0	
Developer Fee - GP Equity (also show as source)	0					0	
Developer Fee - Deferred (also show as source)	0					0	
Development Consultant Fees	0					0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)	0					0	
TOTAL DEVELOPER COSTS	550,000	0	0	0	0	550,000	

TOTAL DEVELOPMENT COST							
Development Cost/Unit by Source	148,357	0	0	0	0	148,357	
Development Cost/Unit as % of TDC by Source	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	

Acquisition Cost/Unit by Source							
	107,143	0	0	0	0	107,143	

Construction Cost (inc Const Contingency)/Unit by Source							
	1,276	0	0	0	0	1,276	
Construction Cost (inc Const Contingency)/SF	1.57	0.00	0.00	0.00	0.00	1.57	

*Possible non-eligible GO Bond/COP Amount: 315,900
 City Subsidy/Unit: 148,357

Tax Credit Equity Pricing: 0.880
 Construction Bond Amount: \$2,215,750
 Construction Loan Term (in months): 30 months
 Construction Loan Interest Rate (as %): 3.77%

Attachment I: Development Budget

Application Date: 11/28/20 # Units: 98
 Project Name: 4200 Geary # Bedrooms: 68
 Project Address: 4200 Geary Blvd # Beds:
 Project Sponsor: Tenderloin Neighborhood Development Corporation

LOSP Project

USES	Name of Sources	Total Sources							Comments	
		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee			
		27,781,824	37,737,969	20,000,000	1,250,000	2,897,409	697,409	0	90,374,412	Equity portion of 4% loan

ACQUISITION	Acquisition cost or value	MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
	10,500,000								5500,000 is TMDC equity for acq
	Legal / Closing costs / Broker's Fee	95,780							Acq closing costs with HAF (notary, cogency, title recording), closing extension and seller fee, HAF legal
	Hidden Costs	468,588							Loan fees, interest through end of March 2021
	Transfer Tax	0							
	TOTAL ACQUISITION	11,064,368	0	0	0	0	0	0	11,064,368

CONSTRUCTION (HARD COSTS)		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
Unit Construction/Rehab	1,997,240	21,478,894	20,000,000	1,250,000				44,726,134	
Commercial Shell Construction	795,375							795,375	Commercial Shell AND TI (warm shell) costs
Demolition		306,730						306,730	
Environmental Remediation		60,000						60,000	
Onsite Improvements/Landscaping								0	
Offsite Improvements								0	
Infrastructure Improvements								0	
Parking		3,148,915						3,148,915	ESCALATION at 5% of hard costs, not including contingencies (\$2.6M) + COVID 19 cleaning and safety fees from Nbtis (ES28K)
GC Bond Premium(GC Insurance/GC Taxes		1,777,996						1,777,996	1.5%
GC Overhead & Profit		1,395,196						1,395,196	2.8%
GC General Conditions		1,899,571						1,899,571	3.8%
	Sub-total Construction Costs	2,792,615	28,887,736	20,000,000	1,250,000	0	0	53,024,351	
Design Contingency (remove at DD)		1,777,996						1,777,996	0.6%
Bid Contingency (remove at bid)		1,777,996						1,777,996	0.6%
Plan Check Contingency (remove/reduce during Plan Review)		1,777,996						1,777,996	0.6%
Hard Cost Construction Contingency		2,322,248						2,322,248	1.5% new construction / 1.5% rehab
	Sub-total Construction Contingencies	0	7,656,233	0	0	0	0	7,656,233	4.7%
	TOTAL CONSTRUCTION COSTS	2,792,615	36,543,969	20,000,000	1,250,000	0	0	60,680,584	

