

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

Balboa Park Upper Yard
Up to \$32,204,555 Permanent Gap Request

Evaluation of Request for:	Gap Financing
Loan Committee Date:	March 19, 2021
Prepared By:	Sara Amaral
Source of New Funds Recommended:	\$14,071,187 2019 GO Bonds \$7,071,324 2015 GO Bonds \$11,062,044 ERAF Up to \$32,204,555 Total
NOFA/PROGRAM/RFP:	RFQ April 11, 2016
Total Previous City Funds Committed:	AHF Inclusionary: \$4,300,000
Applicant/Sponsor Name:	Balboa Park Housing Partners, L.P.
Total Funding (including this request):	Up to \$32,204,555

EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	Balboa Park Upper Yard	Sponsor(s):	The Related Companies of California, LLC / Mission Housing Development Corp.
Project Address (w/ cross St):	2340 San Jose Avenue, 94112 (Geneva Ave / San Jose Ave)	Ultimate Borrower Entity:	Balboa Park Housing Partners, L.P.

Project Summary:

Balboa Park Upper Yard (BPUY) will be a new 131-unit affordable building for families (Project), located on a City-owned parcel directly neighboring the Balboa Park Bay Area Rapid Transit (BART) Station. Construction is anticipated to begin in May 2021. The unit mix will include 7 studios, 47 one-bedroom units, 61 two-bedroom units, and 15 three-bedroom units. There will be one two-bedroom unit set aside for a manager. Of the total units, 30% (39 total) will be assisted by Project-Based Section 8 Vouchers (PBV) made available by the San Francisco Housing Authority (SFHA) under a project-based contract and reserved for households on the SFHA waitlist, with a preference for HOPE SF residents that want to voluntarily move offsite. All of the units will be targeted to households with incomes from 38% to 104% San Francisco AMI (SFAMI) or 30% to 80% TCAC area median income (AMI). The average SFAMI is 59%.

The ground floor will include a 4,370-square-foot licensed early childhood education center with an outdoor activity area, approximately 2,220 square feet of ground floor retail, a 760 square foot bicycle repair and youth training facility operated by local non-profit People Organizing to Demand Environmental and Economic Justice (PODER), and 2,480 square feet for the Family Wellness Community Resources Center. Concurrent to the construction of the housing development, improvements will be made to the adjacent Balboa Park BART vehicular drop-off location, the pedestrian entry, and pedestrian and bicycle improvements in the surrounding area, coordinated by San Francisco Metropolitan Transportation Agency (SFMTA).

The Sponsor is requesting up to \$32,204,555 in Gap financing, including \$28 million of new funds. However, due to new programmatic changes with TCAC, there are potential cost savings of upwards of \$13M. It is still unclear if MOHCD can recoup the entire \$13M due to HCD requirements to split the savings, but the Sponsor and MOHCD will continue to work on this before construction close. Construction is expected to start in June of 2021 and completion of both the BART plaza and housing construction is expected in May 2023.

Project Description:

Construction Type:	Type I	Project Type:	New Construction
Number of Stories:	9	Lot Size (acres and s.f.):	.71 Acres (30,750 sq. ft.)
Number of Units:	131	Architect:	Mithun/Solomon
Total Residential Area:	163,906 s.f.	General Contractor:	Cahill Contractors
Total Commercial Area:	9,830 s.f.	Property Manager:	Caritas
Total Building Area:	173,736 s.f.	Supervisor and District:	Ahsha Safai (District 11)
Land Owner:	City and County of San Francisco		
Total Development Cost (TDC):	\$121,776,387	Total Acquisition Cost* ¹ :	\$6,150,000
TDC/unit:	\$929,514	TDC w/ land cost/unit:	\$976,461
Loan Amount Requested:	Up to \$32,204,555	This Request Amount / unit:	\$245,836

¹ This amount is not included in the development budget for the Limited Partnership. MOHCD purchased the land directly from SFMTA in August 2018.

HOME Funds?

None

Parking

None

PRINCIPAL DEVELOPMENT ISSUES

- **BART Plaza & Coordination:** The Sponsor and BART are collaborating closely throughout the BART plaza redesign, not just as abutting neighbors, but with the Sponsor completing the construction work on the Plaza, on behalf of BART. In order to fund the Plaza redesign, the Sponsor and MOHCD successfully applied to the State Department of Housing and Community Development (HCD) for \$33,452,200 in funding from HCD for Infrastructure and Infill Grant (IIG) and Affordable Housing and Sustainable Communities (AHSC) grant & loan. \$8,500,000 of these funds is for the plaza. In order for construction to start on time for the Plaza certain responsibilities and coordination will be required by all parties. See Section 3.1 for more information.
- **High costs:** The cost per unit for BPUY, not including acquisition costs, is \$929,514 which is significantly higher than comparable projects in MOHCD's pipeline for the reasons detailed in Sections 4.3 and 7, including foundation costs related to the proximity to BART's zone of influence, 70 locations for micro piles which are 12" in diameter and approximately 70 feet below grade and over \$5M in costs for approximately 10,000sf commercial space development.
- **Commercial Spaces Programming:** Three out of the five commercial spaces are expected to be community benefit use, but only two tenants have been identified. The Sponsor will continue to work with MOHCD and the Excelsior Commercial Working Group to identify tenants and financing plans for all sites. Please see Sections 4.4 and 5.4.2 for more information.
- **Marketability of moderate-income units:** The Project includes units with income limits ranging between 30% MOHCD AMI and 105% MOHCD AMI. While the Sponsor has substantial experience marketing low-income units, the Sponsor has more limited experience marketing moderate-income units and will need to engage with experts. Additionally, market conditions during the pandemic suggest that it may take more time to lease the moderate-income units than the low-income units. MOHCD will require the Sponsor to provide a marketing strategy memo and secure marketing consulting services during the 18 months preceding lease-up. Please see Section 4.6 for further explanation.
- **MOHCD Loan Amount:** The Project is able to utilize the new tax credit floor pricing of 4% from 3.08%, from the COVID Cares Act, which produced over \$13M in additional equity. This potentially would need to be split with HCD, as per their underwriting guidelines. The Sponsor and MOHCD are working together to identify other uses of the savings, such as construction debt offered as hard debt payment at permanent conversion. In either scenario, the MOHCD gap is expected to be less than \$32M by construction close. See section 5.3.2

SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Terms	Status
MOHCD	\$2,000,000	55 yrs. @ 0-3% Res Rec	Approved
MOHCD	\$2,300,000	55 yrs. @ 0-3% Res Rec	Approved
Total	\$4,300,000		

Permanent Sources	Amount	Terms	Status
MOHCD	\$32,204,555	55 yrs. @ 3% Res Rec	This request
1st Mortgage	\$21,729,000	35 yrs. @ 4.07% Hard Debt	Term sheet received, in negotiation
AHSC	\$20,000,000	.42% annual; Residual Receipts	Committed
GP Equity	\$500,000	n/a	This Request
Deferred Dev. fee	\$2,800,000	n/a	This Request
Tax Credit Equity	\$44,532,832	\$1.01	LOI in negotiation
Total	\$121,766,387		

Uses	Amount	Per Unit	Per SF
Hard Costs	\$95,106,925	\$726,007	\$547
Soft Costs	\$18,257,621	\$139,474	\$105
Reserves	\$2,606,841	\$20,140	\$15
Developer Fee/Costs	\$5,775,000	\$43,893	\$33
Total	\$121,776,387	\$929,514	\$700

**This chart does not include \$6,150,000 paid to SFMTA for acquisition of the site by MOHCD through the MTA's Public Lands for Housing Program.

1. BACKGROUND

1.1. Project History Leading to This Request.

In 2000, neighbors within the area of south central San Francisco requested that the San Francisco Planning Department embark on the Balboa Park Station Area Plan (the Plan), and specifically a plan for the Transit Station Neighborhood, City College of San Francisco, the Reservoir, and the Ocean Avenue Commercial District. As part of that process, the land located at San Jose and Geneva Avenue was identified as a possible site to promote Transit Oriented Development (TOD) by increasing density, mixed use and affordable housing in the area. The Plan also identified the need for better pedestrian and bicycle infrastructure and a redesigned passenger drop off area within the Balboa Park Bay Area Rapid Transit (Balboa BART) station. The Balboa Park Station Area Plan was adopted in May 2009 into the General Plan.

In 2014, then-Mayor Ed Lee established the Public Lands for Housing Program, in which four publicly owned sites within the City were identified to provide up to 4,000 new units of affordable housing by 2020. The Upper Yard, a 0.71 acre surface-level parking lot at

the corner of San Jose and Geneva Avenue (Site), owned and operated by the San Francisco Municipal Transportation Authority (SFMTA), was identified by this program.

In April 2014, SFMTA and the Mayor's Office of Housing and Community Development (MOHCD) entered into a Memorandum of Understanding (MOU) agreeing to the jurisdictional transfer of the Site from SFMTA to MOHCD for the purposes of affordable housing. On April 11, 2016, MOHCD issued a Request for Qualifications (RFQ) for a qualified developer to develop affordable family housing, ground floor commercial and community serving space in addition to coordinating improvements on the adjacent parcel owned by BART.

In September 2016, after reviewing the proposals, MOHCD selected Related California and Mission Housing Development Corporation (together, Sponsor) to develop, own, and operate the family housing proposed for the Site. In March 2017, the Sponsor was approved for a \$2,000,000 loan to start predevelopment. The Site was purchased by MOHCD from SFMTA in August of 2018 for \$6,150,000.

From March 2017 through June 2019, the Sponsor advanced the drawings through schematic design and received entitlement approvals from the San Francisco Planning Department utilizing Senate Bill 35 (SB35), saving the Project time & money through entitlement streamlining. BPUY was the first project in San Francisco to utilize this process, saving the Project six months during the entitlement phase and adding an additional 30 units as allowed by the density bonus. During this time the Sponsor conducted extensive community outreach around the design and community benefit spaces onsite. As the Project continued to advance the drawings through Design Development, the Sponsor formed partnerships with SFMTA and BART for transit improvements in preparation for an Affordable Housing and Sustainable Communities (AHSC) application.

In June 2019, after being delayed due to an unsuccessful AHSC application, the Sponsor requested additional funds from MOHCD to continue the predevelopment work on the project, including advancing the drawings through the Construction Document Phase and the preparation of future funding applications. The Project also received an award of 39 project-based vouchers during this time.

Finally, in August 2020, the Sponsor and MOHCD were awarded \$29,952,200 in AHSC and \$3,500,000 in IIG from HCD. The funds will provide \$20 million of funding for the housing project, \$8.5 million in funding to improve the Balboa Park BART Station southern plaza (Plaza) to connect the housing and station, \$3.3 million to assist in purchasing three BART rail cars, \$1.65 million for SFMTA bike and pedestrian infrastructure improvements, and \$452,200 in AHSC program funds for 3 years of monthly Muni transit passes to each household within the housing project in addition to funding for Bicis Del Pueblo program run by People Organizing to Demand Environmental and Economic Rights (PODER). As part of the AHSC application, the Sponsor, MOHCD and BART entered into a MOU that defines the role of all parties in the design and construction of the plaza.

In addition, in December 2020, the Project was awarded a reservation of 4% tax credits from TCAC and an allocation of tax exempt bonds from CDLAC after two other unsuccessful applications to CDLAC rounds. The Sponsor's first application to CDLAC

in 2019 was procedural, specifically required in order to hold its status in an expiring Difficult Development Area (DDA), which allows the Project to receive additional tax credits. The Project then applied for credits and bond funds in June of 2020, ahead of the initial schedule, due to the competitiveness of previous rounds. The Project was unsuccessful in this first TCAC attempt, but this application allowed the Project to begin advocacy at the state level to increase awareness of the Project and its expiring DDA status. If it had not received an allocation of bonds in 2021, it would have lost \$10MM in tax credit equity due to loss of the additional credits from the DDA status. The Project was able to increase its tiebreaker and scoring for the September round, which resulted in the bond allocation in December 2021.

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)

The borrower entity is Balboa Park Housing Partners, L.P. a partnership between The Related Companies of California, LLC (Related) and Mission Housing Development Corporation (MHDC). While this is the first time Related and MHDC have partnered on a project, both partners have extensive experience in the development and ownership of affordable housing in San Francisco and throughout the State.

MHDC will act as the Managing General Partner and Related as the Administrative General Partner. Related will be responsible for coordinating the planning, financing, and construction of the Project. Mission will be responsible for the on-going asset management of the Project, applying for annual property tax exemptions, providing onsite social services, and overseeing community relationships. Caritas Management Corporation (CMC), an affiliate of MHDC, will act as the management agent for the Project.

MHDC will coordinate and oversee the execution of the supportive services plan, manage relationships with service providers and the Management Company, and assist with the identification of new services funding and partnerships.

MHDC's current FY 2020-21 contracts with the Community Development side of MOHCD have been executed, but the grant funds have not yet encumbered as updated certificates of insurance are required from MHDC. As a result, MHDC is unable to complete their reporting in Grants Management Systems. The last completed monitoring of MHDC was in May 2019 for FY 2018-2019 and reported no findings. The FY 2019-20 monitoring visit was suspended due to the pandemic. The Department on Homelessness and Supportive Housing (HSH) will be conducting a limited scope, remote monitoring of the organization this spring, but date yet has not been set. MOHCD will be looped in once HSH's report has been issued.

1.3. Project Staffing.

Nick Wilder will be the day to day Project Manager for Related. Andrew Schorfhaar, Senior Project Manager, will provide guidance to Nick and the Project on a daily basis. Ann Silverberg, Chief Executive Officer of Northern California Affordable, will provide guidance and high-level strategy to the team along with executive support and advocacy from Bill Witte, Chairman and CEO of Related California. Kaitlin Roth will provide support to all members of the team.

- Ann Silverberg, Chief Executive Officer, Northern California Affordable: 5%

- Andrew Schorfhaar, Senior Project Manager: 20%
- Nick Wilder: Project Manager: 33%
- Kaitlin Roth, Development Associate: 15%

Gail McGuire, MHDC Project Developer, will work in concert with the Related project managers to develop the Project. Scott Falcone, Development Consultant, will provide guidance and strategy to the team and Project and provide support on community related issues. Lisa Mendoza, Senior Asset Manager, will coordinate regulatory compliance and coordinate lease-up with Property Management. Sam Moss, Executive Director, and Marcia Contreras, Deputy Executive Director, will provide guidance, executive support and advocacy on community issues, resident services, and also work with community partners to support the project. Elizabeth Madrigal will provide support to all members of the team.

- Sam Moss, Executive Director: 5%
- Marcia Contreras, Deputy Executive Director: 5%
- Gail McGuire, Project Developer: 30%
- Scott Falcone, Development Consultant: 10%
- Lisa Mendoza, Senior Asset Manager: 10%
- Elizabeth Madrigal, Project Assistant: 10%

1.4. Development Team

Development Team			
Consultant Type	Name	SBE/LBE	Outstanding Procurement Issues
Architect	Mithun Architects	N	N
Landscape Architect	Mithun Architects	N	N
General Contractor	Cahill Contractors	Y	N
Owner's Rep/Construction Manager	Waypoint Consulting Inc.	N	N
Consultant	Scott Falcone, Falcone Development Services	N	N
Legal	Gubb & Barshay LLP	N	N
Property Manager	Caritas Management Corporation	N	N
Services Provider	MHDC	N	N

1.5. Outstanding Procurement Issues.

The Contract Management Division provided the Project with a 20% professional services goal for all contracts. To date, 26.15% of all contracts are SBE/LBE. In the original predevelopment loan evaluation, it was requested that Scott Falcone, community consultant, obtain SBE/LBE status with the City. However, Mr. Falcone was part of the original RFP response for the Project and does not need to meet that requirement since the team was selected through a MOHCD competitive process.

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

Site Description	
Zoning:	The Site is currently zoned NCT-2 – Small-Scale Neighborhood Commercial Transit District, with 45-X height limit. Subject to design guidelines outlined in the Balboa Park Station Area Plan. Sponsor has used Senate Bill No. 35 (SB35) in combination with the

	State Density Bonus Program to increase density and shorten entitlement timeline. Current height limit is now 85 feet and was approved by the Planning Department on October 11, 2018.
Maximum units allowed by current zoning (N/A if rehab):	Under previous zoning, the development was limited to 100 units due to height restrictions. Current height increase allows for 131 units total.
Seismic (if applicable):	Seismic Zone 4
Soil type:	The soil at the Site is mostly stable and various foundation systems are recommended as being acceptable for the planned scale of the housing development. Five feet of undocumented fill is noted in the preliminary geotechnical report, which indicates increased risk of cyclical densification, which is not uncommon for the area. The soils are characterized as dune sand and the water table was encountered at 10 feet below grade surface. Proximity of the building to the BART tunnel will also impact which type of foundation can be used.
Environmental Review:	The streamlined approval process allowed by SB35 reduced the scope of CEQA analysis. NEPA was approved and the Authority to Use Grant Funds was issued on April 8, 2014. The AUGF was set to expire in April 2019, five years from the date of issuance. On December 11, 2018, MOHCD issued a re-evaluation of the environmental assessment, extending the NEPA approval for another five years from issuance of the re-evaluation.
Adjacent uses (North):	Balboa Park BART Station.
Adjacent uses (South):	The intersection of BART's driveway and San Jose Ave.
Adjacent uses (East):	San Jose Ave / Geneva Car Barn.
Adjacent uses (West):	BART road for pick up/drop off and Balboa Park BART Station.
Neighborhood Amenities within 0.5 miles:	Balboa Park Upper Yard is opposite the main entrance of Balboa Park BART Station. Whole Foods is a half-mile west. Lick Wilmerding High School is 500 feet west of the site. Balboa High School is .5 miles northeast of the Project. James Denman Middle School is 1,000 feet northeast of the site.
Public Transportation within 0.5 miles:	Balboa Park BART Station is directly across from the site. The following bus lines stop at the BART station: 8, 8BX, 28R, 43, 54, 88 and 91, as well as the J, K and M Muni lines. BART provides direct access to downtown San Francisco, SFO airport, Oakland and Berkeley.
Article 34:	Article 34 was approved January 28, 2019 for 131 units and 33 PBV units. Article 34 will be updated before close.
Article 38:	The Site is located in the Air Pollutant Exposure Zone according to the most recent version of the Air Pollutant Exposure Zone Map. San Francisco Department of Public Health (SFPDH) has approved an enhanced ventilation plan in accordance with the Department of Building Inspection (DBI) requirements.
Accessibility:	13 units (10%) will be accessible for mobility impaired and 6 units (4%) will be accessible for hearing and visually impaired. 100% of the units will be adaptable.
Green Building:	Project will meet the minimum requirements for MOHCD and TCAC Green Building and obtain Greenpoint Rating of Gold.

Recycled Water:	Exempt.
Storm Water Management:	Sponsor has submitted a Storm Water Management Plan (SWMP) working with San Francisco Public Utilities Commission (SFPUC).

2.1. Zoning.

The site is zoned NCT-2, which allows for both residential and commercial development. The Balboa Park Station Area Plan identifies the Site as a Transit Station Neighborhood and suggests that the Site should be developed as mixed use, with an emphasis on housing. The Project requested a density bonus through the State Density Bonus Program pursuant to Section 65915 et seq. of the California Government Code. The site is located in two separate height districts. Utilizing the density bonus program, the Project has added 4 floors to the 45 ft. height limit portion of the Site, and 1 floor to the 85 ft. height limit portion of the Site. This increase allowed for 30 more units than original planned. Planning Department approved the bonus on October 11, 2018.

2.2. Environmental Issues.

2.2.1. Phase I/II Site Assessment Status and Results.

A Phase I Environmental Site Assessment was conducted by LEE Incorporated in April 2013 and found no evidence of Recognized Environmental Conditions. A Phase II study was completed in June 2014. Activities consisted of the drilling of three exploratory borings and the collection of soil and groundwater samples for submittal for laboratory analyses for potential contaminants of concern. The Phase II investigation results indicate low-risk or insignificant levels of petroleum hydrocarbons, phenols and metals in the soil and groundwater samples and recommends a Health and Safety Plan and Soil Management Plan be implemented.

Per the requirement of the Department of Public Health, Sponsor has prepared and submitted a site specific Dust Control Plan (DCP) for approval. In addition, prior to construction activities a Soil Management Plan and a specific Health and Safety Plan will be prepared.

2.2.2. CEQA.

On October 11, 2018, by Notice of Final Approval of an SB35 Project, the Planning Department, by case No. 2017-012151PRJ, determined that the Project met all the standards of the Planning Code and would be eligible for ministerial approval under California Government Code Section 65913.4 (Senate Bills 35 and 765), California Public Resources Code Section 21080, and the CEQA Guidelines (sections 15002(i)(1), 15268, and 15369), and would therefore not be subject to the CEQA.

3. OTHER COORDINATION ISSUES

3.1. BART Plaza

This design and budget for the BART Plaza are being presented here for context only and do not require approval from Loan Committee as this is a BART guided project.

In order to integrate the design of the Plaza and the housing, the Sponsor has been coordinating with BART and Mithun to redesign the southern portion of BART Plaza (Plaza) in order to improve pedestrian access and safety at the station's vehicular drop-off and Plaza area at the southern entrance to the station. The BART Plaza is a completely

separate project from the housing component and Plaza costs are not included within either the housing development or housing operations budget, although the BART Plaza is funded through AHSC and IIG applications, which leveraged the housing component, as noted in section 4.5 below. As such, and also due to timing of construction for both BPUY and the Plaza, the Sponsor will, on behalf of BART, construct the Plaza, with Cahill acting as the General Contractor for both the Plaza and BPUY. BART will retain ownership of their plaza parcel and all improvements. In the event that the housing project is delayed, the BART plaza would also be delayed. Due to the many areas of overlap, coordination and tight controls on budget are key to delivering both projects on time.

3.2. BART Plaza Budget

In order to support BART and meet the goals stated in the Balboa Park Station Area Plan, MOHCD and the Project Sponsor applied to AHSC and IIG to fund the BART Plaza redesign. In June 2020, the Sponsor and MOHCD were successful in obtaining these funds, as well as additional funds for other transportation improvements from AHSC that helped ensure the Project was competitive in the AHSC round (see Section 6.3.2 for more information on other uses of HCD funds).

The BART hard cost design has been priced by Cahill to be approximately \$5.8MM, based upon 40% BART drawings, equivalent to 50% DDs. BART has agreed to incorporate all elements of the design prior to bid in order to keep costs in line. The design undergoes monthly vetting from BART police, BART Maintenance & Engineering, and other BART departments in order to prevent changes during construction. In addition, the AHSC Agreement with BART stipulates that the Plaza design must maintain a 10% contingency based on the final budget estimate prior to bid.

During construction, the AHSC and IIG funds will be drawn, similar to a construction loan, from HCD. The Sponsor may elect to secure a construction loan for the Plaza construction to help bridge the HCD funds and expedite payments to the general contractor.

BART Plaza design and constructions costs are not included in the housing budget. The contract with the general contractor is a completely separate contract that includes only Cahill and Balboa Park Transit Partners LLC, an affiliate of The Related Companies of California (TRCC). The BART Plaza is a completely separate project from the housing component, but completed in tandem.