SOFT COSTS		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
Architectures & Design									
Architect design fees	838,900							838,900	See MOHCD A&E Fee Guidelines: http://hfhmohcd.org/documents-reports-and-forms
Design Subcontractors to the Architect (incl. Fees)	719,070							719,070	Structural, Civil/Stormwater, Joint trench, MEP, landscape urban agriculture, waterproofing, acoustic, EBM, trash
Architect Construction Admin	413,100							413,100	
Reimbursables	78,843							78,843	
Additional Services	18,554							18,554	
	Sub-total Architect Contract	2,148,466	0	0	0	0	0	2,148,466	
Other Third Party design consultants (not included under Architect contract)	329,250							329,250	Spec reproduction, Low Voltage, Commissioning, Special Inspections
	Total Architecture & Design	2,478,716	0	0	0	0	0	2,478,716	
Engineering & Environmental Studies									
Survey	40,000							40,000	
Geotechnical studies	153,961							153,961	
Phase I & II Reports	69,875							69,875	
CEQA / Environmental Review consultants	0							0	
NEPA / 108 Review	0							0	
CNA/PNA (rehab only)	0							0	
Other environmental consultants	41,945							41,945	GPR (\$27,945) + Title 24 (\$14,000)
	Total Engineering & Environmental Studies	305,941	0	0	0	0	0	305,941	
Financing Costs									
Construction Loan Origination Fee	391,618							391,618	Assuming 0.75%
Construction Loan Interest	2,917,410							2,917,410	
Title & Recording	70,000							70,000	
CDCA/CC/COBAC fees	17,500							17,500	
Bond Issuer Fees	557,653							557,653	Bank expenses, bank counsel, financial advisor, issuer fee, bond counsel, trustee fee, annual issuer fee, annual monitoring fee, COI contingency
Other Bond Cost of Issuance	0							0	
Construction Lender Inspection	57,500							57,500	Assumes \$1,250/mo for 22 months
	Sub-total Const. Financing Costs	4,011,681	0	0	0	0	0	4,011,681	
Permanent Financing Costs									
Permanent Loan Origination Fee	0							0	
Credit Enhance. & Appl. Fee	0							0	
Title & Recording	0							0	
	Sub-total Perm. Financing Costs	0	0	0	0	0	0	0	
	Total Financing Costs	4,011,681	0	0	0	0	0	4,011,681	
Legal Costs									
Borrower Legal fees	20,000							20,000	Predev, entitlement, construction
Land Use / CEQA Attorney fees	0							0	
Tax Credit Counsel	90,000							90,000	Gubb & Barshtay
Bond Counsel	0							0	Included in cost of issuance fees
Construction Lender Counsel	40,000							40,000	
Permanent Lender Counsel	0							0	
Predev legal fees	0							0	
	Total Legal Costs	150,000	0	0	0	0	0	150,000	
Other Development Costs									
Appraisal	31,500							31,500	
Market Study	20,000							20,000	
Insurance	1,159,438							1,159,438	Liability and Builder's Risk
Property Taxes	247,955							247,955	Property taxes anticipated to be incurred during predev
Accounting / Audit	90,000							90,000	
Organizational Costs	22,500							22,500	
Entitlement / Permitt Fees	1,019,338							1,019,338	Zoning and Planning Fees and Building Permit Fees
Marketing / Rent-up	120,000							120,000	Leasing Office (80%), Marketing at \$10/unit, and Community Outreach
Furnishings	247,000							247,000	\$2,500/unit. See MOHCD UJW Guidelines on http://hfhmohcd.org/documents-reports-and-forms
PGE / Utility Fees	608,822							608,822	All utility fees
TCAC App / Alloc / Monitor Fees	79,652							79,652	
Financial Consultant fees	62,500							62,500	
Construction Management fees / Owner's Rep	180,000							180,000	Inclusive of 20 months of predev (\$70K) + 22 months of construction at \$8K/month
Security during Construction	15,000							15,000	Assumes 3 months of security at end of construction
Reclamation	0							0	
Other Construction Costs: Not in Contract	100,000							100,000	Not in contract
Other consultants: Historic, Archeo, and other	62,500							62,500	
	Total Other Development Costs	4,056,245	0	0	0	0	0	4,056,245	
Soft Cost Contingency									
Contingency (Arch, Eng, Fin, Legal & Other Dev)	1,100,000							1,100,000	Should be either 10% or 5% of total soft costs.
	TOTAL SOFT COSTS	12,100,123	0	0	0	0	0	12,100,123	Total Soft Cost Contingency as % of Total Soft Costs: 16.8%

RESERVES		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
Operating Reserves	323,571							323,571	
Replacement Reserves	0							0	
Tenant Improvements Reserves	0							0	
Lease-Up Reserve	285,946							285,946	
Other (specify)	0							0	
	TOTAL RESERVES	609,516	0	0	0	0	0	609,516	

DEVELOPER COSTS		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
Developer Fee - Cash-out Paid at Milestones	1,100,000							1,100,000	
Developer Fee - Cash-out At Risk	1,100,000	1,100,000						1,100,000	
Commercial Developer Fee	125,000							125,000	
Developer Fee - GP Equity (also show as source)					2,897,409			2,897,409	
Developer Fee - Deferred (also show as source)						697,409		697,409	
Development Consultant Fees	0							0	Need MOHCD approval for this cost, NIA for most projects
Other (specify)	0							0	
	TOTAL DEVELOPER COSTS	1,225,000	1,100,000	0	0	2,897,409	697,409	5,919,819	

TOTAL DEVELOPMENT COST		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
Development Cost/Unit by Source	27,791,824	37,737,969	20,000,000	1,250,000	2,897,409	697,409	0	90,374,412	
Development Cost/Unit as % of TDC by Source	283,588	385,081	204,082	12,755	29,565	7,116	0	922,188	
	30.8%	41.8%	22.1%	1.4%	3.2%	0.8%	0.0%	100.0%	

Acquisition Cost/Unit by Source		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
107,143	0	0	0	0	0	0	0	107,143	

Construction Cost (inc Const Contingency)/Unit By Source		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
28,496	373,657	204,082	12,755	0	0	0	0	619,190	
35,07	469,09	251,14	15,70	0.00	0.00	0.00	0.00	781,96	

Construction Cost (inc Const Contingency)/\$F		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
4,995,579									
City Subsidy/Unit	283,368								