SOURCES SUMMARY			
	Source		Budget
	HCD - AHSC		\$5,000,000
	HCD - IIG		\$3,500,000
	TOTAL SOURCES		\$8,500,000
USES SUMMARY			
	Category	Factor	Budget
	TOTAL PROFESSIONAL FEES		\$718,840
	TOTAL FEES AND PERMITS		\$62,700
CONSTRUCTION COSTS			
	Total General Contractor Contract		\$5,806,804
	Bid Contingency	1.00%	\$58,068
	Construction Contingency	10.00%	\$586,487
	Construction Management		\$45,027
	BART Construction Management		\$496,020
	TOTAL CONSTRUCTION COSTS		\$6,992,406
FINANCING COSTS			
	TOTAL FINANCING COSTS		\$50,000
OTHER COSTS			
	Total Furnishings, Fixtures & Equipment		\$45,000
	Total Legal Fees		\$40,000
	Total Soft Cost Contingency		\$92,054
	Total General and Administrative		\$49,000
	Total Developer Fee		\$450,000
	TOTAL OTHER COSTS		\$676,054
	TOTAL DEVELOPMENT COSTS		\$8,500,000
	TOTAL SOURCES		\$8,500,000

3.3. BART Plaza Coordination

While there is extensive coordination work, each project is entirely separate and certificate of occupancy is not tied to each other. However, there are various documents related to the coordination of both projects, in relation to the proximity to BART's tunnels, the funding agreements, and safety protocols that are necessary for all parties in order to start construction including:

- **BART Permit:** the housing Project will be required to obtain a BART construction permit. The Sponsor's current design has followed BART's General Guidelines for Design and Construction. BART's permit review is underway and expected to complete by the end of March. This permit will cover the construction of the

housing project including the temporary construction of a tower crane foundation on BART property and utilization of the BART property for staging and deliveries.

- **30 foot No-Build Easement:** In order to allow the building's design to utilize all sides of the Project for light and air, per the building code, a 30 ft. No-Build Easement (Easement) will be recorded on the BART parcel, along the western edge of the Site. The Easement will be approved by the Board of Supervisors (BOS) and will be recorded against the BART property at construction closing.
- **AHSC Agreement:** The AHSC agreement covers responsibilities associated with the AHSC and IIG grant as shared between BART, MOHCD, and the Sponsor, such as the design and construction of the Plaza as well as the procurement of BART Rail Cars. This agreement is drafted and under review by all parties and will be in substantial final form prior to BOS approval for the Accept and Expend of the AHSC and IIG funds.
- **Storm water maintenance and use agreement:** At the request for additional predevelopment in June 2019, it was expected that the housing parcel would absorb some of the Plaza's stormwater requirement, which would have required a Stormwater Maintenance and Use Agreement between BART, the LP and MOHCD. However, after discussion with BART engineering and San Francisco's Public Utility Commission (SFPUC), BART's MS4 permit with the State of California's Water Board sufficiently addresses BART Plaza's stormwater requirement to meet the SFPUC requirements. As such, the housing parcel will not need to assist BART with reducing their stormwater requirement and BART can address their stormwater within their property boundaries. This mitigated design will require BART coordination with SFPUC throughout the design process and this process is captured in the AHSC agreement noted above. In addition, BART's stormwater line currently runs through the housing parcel and will require an easement from the City. No other stormwater maintenance or use agreement is necessary.

Construction on the Plaza will start approximately 6 months prior to the housing component receiving Temporary Certificate of Occupancy (TCO), in order for both projects to open at the same time, however, and as previously mentioned, both projects are completely separate contracts and are not tied to one another for permitting approval or TCO. The BART Plaza, also mentioned above in the BART Permit, will be used for staging for the housing throughout construction, to which BART and the Sponsor will enter into a permit.

3.4. BART Plaza Maintenance Costs.

Maintenance for the BART site has always been a cost concern for BART, and even more so now that COVID-19 has reduced ridership and revenue considerably. BART's original design of the Plaza has been modified by the architect of record for the housing parcel, Mithun, in order to ensure integration of the overall housing design and continued maintenance from BART. Throughout this design process, Mithun, BART, and BART's architect have continued to balance the design for quality of use and for maintenance within BART's standard, including limiting the number of trees for landscaping, reducing the number of seating options, and material selection. As documented in the AHSC agreement, BART will be responsible for maintaining their own property, without any assistance from the City or the housing parcel, once improvements on the Plaza are completed. The Sponsor

will maintain the housing parcel only and a shared sidewalk with the BART Plaza and along the 30 foot no build easement area. BART will maintain their portion of the sidewalk on their property. In the event that that any of the commercial tenants would like to use the BART Plaza, those commercial tenants will obtain a permit from BART.

As mentioned above no funds will be provided by the housing parcel or the City to construct the BART improvements or for maintenance of the Plaza. BART will own and operate these new improvements and is fully responsible for maintenance. However, BART may look for other sources of maintenance funds, including additional funds made available by the current administration or participating in the extension of the Ocean Avenue Business Improvement District (BID). BART has met with the BID and the Office of Economic and Workforce Development (OEWD) to start that process. In addition, BART is hopeful that the new Federal administration would also provide some assistance. In the event that funds are not available, BART has agreed to continue to maintain the Plaza at current maintenance levels. BART Plaza maintenance costs are not included in the housing operations budgets.

3.5. Community Support.

Shortly after RFQ award notification, and through entitlements in 2018, the Sponsor held a series of 6 small community meetings with stakeholders and local neighborhood organizations to introduce the development team and get community input on the Project. In addition, once the BART Plaza design and concept were formalized, the Sponsor and BART also held four large community meetings at Balboa High School, where BART representatives also shared their plans for the adjacent property.

Sponsor continued to administer community outreach after receiving Planning entitlements under SB35. Since 2018, the Sponsor participated in the Excelsior & Outer Mission Neighborhood Strategy being conducted by the Planning Department and shared updated design progress. Most recently, the Sponsor has re-engaged participants from the original CEC to lead discussions regarding the commercial and community spaces as well as other topics of interest to the CEC stakeholders. In addition, the Sponsor, MOHCD, and BART co-hosted three virtual community meetings to update the community on design progress for the BART plaza.

The sponsor, BART, MOHCD, SFMTA, and other affected shuttle operators are meeting regularly to finalize a station curb use plan for the entire construction phase and plaza closure. Following the agreed upon plan, expected in March 2021, these groups will engage in virtual community outreach, similar to the fall meetings, to update the community on the adjustments during construction to bus stop relocations, drop off zones, and other impacts.

4. DEVELOPMENT PLAN

4.1. Site Control.

MOHCD has jurisdictional ownership of the Site through the City. At construction close, MOHCD and the Sponsor will execute a long-term ground lease with a 75-year term with a 24-year extension option for a total of 99 years.

The ground lease payment shall consist of an annual Base Rent of \$15,000 and Residual Rent of 10% of the appraised unrestricted value of the Site. Base Rent will be collected

annually regardless of cash flow and is considered a project expense. Residual Rent will only be collected to the extent that cash flow is available, and will not accrue. Annual Rent is re-calculated on the 15th anniversary date of ground lease and every 15 years thereafter. The City’s execution of a long-term ground lease is subject to approval by the BOS and will be presented along with this Gap Loan documents, as well as Bond documents and the easements noted above in Section 3.3..

In the event that the Sponsor identifies credit worthy, market rate tenants and expects to have substantial commercial income, the housing and commercial parcels may be separated at permanent conversion. See Section 5.4.2 for more information about commercial operations and financing.

The Sponsor intends to provide an appraisal based on unrestricted rents to determine Residual Rents on the housing parcel by April 2021.

4.1.1. Proposed Property Ownership Structure

The improvements will be developed and owned by Balboa Park Housing Partners, LP, of which The Related Companies of California, LLC, a California limited liability company, or its affiliate will own a 0.005% interest and act as the Administrative General Partner. Mission Housing Development Corporation, a California nonprofit public benefit corporation, or its affiliate will own a 0.005% interest and act as the Managing General Partner. The soon to be named tax credit limited partner will be the 99.995% owner of the limited partnership.

4.2. Proposed Design.

Avg. Unit S.F. by type:	Studio – 490 sq. ft. 1 Bedroom – 630 sq. ft. 2 Bedrooms – 860 sq. ft. 3 Bedroom – 1,190 sq. ft.
Residential S.F. (Units):	120,008 sq. ft.
Circulation S.F.:	30,955 sq. ft.
Parking Garage S.F.:	N/A
Common Area S.F.:	13,826 sq. ft. (utility / Amenity)
Total Residential:	164,789 sq. ft.
General Commercial (2 spaces)	2,220 sq. ft.
Public Benefit Commercial (PODER)	760 sq. ft.
Public Benefit Commercial: Family Resource Center (FWCEC)	2,480 sq. ft.
Other Public Benefit Commercial: Early Childhood Education (ECE)	4,370 sq. ft. + 1,730 outdoor space
Total Commercial/Community Benefit:	9,830 sq. ft.
BUILDING TOTAL S.F.:	174,619 SQ. FT.

4.3. Construction Supervisor/Construction Specialist's evaluation

Balboa Park Upper Yard is a 9 story, Type-1 concrete building. The 131-unit development is set to begin construction in May of 2021. The Project is located at the corner of San Jose and Geneva avenues in San Francisco Supervisorial District 11 (Safai).

Mithun, the architect of record, and the Sponsor are working with Cahill Contractors, which were selected by the Sponsor via RFP. The numbers presented in this evaluation are based off of the 50% CD drawings and subsequent contractor pricing for that stage of design.

The scope for the Project is appropriate and comparable to typical MOHCD family housing projects. Features of note include robust exterior glazing, an articulated façade, and a significant amount of ground floor commercial and community serving space. Efficiencies such as stacked plumbing and thoughtful use of space have been incorporated into the design. The “strong corner” of the Project at San Jose and Geneva presents a prominent architectural feature while the mid-block entry court on San Jose allows for privacy and a very intimate internal experience for residents.

Due to the Site's soil conditions, topography, and the proposed building height and type, the foundation represents a mix of 4" slab on grade stepped at various locations, a 48" mat foundation which is also stepped at various locations of the 12" thick retaining walls, and a 60" thick mat foundation which occurs below all shear walls. The foundation also includes 70 locations for micro piles which are 12" in diameter and approximately 70 feet below grade. The budget is carrying an allowance of \$45,800 for approximately 4 additional micro-piles due to the structural requirements for the building's gravity factors and any possible incursion into the BART zone of influence (ZOI) which arise as soil improvement starts. The piles subcontractor has completed an initial drawing, which has been submitted to BART for Review and sign off. This is estimated in late March 2021. The ZOI is meant as a buffer for transferred structural loads from the building to the subgrade BART station entrance. We will not know the full scope of additional micro-pile needs until we get information from the design build team which is currently further refining their design.

The Project's design currently employs ample exterior glazing to take best advantage of view opportunities and to meet light and air requirements. The team explored the use of vinyl windows but were advised against them due to the limitations of the concrete construction type, as the expansion and contraction of the vinyl windows in concrete creates waterproofing issues. The unit windows on the west facing side of the building also need to provide noise attenuation against the proximate freeway's impact. The required increased thickness for the windows to reach higher STC ratings carry a 50% price premium from standard windows, amounting to an additional cost of \$125-\$150K.

In response to the Neighborhood Commercial Transit (NCT) zoning and the neighborhood's expressed desire for a strong retail presence at the ground floor, on the corner of San Jose and Geneva and wrapping around to the planned exterior plaza, the team

has designed floor to ceiling, commercial grade windows which provide the retail experience desired for possible future tenants.

The irregular shape of the parcel has led the design team to present a building that while visually interesting and efficient in its design, faces additional costs associated with exterior finishes, waterproofing, and column locations.

The Project's immediate proximity to the 101 and the 280 Freeways means that it must comply with Article 38 of San Francisco's Public Health Code. For BPUY, this means a higher standard of HVAC system will be required. This higher than average standard is achieved by including a central forced air handling system with Minimum Efficient Reporting Value (MERV) 13 filtration and an outside air intake. This is the MERV rating typically required of superior commercial buildings. The estimate for HVAC for the project is about \$2.9 million.