Tax Credit Equity Pricing		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
0.980									
52,215,750									

Construction Term (in months):		MOHCD/CPI	LIHTC Equity	HCD-MHP	AHP	GP Equity	Deferred Fee		Comments
30 months									
Construction Loan Interest Rate (as %):	3.77%								

Application Date: 11/28/20 # Commercial Spaces: 1
 Project Name: 4200 Geary
 Project Address: 4200 Geary Blvd
 Project Sponsor: Tenderlon Neighborhood Development Corporation

COMMERCIAL SPACE	Commercial Use - Description	Space					Page Total Building Costs in Commercial Budget	Total Commercial SF
		Space 1	Space 2	Space 3	Space 4	Space 5		
	Nonprofit use	1,150					1,150	
	Gross SF							1,150

SOURCES	Name of Sources						Total Sources	Comments
	MOHCD	1,475,036					1,475,036	This commercial breakout is included as a part of the existing permit sources and uses

USES

ACQUISITION

Acquisition cost or value		151,624					151,624	
Legal / Closing costs / Broker's Fee		159					159	
Holding Costs		7,261					7,261	
Transfer Tax		729					729	
TOTAL ACQUISITION		159,773	0	0	0	0	159,773	

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab								0	
Commercial Warm Shell Construction		126,500					126,500		
Commercial Cold Shell Construction		668,875					668,875		
Damillion		4,429					4,429		
Environmental Remediation		866					866		
Onsight Improvements/Landscaping								0	
Offsite Improvements								0	
Infrastructure Improvements								0	
Parking		45,471					45,471		
GC Bond Premium/GC Insurance/GC Taxes		10,433					10,433		1.2%
GC Overhead & Profit		20,147					20,147		2.4%
CG General Conditions		29,907					29,907		3.2%
Sub-total Construction Costs		903,719	0	0	0	0	903,719		
Design Contingency (remove at DD)		25,675					25,675		3.0%
Bid Contingency (remove at bid)		25,675					25,675		3.0%
Plan Check Contingency (remove/reduce during Plan Review)		25,675					25,675		3.0%
Hard Cost Construction Contingency		33,534					33,534		4.0%
Sub-total Construction Contingencies		110,559	0	0	0	0	110,559		
TOTAL CONSTRUCTION COSTS		1,014,278	0	0	0	0	1,014,278		

See MOHCD Commercial Underwriting Guidelines: http://smohcd.org/documents-reports-and-forms

Construction line item costs as a % of hard costs

SOFT COSTS

Architecture & Design	Engineering & Environmental Studies	Financing Costs	Legal Costs	Other Development Costs	Soft Cost Contingency	RESERVES	DEVELOPER COSTS	TOTAL DEVELOPMENT COST
Architect design fees								
22,498								22,498
Includes share of consultants								
Architecture design fees for Schematic Drawings for tenant-paid tenant improvements								
0								0
Design Subconsultants to the Architect (incl. Fees)								
0								0
Architect Construction Admin								
5,965								5,965
Reimbursables								
1,139								1,139
Additional Services								
1,423								1,423
Sub-total Architect Contract								31,025
31,025	0	0	0	0	0	0	0	31,025
Other Third Party design consultants (not included under Architect contract)								
6,465								6,465
Total Architecture & Design								37,499
37,499	0	0	0	0	0	0	0	37,499
Engineering & Environmental Studies								
Survey								
578								578
Geotechnical studies								
2,219								2,219
Phase I & II Reports								
1,009								1,009
CEQA / Environmental Review consultants								
0								0
NEPA / 106 Review								
0								0
CNA/PNA (rehab only)								
0								0
Other environmental consultants								
0								0
Total Engineering & Environmental Studies								3,806
3,806	0	0	0	0	0	0	0	3,806
Financing Costs								
Construction Financing Costs								
Construction Loan Origination Fee								
433								433
Construction Loan Interest								
36,981								36,981
Title & Recording								
1,011								1,011
CD/LAG & CD/LAC fees								
0								0
Bond Issuer Fees								
0								0
Other Bond Cost of Issuance								
13,961								13,961
Other Lender Costs (specify)								
0								0
Sub-total Const. Financing Costs								52,386
52,386	0	0	0	0	0	0	0	52,386
Permanent Financing Costs								
Permanent Loan Origination Fee								
0								0
Credit Enhance. & Appl. Fee								
0								0
Title & Recording								
0								0
Commercial Loan Origination Fee								
0								0
Sub-total Perm. Financing Costs								0
0	0	0	0	0	0	0	0	0
Total Financing Costs								52,386
52,386	0	0	0	0	0	0	0	52,386
Legal Costs								
Borrower Legal fees								
289								289
Land Use / CEQA Attorney fees								
0								0
Tax Credit Counsel								
1,300								1,300
Bond Counsel								
0								0
Construction Lender Counsel								
578								578
Permanent Lender Counsel								
0								0
Lender inspection								
397								397
Total Legal Costs								2,563
2,563	0	0	0	0	0	0	0	2,563
Other Development Costs								
Appraisal								
455								455
Market Study								
289								289
Insurance								
16,743								16,743
Property Taxes								
3,581								3,581
Accounting / Audit								
866								866
Organizational Costs								
325								325
Entitlement / Permit Fees								
14,720								14,720
Marketing / Lease-up								
316								316
Furnishings								
0								0
PGE / Utility Fees								
6,792								6,792
TCAC App / Alloc / Monitor Fees								
0								0
Financial Consultant fees								
1,191								1,191
Construction Management fees / Owner's Rep								
2,599								2,599
Security during Construction								
0								0
Relocation								
0								0
Other consultants								
15,183								15,183
Other (specify)								
0								0
Total Other Development Costs								65,060
65,060	0	0	0	0	0	0	0	65,060
Soft Cost Contingency								
Contingency (Arch, Eng, Fin, Legal & Other Dev)								
14,680								14,680
Total SOFT COSTS								175,984
175,984	0	0	0	0	0	0	0	175,984
Total Soft Cost Contingency as % of Total Soft Costs								9.1%