There remains an ongoing issue with permanent power design given ongoing jurisdictional issues between PG&E and SFPUC. The team has budgeted more than \$900k in the budget utility line to account for this still unknown scope.

4.4. Commercial Space Programming.

BPUY includes approximately 9,830 square feet of ground floor commercial space, which is divided into five commercial spaces. Starting on San Jose Avenue near the BART drop off entrance, there is a 4,370 sq. ft. child care facility that will be operated by the YMCA. Next is another 2,480 sq. ft. of community serving spaces for a Family Wellness Community Resources Center (FWCRC). There are two commercial spaces located along Geneva Avenue, each about 1,000 square feet for a total of 2,220 sq. ft. and shared common space for trash and utilities. Finally, there is another 760 sq. ft. space along the BART plaza that will be leased to local non-profit PODER to operate a bike repair and youth opportunities program as part of the AHSC grant award.

Recognizing the opportunity in the ground floor retail spaces, as well as understanding the current commercial impacts within the community, MHDC has assembled a group of community stakeholders in the District 11 (Working Group) to provide input and help shape the commercial space at BPUY, as well as address the commercial concerns in the neighborhood.

The Working Group has held five monthly meetings including a site visit to Fruitvale Plaza/BART Station/TOD development in Oakland. During those meetings, the Working Group progressed from creating a Statement of Purpose to identifying potential uses of the commercial space at BPUY that would have economic and community benefits.

The Working Group aims to develop a socially, environmentally, and economically sustainable space that enhances the District 11 gateway and reflects the community's values and voices, uplifts existing local workforce, and serves the unique intergenerational and multicultural needs of the working class community in efforts to stabilize vulnerable tenants and strengthen existing neighborhood resources. The Working Group drafted a community benefits report that includes recommendations for potential uses and tenants

for the commercial space. MOHCD awarded the Working Group \$38,531 in CDBG funding to continue its work supporting the entire corridor.

The CDBG grant supports the Project from November 1st, 2020 to June 30th, 2021. The Working Group will present their findings in a Proposal to MHDC that identifies commercial space configuration, and potential neighborhood serving small business occupants, and BART Plaza programming. In addition to providing outreach and input on the commercial uses, the Working Group wants to provide input on the BART Plaza as a community hub to highlight the inter-relationship and physical inter-connectivity between the commercial space, the community resources space, and the public plaza space with the overall programming of the space.

Please see Section 5.4.2, for more details on the commercial financing.

4.4.1. Early Childhood Education Center.

Per the RFQ response, the YMCA will operate an early childhood education center to provide pre-school for 44 children. The limited partnership has executed a MOU with the YMCA. The design process for the tenant improvements is underway with YMCA with their architect collaborating closely with the project team.

YMCA Balboa Upper Yard Childcare Summary		
Enrollment	Number of Spaces	Age Range
Infant	8	3 months to 24 months
Young Pre-School	16	2 to 3 years old
Older Pre-School	20	3 to 5 years old
Total	44	

The YMCA childcare will be a mixed-income program, comprised of subsidized families and full-fee paying families. A minimum of 35% of the program's enrollment will be reserved for formerly homeless and at-risk children, and for low to moderate-income families. YMCA program is ranked by priority and income in the following order:

1. BPUY Housing residents and Early Learning Scholarships from San Francisco Office for Early Care & Education Early Learning Scholarship (SF OECE ELS)
2. Referrals from Children's Council Childcare and Referral Services, Wu Yee Childcare Resource and Referral Services CPS, etc. (High risk/special needs); and
3. Families from nearby neighborhoods and community/Full-Fee

An MOU between the Sponsor and the YMCA has been provided to MOHCD.

4.4.2. Family Wellness Community Resources Center (FWCRC).

In previous loan requests and in the commercial plan previously provided to MOHCD, the Sponsor had intended to include a FWCRC with the primary focus of building a strength-based support system not only for the families living on Site, but

also for non-residents and the surrounding community through services. It was intended that MHDC's Resident Services Department would work in collaboration with its partner agencies such as the YMCA and Instituto Familiar de la Raza (IFR), with the later agencies operating the FWCRC. However, in recent years IFR has had funding challenges and has not been able to provide the services needed at other Mission housing sites. MHDC has requested assistance from MOHCD to help identify other agencies to fill the place of IFR and/or for assistance with funding opportunities for the services MHDC intends to provide onsite (see Services Section 8.1 below). This work will include various community groups to determine potential agencies to fill the place of IFR if necessary and requests assistance on reviewing the potential candidates from an underwriting perspective. In addition, MHDC has asked MOHCD to provide assistance in locating third party financial support, such as a low interest loan, for the FWCRC to make it possible to bring together service providers who might not otherwise be able to afford building-out the space or paying full rent. Finally, since each individual non-profit has its own funding needs and its own service capacity levels, MHDC would like MOHCD to participate in choosing the right nonprofit for this space. Sponsor will work with MOHCD to located additional sources to assist in capacity building for service providers but this fee would not be for MHDC to do this work as it is covered in the Commercial developer fee.

As mentioned above, the FWCRC will be operated by a third party agency whose scope of work will meet households in the building as well serve as a community. Mission Housing will lead the coordination with partners. Mission Housing plans to oversee the space and execute MOUs/sub-leases as needed with the various service agencies and plans to utilize its experience managing similar spaces in buildings such as Valencia Gardens. The FWCRC will work as a drop-in center serving for both residents and the surrounding community. Staff will provide supportive services, referrals to programs, and linkages for the following: educational, vocational programs, health screenings, information about housing, benefit advocacy, youth services, life skills, child care, etc.

MOHCD understands that the services provided within the FWCRC are important, not just for the community, but also the 130 households that will be living at the Project. Robust service provision and strong connection with providers are imperative to the success of the space. MHDC will work on securing all the financial support to run the FWCRC as well as building an extensive network of partners, with the assistance of MOHCD and various other City agencies as applicable. The Sponsor will begin the planning process in June 2021, with overall plan and financing plan in substantive form by September 2022, to correspond with build out of the space and to ensure property service staffing for the BPUY households. Sponsor will provide LOIs of tenant to the space by September 2022 and executed lease by TCO.

4.4.3. Bicis Del Pueblo - Bike Education and Repair.

For 25 years PODER has been organizing in Latino immigrant communities based in San Francisco’s Mission and Excelsior District. At BPUY, PODER will provide bicycles available on short-term loan, bike safety, bike education clinics and workshops out of a commercial space adjacent to the renovated BART plaza. The partnership has executed a MOU with PODER to operate the space. A preliminary layout for the space informed the design of the warm shell, which will be simple in design with concrete floors and work benches for bicycle repair.

4.4.4. Retail Spaces.

The Sponsor is continuing to work on the exact uses of the two commercial spaces on Geneva Avenue and hopes to attract a café, light retail tenant, or below market rate community benefit tenant. At time of gap financing request, tenants have not been identified. The Sponsor will continue to collaborate with the Working Group to identify potential tenants before TCO and intends to have leases executed on both sites by TCO.

A complete commercial space development plan, including market study, operating budget was provided to MOHCD in November 2020. The Sponsor will update the plan by September 2022 in order to correspond with TCO date. Please see Section 5.4.2, for more details on the commercial financing.

4.5. Target Population

Through extensive discussions with the District Supervisor and community groups, the final unit mix will provide units across a large spectrum of incomes, reflecting the district’s demographics. Due to recent rental market adjustments in the City, the Sponsor reduced AMIs in several units, which will help speed the lease up process. Income limits range from 39% to 105% SFAMI, based on 2020 SFAMI (30% to 80% TCAC AMI). The Project has incorporated income averaging which allows tax credit financing for projects that serve households earning as much as 80% of TCAC AMI, so long as the average income and rent limits in the Property is less than 60% TCAC AMI, or about 78% SFAMI. Average AMI for BPUY is 59% SF AMI.

Unit Count	% of Units	TCAC AMI	SF AMI
27	20.61%	30%	40.76%
23	17.56%	36%	50%
39	29.77%	36%	50%
5	3.82%	44%	60%
24	18.32%	60%	81%
12	9.16%	80%	105%
130			

All units will be restricted, in the MOHCD Declaration of Restrictions, to the MOHCD AMIs stated above, and not the TCAC AMIs (see Section 6.1). The Declaration will also include an acknowledgement that all units must be occupied by households whose

adjusted income does not exceed 110% SFAMI and that in order to retain tax credits at no time will the MOHCD AMI exceed the equivalent amount of 80% TCAC AMI.

4.6. Marketing & Occupancy Preferences

Marketing and occupancy outreach for the Project will be conducted in accordance with all applicable fair housing laws. Caritas Management Company will conduct outreach to neighborhood-based, non-profit housing corporations, agencies and other low-income housing advocacy organizations that maintain waiting lists. All units that are not subsidized by SFHA Project Based Vouchers will be entered into a lottery and subject to San Francisco preferences. Among all eligible applicants, additional preference will be observed in the following order:

MOHCD Preference	Applicant Category
1	Certificate of Preference (COP) Holders
2	Displaced Tenants Housing Preference (DTHP) Certificate Holders (20% - 18 units)
3	Neighborhood Preference (25% - 23 units)*
4	Live or Work in San Francisco Preference
5	All Others

*Due to this Project receiving state funding for AHSC, the Neighborhood Preference set aside is reduced to 25% of available units, instead of 40%.

Marketing materials will be printed in Chinese, English, Spanish and Tagalog, and published in a variety of publications that represent a broad range of non-English speaking populations.

The Project has been designated a “HOPE SF offsite”, which means that 30% of its units will be subsidized with Project Based Section 8 Vouchers (PBVs) that include a preference for HOPE SF residents who voluntarily apply for a unit at the Project. The waitlist and preferences for the PBV units will be maintained by the San Francisco Housing Authority (SFHA) as outlined in the SFHA Administrative Plan, updated annually and posted on the SFHA website.

The Project includes units at a range of incomes between 30% MOHCD AMI and 105% MOHCD AMI. While the Sponsor has substantial experience marketing low-income units, the MHDC has little experience marketing moderate-income units and will need to engage with experts, although Related is well versed and should be leaned on to assist with the process. Additionally, market conditions during pandemic suggest that it may take more time to lease the moderate-income units than the low-income units. MOHCD will require the Sponsor to provide a marketing strategy memo and secure marketing consulting services, if necessary. Related Management Company (RMC) may be involved alongside CMC in the initial management, lease up, and income certification process.

4.7. Relocation.

On July 30, 2019, MOHCD provide SFMTA with a 60-Day Notice to Vacate the Upper Yard Site in order to provide an interim use. In September of 2019, MOHCD and the San

Francisco Department of Homelessness and Services (HSH) entered in a MOU to allow HSH control of the Site as a Vehicular Triage Center (VTC) for those experiencing homelessness and living in their vehicles. As of March 15, 2021, HSH has vacated the Site in order for the construction to follow. There are no relocation benefits due to HSH or its clients with the move of the removal of the VTC. There are no relocation costs in the development budget.

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

5.1. Prior MOHCD Funding (this Project and historical for the Project):

In March of 2017 MOHCD approved \$2M in predevelopment funding to the Sponsor. In June 2019, the Sponsor requested and was awarded an additional \$2.3M in predevelopment funds to carry the Project through to construction start. The Sponsor currently has funds to support predevelopment activities through construction start in May 2021 and will need the gap funds immediately at close.

At Construction close, the AHF funds shown below may be swapped out with 2015 and or 2019 GO BOND funds noted on the cover page, due to funding requirements of the 2015 and 2019 GO Bonds.

Loan Type/ Program	Loan Date	Loan Amount	Interest Rate	Repayment Terms	Available to Draw
AHF Inclusionary	08/08/2017	\$2,000,000	0%	Residual Receipts	\$0
AHF inclusionary	1/6/2020	\$2,300,000	0%	Residual Receipts	\$586,554.16
Total		\$4,300,000			

5.2. Fulfillment of Loan Conditions.

Condition: The Sponsor will establish a complete commercial space development plan, including research on alternate funding sources for funding tenant improvements on the commercial spaces, including any proposed childcare center or other community serving use.