RESERVES

Operating Reserves								0
Replacement Reserves								0
Tenant Improvements Reserves								0
Commercial Lease-Up Reserves								0
Other (specify)								0
TOTAL RESERVES								0

DEVELOPER COSTS

Commercial Developer Fee - Cash-out Paid at Milestones		125,000						125,000
Other (specify)								0
Other (specify)								0
TOTAL DEVELOPER COSTS		125,000	0	0	0	0	0	125,000

TOTAL DEVELOPMENT COST	1,475,036	0	0	0	0	1,475,036
Development Cost/SF by Source	1,283					
Development Cost/Unit as % of TDC by Source						
Acquisition Cost/SF by Source	139					139
Construction Cost (inc Const Contingency)/SF By Source	882					882
Construction Cost (inc Const Contingency)/SF	881.98					12.74

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

Attachment J: 1st Year Operating Budget

Application Date: 11/20/20 11/20/20
Year of Issue: 20 20
Fiscal Year: 2024 2024
Fiscal Year: 2024 2024

Project Name: 4000 Grand
Project Address: 4000 Grand Blvd
Project Sponsor: Tenderloin Neighborhood Development Corporation

Table with columns: INCOME, OPERATING EXPENSES, REVENUE, and various sub-categories like Management, Administration, and Maintenance. Includes detailed line items and totals for each section.