Status: Completed. MOHCD approved of the Commercial Plan in December of 2020.

Condition: The Sponsor will research alternate State funding sources to AHSC, such as Infill Infrastructure Grant Program (IIG) and other programs that come accessible, such as VHHP or No Place like Home.

Status: Completed. The Sponsor and MOHCD successfully applied and received an award from AHSC (for both housing and BART plaza) and IIG (for BART plaza only).

Condition: The Sponsor will submit a capital cost containment strategy with the first cost estimate provided with the Schematic Drawings. The developer will submit a written

narrative with each cost estimate that addresses the cost containment strategy and reports on market conditions, construction costs, and they're bearing on the Project.

Status: Complete. Although a write-up was not provided at the 100% SD estimate, MOHCD was involved in estimate review and value engineering discussions. The Sponsor will prepare a write-up at 100% DD estimate (due June 1) covering the SD estimate as well. Please see Section 5.4.1.

Condition: The Developer will consider and analyze the impact of changing the special needs population from 30% homeless supported by a LOSP contract to 25% HOPE SF voluntary relocatees supported by a Housing Choice Voucher contract, as directed by MOHCD. MOHCD may request a change of occupancy preference at its own discretion.

Status: Completed. The Sponsor received an award for a 30% PBV set aside from SFHA. The Sponsor will execute an AHAP at construction start.

Condition: The Sponsor will continue with robust community engagement regarding the Project and program.

Status: In Progress. Sponsor continues to administer community outreach. Between March 2017 and April 2018, the sponsor held four large community meetings at Balboa High School, with representatives from BART and SFMTA and participated in the Excelsior & Outer Mission Neighborhood Strategy process conducted by the Planning Department in November 2018 where the Sponsor shared updated design progress. The Sponsor collaborated with the MOHCD & BART for three engagement sessions on the BART Plaza design from 2018-2019. Sponsor has continued community outreach and project updates at Excelsior's Sunday Streets (March and October 2019) and had plans to resume regularly scheduled community meetings beginning in Summer 2020 but had to postpone due to the pandemic.

Sponsor held an online preconstruction celebration in 2020, providing updates to the community.

Condition: The developer will explore and score an application for a higher AHP award amount prior to the Gap request.

Status: Not Satisfied. The Sponsor did not apply in the March 2019 or March 2020 AHP rounds. The Sponsor will provide an analysis on the Project's competitiveness to MOHCD for review for the 2021 AHP round by the February 1st, 2021. In the event the Project is competitive, the Sponsor will apply in the 2021 round. In the event that the Project is not competitive for the 2021 round, the Project will look to apply in the 2022 round. In the event that an award is secured, funds will be used to lower MOHCD's gap loan and will be paid to MOHCD during construction.

Condition: Falcone Development Services will seek Small Business Enterprise Status (SBE) Falcone Development Services will seek SBE status by December 31, 2019.

Status: Satisfied. See Section 1.5 above.

Condition: Disbursement of \$185,000 in developer fee contingent on MOHCD approval of a commercial space proposal and warm shell analysis, as described below.

Status: Completed. Commercial Plan approved by MOHCD in December 2020.

Condition: The Sponsor will prepare a narrative explanation of the 100% DD hard cost estimate (currently in review process) covering the SD hard cost estimate as well by July 30, 2019.

Status: Completed. Accepted as of August 7, 2019. Discussions and written analysis began in June of 2019. Sponsor has been highly communicative and CR has been deeply involved with GC and Developer in ongoing discussions.

Condition: Detailed art plan, including procurement, engagement opportunities, schedule and project budget by December 2019.

Status: Completed. Due to COVID-19, the art plan was approved in July 2020
See Section 6.3.5 for more information.

Condition: Provide complete commercial space development plan, including research on alternate funding sources for funding tenant improvements on the commercial spaces, including any proposed ECE or other community serving use. This will also include a detailed schedule with milestones. All items to be delivered to MOHCD by December 31, 2019.

Status: Completed. Due to COVID-19, the commercial plan was approved by MOHCD in December 2020. See Section 5.4.2 for more information.

Condition: The Sponsor will provide an analysis of warm shell costs, in addition to the commercial space plan, as well as funding opportunities for the community benefits spaces, such as funds from LISC, by December 31, 2019.

Status: In Process. Sponsor will provide analysis before close of construction.

Condition: Sponsor will bring the DSCR in line with MOHCD underwriting guidelines of 1.15 in year 1.

Status: Completed.

Condition: Sponsor must provide LOIs to MOHCD for approval. Executed commercial LOIs will be required for ECE, FWCRC and PODER space by approval of Gap financing.

Status: In Process. MOUs received for ECE and PODER, however tenants not identified at gap financing request. Sponsor to identify all tenants before TCO and provide leases of all spaces.

Condition: The Sponsor will continue with robust community engagement regarding the Project and program.

Status: Completed. The Sponsor has participated in three BART/Sponsor virtual presentations to the community on the updated design and schedule and intends to provide another update to the community before construction start.

Condition: Sponsor will work with SFMTA, BART, and MOHCD to resolve BART plaza maintenance financing before gap request.

Status: Completed. The Sponsor received awards from AHSC and IIG for the BART plaza financing.

Condition: Sponsor will finalize services plan and budget before gap request.

Status: In Process. Service Plan provided but will be finalized 6 months before TCO and in collaboration of the FWCRC planning process.

Condition: The Sponsor will research additional funding sources to offset MOHCD gap, including sources from HCD, HUD, CalFHA's mixed income loan program and/or other financing sources.

Status: Completed. The Sponsor was successful in obtaining an AHSC award for the housing, thereby lowering MOHCD debt.

Condition: Sponsor will submit draft RFP for equity investors to MOHCD for approval.

Status: Completed. A RFP was approved by MOHCD and published on September 14th 2020.

Condition: Sponsor will submit raw financial data prior to equity investor selection for MOHCD approval.

Status: In Process. Sponsor provided debt and equity bids to MOHCD in February 2021. Sponsor is still negotiating deal terms from lenders and investors. LOIs for all lender's investors will be approved by MOHCD before the end of March 2021.

Condition: Sponsor will submit entire list of participatory investors to MOHCD for approval.

Status: Completed. Sponsor provided list was approved by MOHCD in August 2020.

Condition: Sponsor to provide True Debt and capital accounts test analysis before returning to MOHCD for final gap request.

Status: In Process. Sponsor still evaluating raw financial data from lenders and investors. True Debt test provided and approved by MOHCD before the end of February 2021.

5.3. Permanent Financing

5.3.1. Construction Sources:

Tax-Exempt Loan - \$62,500,000; 1% fee; 3.55% interest, 34 month term, with 6 month extension option (required by perm lender)

Taxable tail - \$14,900,372; 1% fee; 3.55% interest; 3 month term, with 6 month extension option (required by perm lender).

The Project sized the tax exempt loan at the lowest level possible to safely pass the 50% test, while achieving the lowest possible tiebreaker for the CDLAC application. The tiebreaker is measured by the total amount of tax exempt loan per restricted unit. The 3.55% rate is based on rate and spread from projected lender, including a 1% mandatory interest reserve on a floating rate construction loan.

MOHCD reserves the opportunity to provide a construction loan in the amount equal to the 4% Credit rate savings in order to maximize these savings to the City. The terms would be 3% interest and a hard debt payment for the entirety of the Tax Credit Savings will be payable in full at permanent conversion as long as this does not provide an issue with the 50% test. See Sections for Tax Credit and AHSC below.

5.3.2. Permanent Sources Evaluation Narrative:

Tax Credit Equity – \$44,532,832 of equity derived from the sale of 4 percent Low Income Housing Tax Credits (LIHTC), based on likely investor pricing of \$1.01 per credit. This number is \$1MM higher than presented at predevelopment due to Sponsor securing better than anticipated credit pricing. The Sponsor will have final LOIs from investors before March 19th reflecting this advantageous pricing.

The December 2021 COVID relief package changed the tax credit rate from 3.08% to 4%. This change in rate results in approximately \$13,114,846 in additional equity (Tax Credit Savings) to the Project. The Sponsor's TCAC award letter was issued before the COVID Relief package and does not reflect this updated rate. However, the LOI received by the Sponsor indicates the fixed four-percent tax credit rate. At this time, TCAC has not provided updated reservation letters indicating the fixed rate. The lack of evidence of support from TCAC was clarified in a [January 26th, 2021 memo](#) from TCAC, which specifically states "This memorandum serves as TCAC confirmation that all projects that meet the eligibility criteria for the fixed credit rate established in H.R. 133 will, consistent with Section 42(m)(2)(C)(i)(III), be evaluated using the 4% credit rate upon submission of the placed in service (PIS) application regardless of the credit rate used to determine credits in the original tax credit reservation letter. This memorandum may be attached to the tax credit reservation letter for those eligible projects".

The approval to use the 4% rate from TCAC garners considerable savings for the Project and would traditionally be used to pay down the MOHCD gap. However, HCD Underwriting Multifamily Regulations (UMRs) requires a potential savings share. Please note, the \$44M is funding shown above and on the proforma does not include the \$13M in potential savings yet. The final budget will be provided at closing to MOHCD for approval.

Permanent Loan – \$21,729,000; 4.07% interest; 35 year Amortization; 1.15 DSCR. The Project currently supports a permanent loan of \$23,622,000, of which \$15,230,000 is supported by income from 39 Project Based Vouchers. The loan has an interest rate of 4.07% and an amortization period of 35 years, with a 40 basis point cushion for interest rates increase prior to close and rate lock. At close, the rate will be locked for 40 months, the longest possible construction loan term, including extensions. This number is \$6MM higher than what was presented at predevelopment because increased vouchers, increased rent, and lower interest rates allowed the project to leverage more debt.

Affordable Housing Sustainable Communities (AHSC) – Sponsor secured \$29,952,200 of AHSC funds in June 2020. Of the total requested amount, \$20,000,000

will be for the housing component, paid at permanent conversation. The construction loan will bridge this source during construction. The \$9.52M for transit improvements is available at construction loan close following the completion of each segment of the improvements for the following improvements, per the AHSC application:

- \$4.5M for the Plaza construction,
- \$3.3M for BART to purchase three BART rail cars,
- \$1.65M for SFMTA bike and pedestrian infrastructure improvements,
- \$187,200 in AHSC program funds providing 3 years of monthly Muni transit passes to each household within the Project, and
- \$265,000 to funding for Bicis Del Pueblo program run by People Organizing to Demand Environmental and Economic Rights (PODER), which will be located in the commercial space within the new building.

As noted above, HCD’s UMRs section 8313.1 requires any Surplus Funding Sources that are evident at construction completion to be shared with HCD. The Sponsor and MOHCD are working together to find an alternative, such as providing a construction loan in the amount of the total savings, which is allowable under the UMRs. The Sponsor and MOHCD will finalize the Budget numbers before construction close and after close discussions with financial consultants.

MOHCD Gap Loan – Up to \$32,204,555, inclusive of \$4,300,000 in predevelopment funds that have already been committed to the Project. The total loan amount amounts to \$245K per unit, which is in line with other projects within the MOHCD pipeline. This number is nearly equal to what was presented at predevelopment.

As noted above, in the event MOHCD is able to structure the Tax Credit savings as a construction loan, \$13M will be assigned to construction of the Project with a 3% interest rate and a hard debt payment in its entirety at permanent conversion. At that time, the residual amount of MOHCD debt will be approximately \$19M and structured as soft debt for 55 years at a X% interest rate, which is standard underwriting guidelines. .

Deferred Developer Fee & GP Equity: The Sponsor assumes a GP equity amount of \$500,000 and a deferred developer fee of \$2.8M, which will be paid out over 15 years. The GP Equity is capped by the investor.