Attachment K: 20-year Operating Proforma

MOHCD Proforma - 20 Year Cash Flow Summary

4200 Geary

	Total # Units:		Year 7					Year 8					Year 9					Year 10					Year 11					Year 12					Year 13				
	20	78	2020		2021			2022			2023			2024			2025			2026			2027			2028			2029			2030					
	% annual inc./LOSP	% annual increase	LOSP Units	Non- LOSP Units	% annual inc./LOSP	% annual increase	LOSP	Non-LOSP	Total	% annual inc./LOSP	% annual increase	LOSP	Non-LOSP	Total	% annual inc./LOSP	% annual increase	LOSP	Non-LOSP	Total	% annual inc./LOSP	% annual increase	LOSP	Non-LOSP	Total	% annual inc./LOSP	% annual increase	LOSP	Non-LOSP	Total	% annual inc./LOSP	% annual increase	LOSP	Non-LOSP	Total			
INCOME																																					
Residential - Tenant Rents	2.5%	2.5%	1,083,873	1,123,454	71,321	1,110,859	1,182,291	73,104	1,139,744	1,211,848	74,932	1,167,212	1,242,144	76,805	1,196,393	1,273,198	78,729	1,226,302	1,305,028	60,693	1,256,950																
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	429,388	429,388	-	440,123	440,123	-	451,126	451,126	-	462,404	462,404	-	473,964	473,964	-	485,813	485,813	-	497,953																
Residential - LOSP Tenant Assistance Payments	n/a	n/a	-	253,236	282,320	-	292,220	271,159	-	271,159	-	280,328	-	289,328	-	299,692	-	310,360	-	321,328	-	332,600															
Commercial Space	n/a	2.5%	-	27,324	-	-	28,007	-	-	28,707	-	-	29,424	-	-	30,160	-	-	30,914	-	-																
Other Income																																					
Gross Potential Income			1,518,934	1,871,054	335,995	1,556,907	1,920,008	345,713	1,595,830	1,970,290	356,785	1,635,726	2,021,935	368,283	1,676,619	2,074,982	380,021	1,718,534	2,129,470	392,253	1,761,498																
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(54,198)	(57,873)	(3,366)	(55,548)	(59,116)	(3,655)	(56,937)	(60,552)	(3,747)	(58,591)	(62,107)	(3,840)	(59,820)	(63,860)	(3,936)	(61,310)	(65,251)	(4,035)	(62,840)																
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	(21,458)	(21,458)	-	(22,036)	(22,036)	-	(22,556)	(22,556)	-	(23,120)	-	(23,680)	(23,680)	-	(24,281)	(24,281)	-	(24,923)	(24,923)																
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	(7,002)	-	(7,177)	-	-	(7,366)	-	-	(7,540)	-	-	(7,729)	-	-	-																
EFFECTIVE GROSS INCOME			1,443,271	1,745,081	331,528	1,479,353	1,831,866	342,058	1,516,337	1,879,963	353,039	1,554,245	1,929,352	364,363	1,593,191	1,980,084	376,085	1,632,929	2,032,159	388,219	1,673,752																
OPERATING EXPENSES																																					
Management	3.5%	3.5%	99,666	125,222	26,450	103,158	129,605	27,376	108,765	134,141	28,334	110,802	138,836	29,325	114,369	143,895	30,352	118,372	148,724	31,414	122,515																
Salaries/Benefits	3.5%	3.5%	286,442	359,889	76,517	296,458	372,485	78,678	306,844	385,522	81,432	317,584	399,015	84,282	328,699	412,981	87,232	340,204	427,435	90,285	352,111																
Administration	3.5%	3.5%	87,031	109,789	22,519	90,978	113,597	23,508	93,290	116,338	24,503	96,493	120,517	25,498	99,671	124,838	26,494	103,366	130,208	28,146	108,984																
Utilities	3.5%	3.5%	131,298	164,122	32,973	135,893	169,867	35,162	140,650	175,812	38,393	145,872	181,985	37,667	150,667	188,334	38,985	155,841	194,926	40,350	161,399																
Taxes and Licenses	3.5%	3.5%	43,034	55,569	11,339	45,810	58,549	12,357	48,242	60,939	12,729	49,930	62,719	13,237	51,678	64,915	13,700	53,486	67,187	14,189	55,359																
Insurance	3.5%	3.5%	167,978	209,972	42,454	173,851	217,321	44,985	179,942	224,927	46,560	186,240	232,800	48,190	192,758	240,948	49,876	199,505	249,381	51,622	208,487																
Maintenance & Repair	3.5%	3.5%	315,987	395,215	82,001	327,946	409,047	84,871	338,493	423,364	87,842	350,340	438,182	90,916	362,602	453,518	94,098	375,293	469,391	97,392	388,428																
Supportive Services	3.5%	3.5%	89,041	89,041	-	89,912	89,912	-	87,854	87,854	-	89,960	89,960	-	84,143	84,143	-	9,957	-	9,957	-	9,957															
Commercial Expenses			-	8,154	-	8,439	-	-	8,734	-	-	9,040	-	-	9,357	-	-	9,684	-	-	-																
TOTAL OPERATING EXPENSES			1,215,477	1,509,973	296,364	1,258,019	1,562,822	306,737	1,302,049	1,617,521	317,473	1,347,621	1,674,134	328,584	1,394,788	1,732,729	340,085	1,443,605	1,793,374	351,888	1,494,131																
Reserves/Ground Lease Base Rent/Bond Fees																																					
Ground Lease Base Rent			12000	15,000	3000	12000	15,000	3000	12000	15,000	3000	12000	15,000	3000	12000	15,000	3000	12000	15,000	3000	12000																
Bond Maturity Fee			1000	1,950	388	1000	1,950	388	1000	1,950	388	1000	1,950	388	1000	1,950	388	1000	1,950	388	1000																
Replacement Reserve Deposit			39000	49,000	10000	39000	49,000	10000	39000	49,000	10000	39000	49,000	10000	39000	49,000	10000	39000	49,000	10000	39000																
Other Required Reserve 1 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																
Other Required Reserve 2 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																
Required Reserve Deposits, Commercial			800	1,000	200	800	1,000	200	800	1,000	200	800	1,000	200	800	1,000	200	800	1,000	200	800																
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			52,592	65,990	13,398	52,592	65,990	13,398	52,592	65,990	13,398	52,592	65,990	13,398	52,592	65,990	13,398	52,592	65,990	13,398	52,592																
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)			1,268,069	1,575,963	309,762	1,310,611	1,628,812	320,135	1,354,641	1,683,511	330,871	1,400,213	1,741,124	341,982	1,447,380	1,798,719	353,483	1,496,197	1,859,364	365,286	1,546,723																
NET OPERATING INCOME (w/ Reserves/GL Base Rent/Bond Fees)			175,202	209,118	21,766	168,742	203,074	21,963	161,695	196,454	22,168	154,032	189,228	22,381	145,721	181,366	22,602	136,731	172,835	22,833	127,028																
DEBT SERVICE/MUST PAY PAYMENTS (Hard debt/amortized loans)																																					
1st Debt - First Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
1st Debt - Second Lender (HCD Program 0.42% Term, or other 2nd Lender)			66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857																
1st Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
1st Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																	
TOTAL HARD DEBT SERVICE			66,857	84,000	17,143	66,857	84,000</																														

MOHCD Proforma - 20 Year Cash Flow Summary

4200 Geary

Total # Units:	88	LOSP		Non-LOSP																						
		Units		Units		Year 14				Year 15				Year 16				Year 17								
		20	78	20	78	2037	2037	2038	2039	2040	2041	2042	2037	2038	2039	2040	2041	2042	2037	2038	2039	2040	2041	2042		
		% annual inc	% annual increase																							
Residential - Tenant Rents		2.5%	2.5%	1,337,653	1,268,384	1,288,384	1,317,085	84,778	1,320,584	1,405,372	86,888	1,333,608	1,440,506	89,070	1,397,449	1,476,519	91,297	1,422,139	1,513,432	93,580	1,457,688	1,551,268	95,980	1,494,146	1,593,407	
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a	497,959	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	510,407	
Residential - LOSP Tenant Assistance Payments		n/a	n/a	309,815	320,517	320,517	320,517	331,510	331,510	333,776	333,776	333,776	345,278	345,278	345,278	345,278	345,278	345,278	345,278	345,278	345,278	345,278	345,278	345,278	345,278	
Commercial Space		n/a	2.5%	31,687	-	-	32,479	-	-	33,291	-	-	34,123	-	-	34,976	-	-	35,851	-	-	36,747	-	-	37,664	
Other Income				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Gross Potential Income				2,185,438	464,913	1,805,535	2,242,928	418,017	1,880,674	2,381,981	422,445	1,896,940	2,333,989	436,162	1,944,364	2,415,503	450,380	1,992,973	2,479,184	465,055	2,042,797	2,544,599	480,000	2,091,923	2,600,000	
Vacancy Loss - Residential - Tenant Rents		n/a	n/a	(86,883)	(4,136)	(64,419)	(86,555)	(4,239)	(86,030)	(10,269)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	(85,260)	
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a	(4,888)	-	(25,501)	-	-	(6,188)	(26,188)	-	-	(6,831)	-	(27,483)	-	-	(28,171)	-	-	(28,874)	-	-	(29,603)	-	
Vacancy Loss - Commercial		n/a	n/a	(7,922)	-	-	(8,120)	-	-	(8,323)	-	-	(8,531)	-	-	(8,744)	-	-	(8,963)	-	-	(9,187)	-	-	(9,417)	
EFFECTIVE GROSS INCOME				2,085,736	400,778	1,715,596	2,140,333	413,778	1,758,465	2,197,232	418,100	1,802,448	2,245,160	431,705	1,847,509	2,305,459	444,795	1,893,697	2,366,380	460,376	1,941,039	2,428,375	480,376	1,989,375	2,480,000	
OPERATING EXPENSES																										
Management		3.5%	3.5%	153,930	32,514	126,803	159,317	33,652	131,242	164,893	34,829	135,835	170,684	36,049	140,589	176,638	37,310	145,510	182,820	38,616	150,603	189,219	40,000	155,903	196,000	
Salaries/Benefits		3.5%	3.5%	442,396	93,445	384,435	457,879	96,715	377,190	473,505	100,100	390,352	490,402	103,604	404,055	507,659	107,230	418,197	525,427	110,983	432,834	543,817	114,800	447,617	559,000	
Administration		3.5%	3.5%	133,250	27,662	110,778	138,410	29,651	114,004	143,555	29,654	118,815	148,269	30,662	122,766	153,458	31,766	127,063	158,929	32,878	131,511	164,386	34,000	136,000	170,000	
Utilities		3.5%	3.5%	201,748	41,762	187,348	208,810	43,224	172,894	218,118	44,739	178,946	223,602	46,302	185,209	231,511	47,923	191,691	239,814	49,600	198,450	248,000	51,500	205,000	255,000	
Taxes and Licenses		3.5%	3.5%	69,535	14,676	57,269	71,072	15,190	59,303	74,491	15,721	61,377	77,008	16,272	63,525	79,707	16,841	65,749	82,599	17,430	68,000	85,400	18,000	70,000	88,000	
Insurance		3.5%	3.5%	258,109	53,429	213,714	267,143	55,299	221,194	276,453	57,234	228,536	288,109	59,237	236,949	298,186	61,311	245,242	308,553	63,456	253,626	317,282	65,600	261,500	326,000	
Maintenance & Repair		3.5%	3.5%	485,820	100,800	402,023	502,824	104,328	418,094	520,422	107,960	430,857	538,637	111,739	445,730	557,490	115,671	461,331	577,002	119,719	477,478	597,197	123,900	500,000	610,000	