5.4. Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Hard Cost per unit are within standards	Y	\$726,007/unit includes 5% hard cost contingency and 2% plan check contingency.
Construction Hard Cost Contingency is at least 5% (new construction)	Y	Hard Cost Contingency is 5%
Architecture and Engineering Fees are within standards	Y	Contract amount is \$3,782,500
Construction Management Fees are within standards	Y	The Construction Management fee is \$225K

Developer Fee is within standards, see also disbursement chart below	Y	Project management fee: \$1,100,000 At risk fee: \$1,200,000 Deferred fee: \$2,800,000 GP equity: \$500,000 Commercial: \$200,000 Total fee: \$5,700,000
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 9.4%.
Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to 6 months per HCD guidelines
Capitalized Replacement Reserves are not included	Y	\$500 per unit per HCD underwriting requirements
Development Consultant Fees	Y	Consultant Services of \$75,000 from Falcone Development Services.

5.4.1. Hard Costs

The hard cost amount listed in the MOHCD proforma and budget is derived from preliminary bid figures by Cahill Contractors dated December 4, 2020. Hard costs for the Project are projected to be \$95,106,925 (\$726,007 per unit). This amount includes a 2% plan check contingency (\$1.7M), which will be removed once addenda I and II are finalized, but permit changes from this process have not been priced. This cost also reflects a 5% hard cost contingency of \$4.1M.

The building remains Type I (concrete and steel). The hard costs are higher than the MOHCD average for similar building types and can be attributed to the complexity for the foundation system given the poor soils in the area and the inclusion of the Article 38 HVAC requirements (see Section 4.3). However, the per square foot amount of \$542 is competitive for the building type and is approximately 3% lower than the average for the MOCHD portfolio of Type I buildings. The team’s value engineering exercise netted approximately \$500,000 prior to this estimate and partial bidding on the 50% CD’s by Cahill.

5.4.2. Commercial Space Financing

The commercial space is currently structured as a Master Lease with MHDC. As noted in Section 8.3 for Conditions for Permeant Conversion, the Sponsor will work with MOHCD to fully developer a real commercial plan and bring on a broker, as needed to market the two retail spaces. In addition, the Sponsor will work with MOHCD to finance and occupy the FWCRC space.

5.4.2.1. Commercial Space Development Budget (Attachment K)

The development budget assumes \$2,445,883 in hard construction costs of the 9,830 sq. ft. of commercial spaces to a cold shell. The Project assumes an additional \$1.6MM for Tenant Improvements (TIs) for the commercial spaces, which includes an allowance of \$150,000 for each future retail tenant to promote occupancy in the spaces. The total development budget, including TIs to warm shell for all commercial spaces, is expected to be \$4,894,177.

Considering the current retail environment and lack of funding options available overall, the Sponsor is anticipating that MOHCD will fund all improvements. The Sponsor will continue to review alternative sources of funding for the commercial construction and tenant improvement build out. The Sponsor will provide updated financing options at permanent financing conversion to MOHCD, if available.

5.4.2.2. Commercial Space Operating Budget (Attachment L)

Sponsor is proposing that all the commercial spaces will have triple net leases, and will stand alone from the housing component under the Master Lease. Costs include a commercial management fee equal to 7% of income, a vacancy allowance, a small amount for auditing and bookkeeping, repairs, and reserves. Total annual costs are estimated to be approximate \$40k annually, not including vacancy expenses.

While HCD assumes a 50% vacancy rate for all commercial spaces, the commercial proforma shows a 50% vacancy rate for the 1st year only, and drops to 10% vacancy factor thereafter. This assumption was based on 2 of the 5 spaces have tenants as of this gap financing request. Due to the Sponsor not having identified an occupant for the FWCRC space, and considering the current retail market, MOHCD believes this rate to be particularly lower than standard.

In order to entice tenants in this market environment and to support community serving tenants, the Sponsor is showing reduced rental rates for the commercial retail spaces. The ECE, FWCRC and the PODER space assume a nominal 1% increase annually and a community benefit rent between \$1 per sq. foot and \$1.25 per square foot.

	ECE	FWCRC	PODER	Retail #1	Retail #2
Starting Rent	\$1/sf.	\$1/sf.	\$1.25/sf.	\$1.25/sf.	\$1.25/sf.
Annual Increase	1%	1%	1%	2%	2%

In the event that the Sponsor can attract higher credit level tenants for either of the two retail commercial spaces and therefore higher rents, and separates the commercial parcel from the housing parcel, the Sponsor will look to decrease MOHCD's debt on the Project by obtaining commercial debt. In the event that the Sponsor is not able to obtain commercial debt to remove or decrease MOHCD's contribution to the commercial property, MOHCD and the Sponsor would split the cash flow 60/40 split, in favor of the Sponsor. In any case, the Sponsor will be required to provide an analysis of rents and debts for the commercial spaces at permanent conversion.

As noted previously, MOHCD believes that the commercial component will be better served by a master lease with MHDC, and not a separate condo structure, and will work with the Sponsor to best identify a course of action for the commercial component as noted above,

Letters of Intent (LOIs) for the two of the public benefit commercial spaces (ECE and PODER) will be provided prior to Board of Supervisor approval of the Gap request. Six months prior to lease up, the Sponsor will obtain an updated market

analysis on commercial properties in the area, as well as an updated commercial marketing plan. The Sponsor will provide leases for all commercial spaces by receipt of temporary completion of occupancy (TCO). If tenants have not been identified and leases cannot be provided, then the Sponsor will provide a detailed marketing plan and will bring on a commercial broker to assist at the time of TCO.

5.4.3. Public Art Component

As with all projects on City-owned land, the Project includes funding for public art. This cost is estimated at approximately \$257,000 and is shown under “Other third party design consultants” line item on the proforma. The Sponsor has provided a detailed plan on procuring a local artist, opportunities to engage the community and other stakeholders, and has provided a detailed schedule to complete those milestones so it coincides with the design of the building and construction documents. An RFP for artists was issued in October 2020. The Sponsor received over 20 responses. The selection panel, consisting of representatives from BART, the Sponsor, the Arts Commission, the Excelsior Action Group, and an art professional from the California Academy of the Arts, have selected six finalists to continue to the proposal stage. The artists will each propose a concept design, which will be presented to the Project team and the community through direct outreach to community groups and a virtual meeting. The panel will then select an artist, develop the concept further, and incorporate any infrastructure into the architectural plans. In addition, the panel selected local mosaic artist Kim Jensen to constructed a mural as a smaller component of the larger public art piece.

5.4.4. Reserves.

HCD requires a transition reserve of \$1,135,306 as well as a \$500 per unit per year capitalized replacement reserve.

5.4.5. Developer Fee.

The Developer Fees provided below match MOHCD guidelines and are unchanged from the Sponsor’s predevelopment request.

Developer Fee Disbursement Schedule		
Payment Milestone	% of Project Mgmt. Fee	Amount
At closing of initial pre-development financing	14%	\$150,000
At completion of entitlements, closing of pre-development loan amendment	18%	\$200,000
MOHCD approval of commercial space plan	18%	\$200,000
Construction Close	20%	\$220,000
During Construction at 50% Complete	20%	\$220,000
At 100% Lease up	10%	\$110,000
<i>Total Project Management Fee</i>		<i>\$1,100,000</i>

Draft Cost Certification & 95% Lease Up	20%	\$220,000
Permanent Loan Closing	50%	\$550,000
Project Close Out	30%	\$330,000
<i>Total At Risk Fee</i>		<i>\$1,100,000</i>
Total Cash Developer Fee		\$2,100,000
Deferred Fee		\$2,800,000
GP Equity		\$500,000
Commercial Developer Fee		\$200,000
Total Developer Fee		\$5,700,000

5.4.5.1..1. Condition of developer fee disbursement:

25% of the 20% of developer fee due at 50% completion will be withheld and disbursed when Sponsor submits an update of the draft Services Plan in response to MOHCD’s and HOPE SF’s comments and an updated commercial plan for the FWCRC commercial space.

5.4.5.1..2. Commercial Developer Fee

The Sponsor is requesting a commercial developer fee of \$200,000, which in line with MOHCD commercial developer fee guidelines for projects with a commercial condo structure.

In the event that the Sponsor obtains market rate, credit worthy tenants and prefers to provide the commercial parcel as a separate condo, the Sponsor would be eligible for another \$50,000 in commercial fee at completion of the condo map. MOHCD does not believe this commercial condo structure would be appropriate for this Project at this time and only approved a \$200,000 developer fee. Further discussion with the Project Sponsor will continue as the commercial planning evolves. See Section 4.1 and Conditions in Section 8.3 for more information.

Commercial Developer Fee Disbursement Schedule		
Payment Milestone	% of Project Mgmt. Fee	Amount
Executed LOI with commercial tenant	25%	\$62,500
Executed lease with commercial tenant	25%	\$62,500
Occupancy by commercial tenant provider	25%	\$62,500
Total	100%	\$200,000

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

6.1. Income

The chart below reflects 2020 AMIs and current unit mix. 2021 AMIs have not been published to date. The rents below remain below 20% below market rents based on a June 2020 Market study by the Concord Group. A revised market study will be completed prior to close and again before lease up to ensure accurate rents. If any unit has less than a 20% market advantage, the unit rent will be adjusted to reflect at least 20% below market.

<u>NON-LOTTERY</u>			
	# of Units	MOHCD	TCAC
1 BD – PBV	9	50% MOHCD AMI	36.82% TCAC AMI
2 BD – PBV	22	50% MOHCD AMI	36.82% TCAC AMI
3 BD – PBV	8	50% MOHCD AMI	36.82% TCAC AMI
PBV Sub-Total	39		
<u>LOTTERY</u>			
Studio	1	40.76% MOHCD AMI	30% TCAC AMI
1 BR	10	40.76% MOHCD AMI	30% TCAC AMI
2 BR	13	40.76% MOHCD AMI	30% TCAC AMI
3-BR	3	40.76% MOHCD AMI	30% TCAC AMI
30% TCAC AMI Subtotal	27		
Studio	3	50% MOHCD AMI	36.82% TCAC AMI
1 BR	13	50% MOHCD AMI	36.82% TCAC AMI
2 BR	7	50% MOHCD AMI	36.82% TCAC AMI
3-BR	0	50% MOHCD AMI	36.82% TCAC AMI
50% MOHCD AMI Subtotal	23		
Studio	0	60% MOHCD AMI	44.17% TCAC AMI
1 BR	2	60% MOHCD AMI	44.17% TCAC AMI
2 BR	3	60% MOHCD AMI	44.17% TCAC AMI
3-BR	0	60% MOHCD AMI	44.17% TCAC AMI
60% MOHCD AMI Subtotal	5		
Studio	2	81.52% MOHCD AMI	60% TCAC AMI
1 BR	11	81.52% MOHCD AMI	60% TCAC AMI
2 BR	8	81.52% MOHCD AMI	60% TCAC AMI
3-BR	3	81.52% MOHCD AMI	60% TCAC AMI
60% TCAC AMI Subtotal	24		
Studio	0	109% MOHCD AMI	80% TCAC AMI
1 BR	2	109% MOHCD AMI	80% TCAC AMI
2 BR	8	109% MOHCD AMI	80% TCAC AMI
3-BR	2	109% MOHCD AMI	80% TCAC AMI
80% TCAC AMI Subtotal	12		
<u>STAFF UNITS</u>			
2-BR	1	N/A	N/A
TOTAL	131		
PROJECT AVERAGE		59%	43%

The rent levels associated with the above unit mix are:

Unit Type	Proposed Number of Units	Proposed Avg. Sq. Feet	Max. Rent	Max. % SFAMI
Studio	1	490	\$840	40%
Studio	3	490	\$1,048	50%
Studio	2	490	\$1,469	74%
1BR	10	630	\$876	40%
1BR	13	630	\$1,179	50%
1BR	9	630	\$1,179	50%
1BR	2	630	\$1,436	60%
1BR	11	630	\$1,692	80%
1BR	2	630	\$1,916	108%
2BR	13	860	\$1,043	40%
2BR	7	860	\$1,310	50%
2BR	22	860	\$1,310	50%
2BR	3	860	\$1,599	60%
2BR	11	860	\$2,218	80%
2BR	2	860	\$2,463	108%
2BR	1	860	N/A	Manager
3BR	3	1190	\$1,196	40%
3BR	8	1190	\$1,440	50%
3BR	3	1190	\$2,554	80%
3BR	2	1190	\$2,722	108%
Total Units	131			

Total Number of Units	SFAMI
27	40%
62	50%
5	60%
24	80%
12	108%
1	MGR

6.2. Annual Operating Expenses Evaluation

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Debt Service Coverage Ratio stays above 1:1 through Year 17	Y	DSCR is 1.17 at Year 1 and 1.18 at 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 comparable	Y	Operating budget shows \$11,906 PUPA before reserves and ground lease
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee is \$121,264 or \$77 PUPM. This fee is based on the 2020 HUD payment standard (https://www.hud.gov/sites/dfiles/PIH/documents/CY-2020-ManagementFeeSch.pdf)
Property Management staffing level is reasonable per comparable	Y	2.4 FTEs for Management; 1.5 maintenance and 1.5 janitorial.
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is \$24,840/yr. Annual PM Fee is \$24,840/yr.
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$500 per unit per year, per HCD guidelines.
Limited Partnership Asset Management Fee meets standards	Y	LP Asset Management Fee of \$5,000.
Commercial Operating Income Growth	Y	1 st year operating vacancy rate is within MOHCD guidelines, but each year after is not. MOHCD will work with Sponsor to refine commercial plan.
Services Paid from Operating	Y	The operating budget includes 1 FTE Resident Service Coordinator and .3 FTE Youth Coordinator. Both will work closely with the FWCRC.

6.2.1. Property Management Staffing

There will be a 1.0 FTE Property Manager who will live onsite and a 1.0 FTE Assistant Property Manager. During lease-up there will be temporary staff to conduct income certifications, background checks and onboarding of residents. There will be a 1.5 FTE Janitor and 1.5 FTE Maintenance person.

6.2.2. Commercial Budget.

As noted previously, the commercial parcel is expected to be bifurcated from the housing parcel at permanent conversion. This legal set up will require the commercial space financing to be separate from the housing component, therefore commercial income and expenses are not represented in the housing developments operating proforma. See Section 5.4.2 for more information.

7. SUPPORT SERVICES

The focus for the Project will be to build a strength-based community support system that will successfully integrate the low-income families and families onsite and HOPE SF families who voluntarily relocate. Services will be delivered through a collaborative framework among an existing network of community based service providers near BPUY. The cornerstone of the services plan is tied to Mission Housing developing partnerships with local, culturally competent service providers. As noted previously, the FWCRC will be located downstairs from the housing on street-level, with r community service space that will be offered as a location for third party partners to offer programming and connect with residents and the community.

Currently the FWRCRC space is a multiuse space, office suite with lounge area, kitchenette, and bathroom.

As the lead service provider, Mission Housing will provide case management referrals, linkages, and act as the primary planner and coordinator of services and activities with third party service partners. The primary purpose of coordination of services and activities will be to

1. Promote housing retention and stability in service of non-displacement; including resolving conflicts and preventing lease violations as part of promoting housing retention,
2. Provide community building activities in service of a sense of belonging, and facilitate economic advancement and well-being opportunities in service of upward mobility and inclusion.

7.1. Services Plan.

When individuals and families are newly housed, it is critical to take time to build relationships of trust that can support residents in their initial needs for security and stability in a new environment. Within the first 30 days of residence, all new residents moving in will be contacted for a needs-assessment intake appointment. There will be a special focus on connecting with families who exhibit the highest level of need, but who may not be ready to seek support.

Mission Housing will coordinate and oversee the execution of the supportive service plan, manage relationships with service providers on and off-site and assist with the identification of new services funding and partnerships.

The scope of services to be provided at BPUY will include (but not be limited to) community empowerment and leadership services for adults, youth and members of the Excelsior community, community based counseling, intensive case management, employment coaching resources, computer lab support/training, financial literacy, children/youth after school enrichment activities, , employment skills training and employment placement assistance, child care referral, life-enrichment senior services, parental support groups, healthy cooking classes and wellness classes. Residents' participation in service programming at BPUY will be on a voluntary basis, and offered to all residents regardless of race, ethnicity, primary language, sexual orientation, gender identity, education, religious affiliation, income, work status, or family composition. In all cases, resident services activities are intended to respect the individual choices of residents, and to maintain the dignity of all residents. Resident services activities are intended to be free of charge to all residents.

7.2. Staffing Roles and Responsibilities

Mission Housing will have an on-site FTE 1.0 Resident Services Coordinator employed by Mission Housing to serve the building residents and a FTE 0.5 Youth Activities Coordinator.. The Youth Coordinator's role is to provide young people who reside in the building with the knowledge, skills, experience and community resources they require to overcome challenges, as well as build skills that will help them realize their full potential as they approach adulthood. The Coordinator is responsible for planning and implementing

designated program components in accordance with current best practices in the area of positive youth development.

The services budget originally included costs to cover case management for BPUY residents. Originally, Instituto Familiar de la Raza (IFR) was the partner organization providing the case management for the FWCRC, and where BPUY residents would be referred to for services from the onsite RSC. However, funding opportunities for IFR have been challenging (see commercial section 4.4.2 above) and MHDC requested to include case management costs within the housing budget, with the case manager residing in the FWCRC. MOHCD and HOPE SF believe that case management services should not be included in the housing budget for a variety of reasons, including:

1. Over 31% of the all households at BPUY will be over 60% SFAMI. Not including the 39 PBV units at 50% SFAMI, over 64% of households will be over 50% SFAMI. Traditionally, with this higher of a level of AMI, case management services are not needed at a 1:1 level.
2. Historically, HOPE SF families that have moved offsite need onboarding assistance more than case management once stably housed.
3. As is MOHCD policy, the housing budget should not fund community services that are not 100% directed toward the BPUY residents.

MOHCD and HOPE SF will discuss how to connect services for case management either within the housing budget or through local community resources. As is traditional with services planning and budgets, the Sponsor will start this process with MOHCD 9 months before TCO. It is the expectation of MOHCD that the FWCRC planning process will help start these conversations sooner.

7.3. Services Budget.

The Services budget was updated to reflect the latest HCD limits. HCD allows for \$1,218 per unit per annum, based on 2023 expected occupancy, or \$158,400 annually, in services costs. The amount shown below significantly less than HCD allows. Per MOHCD and HOPE SF standards, the Full Time Employee (FTE) to unit ratio is 1:100 as represented below.

Balboa Park Upper Yard	
Personnel Expenses	
Resident Services Coordinator (1.0 FTE)	\$50,000
Supervision - In Kind	\$0
Youth Activities Coordinator (0.5 FTE)	\$19,000
Sub Total	\$69,000
Fringe Benefit (27.5%)	
Resident Services Coordinator (1.0 FTE)	\$13,750
Youth Activities Coordinator (0.5 FTE)	\$5,225
Sub Total	\$18,975
Materials and Supplies	
Program supplies	\$1,000
Office supplies	\$750

Program Expenses	
Equipment	\$1,200
Communication	\$1,000
IT Support	\$1,100
Resident Building Activities	\$6,500
Transportation	\$500
Professional Development	\$1,000
Subtotal Supplies & Program Expenses	\$13,050
Total Budget	\$101,025

8. STAFF RECOMMENDATIONS

8.1. Proposed Loan/Grant Terms

Financial Description of Proposed Loan	
Loan Amount:	Up to \$32,204,555
Loan Term:	57 years
Loan Maturity Date:	2078
Loan Repayment Type:	Residual Receipts
Loan Interest Rate:	0-3%, pending true debt test and HCD loan amount

8.2. Conditions to Construction Close

- Sponsor to provide True Debt test to MOHCD for approval before the end of March 2021.
- Sponsor will provide analysis commercial build out costs before close of construction.
- Sponsor will work with MOHCD to finalize financing structure to further decrease MOHCD debt utilizing the new Tax Credit Savings by BOS approval but no later than construction close.

8.3. Recommended conditions prior to permanent conversion

- 25% of the 20% of developer fee due at completion will be withheld and disbursed when Sponsor submits an update of the draft Services Plan in response to MOHCD's and HOPE SF's comments and an updated commercial plan for the FWCRC commercial space.
- Sponsor to work with HOPE SF and MOHCD to provide services plan and budget 9 months before lease up, for approval 6 months before lease up.
- Sponsor to provide commercial lease up and financing plan 9 months prior to TCO and will bring on a broker as necessary.
- Sponsor will work with MOHCD, the working group, services partners and various other agencies to create a plan and financing budget for the FWCRC space before TCO.
- Sponsor to provide an analysis of rents and debts for the commercial spaces 9 months prior to TCO.

- Sponsor to provide all lease agreements by TCO.
-
- Sponsor will provide a new market rent analysis 6 months prior to lease up to ensure rents are appropriate.
- Sponsor will provide initial draft marketing plan within 12 months of anticipated TCO, outlining the affirmative steps. MHDC 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.
- Sponsor will provide competitiveness of AHP award annually to MOHCD in order to determine if Project should apply.

9. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

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

APPROVE. DISAPPROVE. TAKE NO ACTION.

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

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Salvador Menjivar, Deputy Director of Programs
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 Housing

Date: _____

- 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. 1st Year Operating Budget
 - J. 20-year Operating Pro Forma
 - K. Commercial Sources and Uses

L. Commercial Operating Budget

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Thursday, March 25, 2021 2:43 PM
To: Chavez, Rosanna (MYR)
Cc: Gotthelf, Felicia (MYR)
Subject: RE: Loan Committee Approvals from 3/19/21

I approve all. I apologize.

From: Chavez, Rosanna (MYR) <rosanna.chavez@sfgov.org>
Sent: Thursday, March 25, 2021 2:43 PM
To: Shaw, Eric (MYR) <eric.shaw@sfgov.org>
Cc: Gotthelf, Felicia (MYR) <felicia.gotthelf@sfgov.org>
Subject: Loan Committee Approvals from 3/19/21

Hello Eric,

If you could please submit to me your votes for the Agenda items from the 3/19/2021 Loan Committee meeting.

Balboa Park Upper Yard
Drs. Julian and Ray Richardson Apartments
Hotel Diva
Mission Bay South Block 9

Thank you,

Rosie Chavez

Assistant Housing Loan Administrator
Mayor's Office of Housing and Community Development
1 South Van Ness, 5th Floor, San Francisco, CA 94103

Chavez, Rosanna (MYR)

From: Menjivar, Salvador (HOM)
Sent: Friday, March 26, 2021 5:07 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: Balboa Park Upper Yard

Team,

I am sorry to be late, I will do better next week.

I approve the gap financing for Balboa Park Upper Yard.