Supportive Services		3.5%	3.5%	100,845	-	104,378	106,378	-	108,032	108,032	-	111,813	111,813	-	115,726	115,726	-	119,777	119,777	-	123,969	123,969	-	128,288	128,288	
Commercial Expenses		-	-	10,623	-	-	10,374	-	-	10,737	-	-	11,113	-	-	11,562	-	-	11,964	-	-	12,391	-	-	12,844	
TOTAL OPERATING EXPENSES				1,856,142	364,307	1,546,426	1,921,107	377,058	1,600,551	1,988,346	390,255	1,656,570	2,057,938	403,914	1,714,550	2,129,966	416,051	1,774,559	2,204,515	432,683	1,836,669	2,281,673	460,000	1,901,669	2,358,000	
RESERVES/GROUND LEASE BASE RENT/BOND FEES																										
Reserves/Ground Lease Base Rent/Bond Fees																										
Ground Lease Base Rent				15,000	3000	10000	15,000	3000	10000	15,000	3000	10000	15,000	3000	10000	15,000	3000	10000	15,000	3000	10000	15,000	3000	10000	15,000	
Bond Monitoring Fee				1,950	388	1592	1,950	388	1592	1,950	388	1592	1,950	388	1592	1,950	388	1592	1,950	388	1592	1,950	388	1592	1,950	
Replacement Reserve Deposit				49,000	10000	39000	49,000	10000	39000	49,000	10000	39000	49,000	10000	39000	49,000	10000	39000	49,000	10000	39000	49,000	10000	39000	49,000	
Operating Reserve Deposit				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Required Reserve 1 Deposit				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Required Reserve 2 Deposit				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Required Reserve Deposits, Commercial				1,000	200	800	1,000	200	800	1,000	200	800	1,000	200	800	1,000	200	800	1,000	200	800	1,000	200	800	1,000	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				65,990	13,398	52,592	65,990	13,398	52,592	65,990	13,398	52,592	65,990	13,398	52,592	65,990	13,398	52,592	65,990	13,398	52,592	65,990	13,398	52,592	65,990	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)				1,922,132	377,705	1,599,018	1,987,997	390,456	1,653,143	2,054,336	403,653	1,709,162	2,123,928	417,312	1,767,142	2,195,956	431,449	1,827,151	2,270,505	446,081	1,889,261	2,347,663	480,000	1,941,669	2,480,000	
NET OPERATING INCOME (INCOME minus OP EXPENSES)				163,603	23,072	116,578	153,636	23,322	105,343	142,896	14,447	93,285	122,212	14,397	80,367	109,494	14,346	66,545	95,875	14,295	51,778	81,132	14,295	51,778	81,132	
DEBT SERVICE/MUST PAY PAYMENTS (Hard debt/amortized loans)																										
1st Debt - First Lender																										
1st Debt - Second Lender (HCD Program 0.42% Term, or other 2nd Lender)				84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	
1st Debt - Third Lender (Other HCD Program, or other 3rd Lender)																										
1st Debt - Fourth Lender																										
Commercial Hard Debt Service																										
TOTAL HARD DEBT SERVICE				84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	17,143	66,857	84,000	
CASH FLOW (NOI minus DEBT SERVICE)																										
79,603				5,930	49,720	69,636	6,179	38,485	58,896	(2,696)	26,428	38,212	(2,746)	13,509	25,494	(2,797)	(912)	11,875	(2,848)	(15,079)	(2,688)					
USES OF CASH FLOW BELOW (This row also shows DSCR)				DSCR:	1.95	1.83	1.78	1.77	1.75	1.74	1.73	1.72	1.71	1.70	1.69	1.68	1.67	1.66	1.65	1.64	1.63	1.62	1.61	1.60	1.59	
USES THAT PRECEED MOHCD DEBT SERVICE IN WATERFALL																										
Deferred Developer Fee (Enter amt <= Max Fee from row 131)																										
*Below-the-line Asset Mgt Fee (uncommon in new projects, see policy)		3.5%	3.5%	33,636	6,963	27,851	34,814	7,206	28,826	36,032																
Partnership Management Fee (see policy for limits)		3.5%	3.5%	7,555	1,564	6,256	7,820	1,619	6,475	8,093																

MOHCD Proforma - 20 Year Cash Flow Summary

4200 Geary

Total # Units:	LOSP		Non-LOSP				
	Units		Units				
	98	20	78		Year 20		
	20.00%	80.00%			2043		
	% annual inc. LOSP	% annual increase			LOSP	non-LOSP	Total
INCOME							
Residential - Tenant Rents	2.5%	2.5%	-	-	95,919	1,494,130	1,590,049
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	591,916	591,916
Residential - LOSP Tenant Assistance Payments	n/a	n/a	382,390	-	-	-	382,390
Commercial Space	n/a	2.5%	-	-	-	-	37,666
Other Income	-	-	-	-	-	-	-
Gross Potential Income					480,264	2,093,667	2,611,797
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(4,796)	-	(4,796)	-	(4,796)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	(28,595)	(28,595)
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	(8,416)
EFFECTIVE GROSS INCOME					475,468	1,985,565	2,493,282
OPERATING EXPENSES							
Management	3.5%	3.5%	39,868	155,874	195,841	-	195,841
Salaries/Benefits	3.5%	3.5%	114,867	447,983	562,851	-	562,851
Administration	3.5%	3.5%	34,028	136,119	170,147	-	170,147
Utilities	3.5%	3.5%	61,336	235,344	296,680	-	296,680
Taxes and Licenses	3.5%	3.5%	19,041	72,631	91,672	-	91,672
Insurance	3.5%	3.5%	65,677	262,709	328,387	-	328,387
Maintenance & Repair	3.5%	3.5%	123,909	484,189	608,099	-	608,099
Supportive Services	3.5%	3.5%	-	129,808	129,808	-	129,808
Commercial Expenses	-	-	-	-	-	-	12,752
TOTAL OPERATING EXPENSES					447,827	1,900,952	2,361,531
RESERVES/GROUND LEASE BASE RENT/BOND FEES							
PUPA (w/o Reserves/GL Base Rent/Bond Fees)							
Reserves/Ground Lease Base Rent/Bond Fees							
Ground Lease Base Rent			3000	12000	15,000	-	15,000
Bond Monies/Fee			388	1562	1,950	-	1,950
Replacement Reserve Deposit			10000	39000	49,000	-	49,000
Operating Reserve Deposit			0	0	0	-	0
Other Required Reserve 1 Deposit			0	0	0	-	0
Other Required Reserve 2 Deposit			0	0	0	-	0
Required Reserve Deposits, Commercial			200	800	1,000	-	1,000
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					13,398	52,592	65,990
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)					461,225	1,953,544	2,427,521
NET OPERATING INCOME (INCOME minus OP EXPENSES)					14,243	36,020	65,761
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)							
1st Debt - First Lender			-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% term, or other 2nd Lender)			17,143	66,657	84,000	-	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					17,143	66,657	84,000
CASH FLOW (NOI minus DEBT SERVICE)					(2,899)	(30,637)	(18,239)
USES OF CASH FLOW BELOW (This row also shows DSCR)							
DSCR: 0.78							
USES THAT PRECEED MOHCD DEBT SERVICE IN WATERFALL							
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	-	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 1	-	-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 2	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD					-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)							
					0	(19,239)	(18,239)
Does Project have a MOHCD Residual Receipt Obligation? Yes							
Will Project Defeat Developer Fee? Yes							
1st Residual Receipts Split - Lender/Deferred Developer Fee 50% / 50%							
MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
MOHCD Residual Receipts Amount Due			65.54%	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Replacement Reserve			-	-	-	-	-
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE					-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
HCD Residual Receipts Amount Due			34.46%	-	-	-	-
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)					-	-	-
RR Running Balance					980,000		
OR Running Balance					-		
Other Required Reserve 1 Running Balance					-		
Other Required Reserve 2 Running Balance					-		
DEFERRED DEVELOPER FEE - RUNNING BALANCE							
Developer Fee Stipend Balance					640,808		
Deferred Developer Fee Earned in Year					-		
Developer Fee Remaining Balance					640,808		

Attachment L: Sponsor Audit Findings

City and County of San Francisco



London Breed, Mayor

Human Services Agency

Department of Human Services
Department of Aging and Adult Services
Office of Early Care and Education

Trent Rhorer, Executive Director

May 23, 2019

Don Falk
Executive Director
Tenderloin Neighborhood Development Corporation
201 Eddy Street
San Francisco, CA 94102

Subject: Fiscal Monitoring of HSA Grants for Tenderloin Neighborhood Development Corp for FY18-19

Department/Program	Contract Name/Description
HSA	320-330 Clementina-RAD Seniors
HSA	430 Turk-RAD Seniors
HSA	939-951 Eddy - RAD Seniors
HSA	1251 Turk Rosa Parks - RAD Seniors

Dear Mr. Falk:

This letter conveys the results of the Citywide fiscal and compliance desk audit monitoring conducted on 05/03/2019.

The fiscal monitoring included the review of the following documents:

1. Agency-wide budget and cost allocation plan
2. Board minutes
3. Recent 990 form
4. Recent DE 9, DE 9C, and 941 reports
5. Most recent audited financial statements
6. Financial reports, balance sheets, and profit loss statements
7. Supporting documentation for invoices for two current year billing months
 - A. For 430 Turk RAD:
 - NCPHS-Office Supplies - \$690.02
 - Utilities - \$474.60
 - B. For the 939 Eddy RAD:
 - NCPHS – Rent \$28.22

The compliance monitoring included the review of the following documents:

1. Board roster, bylaws, meeting minutes

We are pleased to report that there were no findings identified in our fiscal and compliance monitoring.

Monitoring staff also reviewed governance practices (based on Section 3 of the Standard Monitoring Form: Board of Director Best Practices). While governance best practice results are not classified as “findings” for the purposes of this Monitoring Report Letter, they are important indicators of healthy nonprofit agencies. We are pleased to report that your agency is also in conformance with all governance best practices.

Please extend our appreciation to your staff for their preparation in advance of the monitoring and assistance during the process. We thank you for your work in serving the San Francisco community.

Sincerely,

A handwritten signature in black ink that reads "Esperanza Zapien". The signature is fluid and cursive, with the first name being more prominent.

Esperanza Zapien
Senior Contract Manager
Human Services Agency

cc: Paul Carney – TNDC-Fiscal Officer
Lisa Blakely – TNDC- Board President
Ofelia Trevino – HSA Program Manager