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: Oerth, Sally (CII)
Sent: Friday, March 19, 2021 11:45 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Amaral, Sara (MYR)
Subject: Balboa Park Upper Yard - 3.19.21 Loan Committee

I approve the Balboa Park Upper Yard loan request, as presented at the 3.19.21 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, March 19, 2021 11:43 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: Balboa Park Upper Yard

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

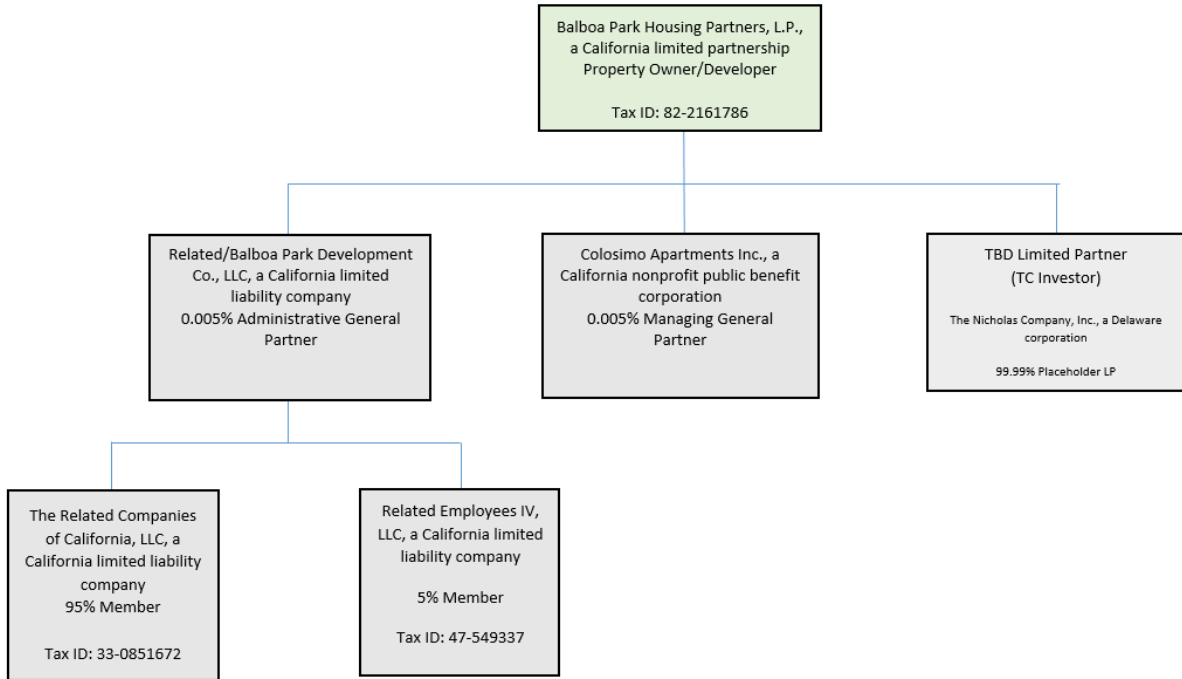
Attachment A: Project Milestones and Schedule

No.	Performance Milestone	Estimated or Actual Date	Contractual Deadline
A.	Prop I Noticing (if applicable)		
1	Acquisition/Predev Financing Commitment	<u>N/A</u>	<u>N/A</u>
2.	Site Acquisition	<u>6/2018</u>	<u>9/2018</u>
3.	Development Team Selection		
a.	Architect	<u>Complete</u>	
b.	General Contractor	<u>Complete</u>	
c.	Owner's Representative	<u>5/15/2019</u>	
d.	Property Manager	<u>Complete</u>	
e.	Service Provider	<u>Complete</u>	
f.	Construction Manager	<u>06/01/2019</u>	<u>12/31/2019</u>
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	<u>Complete</u>	<u>9/6/2018</u>
b.	Submittal of 100% Design Development & Cost Estimate	<u>6/1/2019</u>	
c.	Submittal of 50% CD Set & Cost Estimate	<u>3/1/2020</u>	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	<u>7/15/2020</u>	
5.	Environ Review/Land-Use Entitlements		
a.	CEQA Environ Review Submission	<u>N/A</u>	
b.	NEPA Environ Review Submission	<u>4/8/2014</u>	<u>12/11/2018</u>
c.	CUP/PUD/Variances Submission	<u>N/A</u>	
6.	Permits		
a.	Building / Site Permit Application Submitted	<u>Complete</u>	<u>1/2019</u>
b.	Addendum #1 Submitted	<u>12/13/2019</u>	
c.	Addendum #2 Submitted	<u>12/13/2019</u>	
7.	Request for Bids Issued	<u>8/15/2020</u>	
8.	Commercial Analysis, Plan and Schedule	<u>1/01/2023</u>	<u>12/1/2023</u>
9.	Public Art Component Plan and Schedule	<u>06/07/2019</u>	<u>12/1/2023</u>
10.	Service Plan Submission		
a.	Preliminary	<u>Complete</u>	
b.	Interim	<u>Complete</u>	

c.	Update	<u>02/01/2023</u>	<u>12/1/2023</u>
11.	Additional City Financing		
a.	Predevelopment Financing Application #2	<u>01/01/2019</u>	<u>06/07/2019</u>
b.	Gap Financing Application	<u>2/19/2021</u>	
10.	Other Financing		
a.	AHSC Application	<u>7/20/2020</u>	
b.	Construction Financing RFP	<u>7/15/2020</u>	
c.	AHP Application	<u>3/8/2021</u>	<u>3/1/2023</u>
d.	CDLAC Application	<u>9/15/2020</u>	
e.	TCAC Application	<u>9/15/2020</u>	
f.	Investor RFP	<u>12/21/2020</u>	
11.	Closing		
a.	Construction Closing	<u>5/20/2021</u>	<u>6/21/2021</u>
b.	Permanent Financing Closing	<u>12/01/2023</u>	<u>08/1/2024</u>
12.	Construction		
a.	Notice to Proceed	<u>5/15/2021</u>	<u>6/19/2021</u>
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	<u>5/15/2023</u>	
13.	Marketing/Rent-up		
a.	Marketing Plan Submission	<u>02/01/2023</u>	<u>3/15/2023</u>
b.	Commence Marketing	<u>06/01/2023</u>	
c.	95% Occupancy	<u>03/01/2024</u>	_____
14.	Cost Certification/8609	<u>09/01/2024</u>	
15.	Close Out MOH/OCII Loan(s)	<u>12/1/2024</u>	

Attachment B: Borrower Org Chart

ORGANIZATIONAL CHART FOR BALBOA PARK HOUSING PARTNERS, L.P.



Attachment C: Developer Resume

The Related Companies of California, LLC –

Related is a full service development company with over 25 years of experience having completed over 9,900 units of income restricted affordable housing in California, and utilizing the full range of government sponsored affordable housing programs including RAD, HUD Mixed Finance, MHP, HOPE VI, Choice Neighborhoods, Project Based Section 8, low income housing tax credits (both 4% and 9%), AHP, HOME, CDBG, HOPWA and MHSA. Related has active partnerships with 26 different non-profit developers throughout California, including with CCDC, TNDC, and Mercy Housing in San Francisco.

Related is a fully integrated development company that is backed by one of the largest privately held real estate companies in the nation, with a portfolio of \$20 billion in developments. Related has in-house professionals spanning a full range of disciplines including planning, entitlements, architecture, finance, project management, construction, property management and asset management. With a broad operating platform and active working relationships across the industry, Related is uniquely positioned to assemble design and consultant teams of best in class professionals equipped to address the unique challenges of the Balboa Upper Yard site. Related has deep experience in resident and stakeholder outreach of new construction projects, and understands first hand that active and engaged community outreach is a key component to success in any development project.

As long-term property owners committed to sustainability, Related forms strong public-private partnerships with civic leaders, nonprofit organizations, public officials, and neighbors throughout California to revitalize communities. We are committed to excellence, working with world-class architects and designers to create distinctive new urban spaces that fit seamlessly into the fabric of existing communities.

WILLIAM WITTE Chairman and CEO Related California

Mr. Witte is Chairman and Chief Executive Officer of Related California. For the past 29 years, and since the founding of Related California, he has been responsible for the strategic direction of the company, overall management of the firm, pursuit of new development opportunities, and oversight of planning, financing and construction of a development portfolio of over 15,000 residential units completed or under construction totaling more than \$6 billion in assets.

Prior to founding Related California in 1989, Mr. Witte served as Deputy Mayor for Housing and Neighborhoods under Mayor Art Agnos where he oversaw all housing, development and redevelopment activities for the City of San Francisco. He was Director of Housing and Economic Development under Mayor Dianne Feinstein and served as an appointed Commissioner of the San Francisco Housing Authority.

Mr. Witte previously served as Executive Assistant to Assistant Secretary for Housing/Federal Housing Commissioner Lawrence B. Simons at HUD in Washington, as Legislative Director for the National Association of Housing and Redevelopment Officials and with the Philadelphia Office of Housing and Community Development.

Mr. Witte graduated from the University of Pennsylvania with a bachelor's degree in Urban Studies and a Master in City Planning. He is Vice-Chairman of the Lusk Center for Real Estate Advisory Board at University of Southern California and a member of the Board of Overseers of the Graduate School of Design at University of Pennsylvania. Mr. Witte serves on the Advisory Boards of the Fisher Center for Real Estate and Urban Economics Policy at the Haas School of Business at University of California at

Berkeley and the Orange County Human Relations Community Partners. In addition, Mr. Witte sits on the boards of the homebuilder The New Home Company and the Shelter Partnership in Los Angeles.

ANN SILVERBERG
Chief Executive Officer, NorCal Affordable
Related California

As Chief Executive Officer for Related California's Northern California Affordable Division and recently opened office in Portland, Oregon, Ms. Silverberg is responsible for the strategic direction, overall management and daily operation of the company's Northern California affordable pipeline and portfolio.

Prior to joining Related California, Ms. Silverberg was Executive Vice President and Chief Investment Officer at BRIDGE Housing Corporation where she was responsible for directing and overseeing their Northern California Division. She led the development and redevelopment of more than 8,000 affordable, mixed-income, mixed-use and transit-oriented housing units, including the acquisition and redevelopment of nearly 1,000 public housing units in San Francisco and Sacramento, the joint venture development of mixed-income residential units with Essex in the Transbay area of San Francisco, and 306 mixed-income residential units in Milpitas. She was also responsible for the capital aggregation and equity and debt for their Low Income Housing Tax Credit (LIHTC) and non-LIHTC developments and has overseen the negotiation and placement of over \$2 billion in project level debt and equity. Ms. Silverberg brings more than 25 years of development and finance experience to Related.

Ms. Silverberg holds a Master of City and Regional Planning from the University of California, Berkeley and a Bachelor of Arts from the University of California, Los Angeles. She is a past President of the Board of Directors of the Non-Profit Housing Association. She currently serves on the Board of Directors and Executive Committee of the California Housing Consortium and is a faculty lecturer at the University of California, Berkeley.

ANDREW SCHORFHAAR
Senior Project Manager
Related California

As Senior Project Manager for Related California, Mr. Schorfhaar is responsible for the management of all aspects of the development process from inception through construction completion and project closeout. Mr. Schorfhaar is currently overseeing Westbrook Apartments, a 223-unit affordable apartment development located in San Francisco.

Prior to joining Related, Mr. Schorfhaar was a Development Coordinator for G.A. Haan Development and Director of Operations for NLR Property Management.

Mr. Schorfhaar holds a bachelor's degree from Michigan Technological University and is a Housing Credit Certified Professional (HCCP) from the National Association of Home Builders.

NICHOLAS WILDER
Project Manager
Related CA Affordable

As Project Manager for Related California, Mr. Wilder is responsible for managing all aspects of design, financing and construction for many of Related's Northern California affordable developments, including 131 affordable family units in San Francisco, 60 affordable senior units in the Fruitvale area of Oakland, and 162 units of affordable senior housing in Santa Rosa as part of the redevelopment of the Journey's End

Mobile Home Park that was destroyed in the 2017 Tubb's Fire.

Prior to joining Related, Mr. Wilder was a Project Manager for Tenderloin Neighborhood Development Corporation where he led the development of 300 affordable units in San Francisco. He oversaw multiple project budgets and projections, administered local, state, and federal loan and grant funds, and handled agency approvals resulting in the completion of three ground up developments. He worked closely with MOHCD on Willie B. Kennedy Apartments, 1036 Mission Street, 222 Taylor, and 180 Jones.

Mr. Wilder holds a Master of Urban and Regional Planning, with a concentration in Design and Development, from University of California, Los Angeles and a Bachelor of Arts in Political Science from Davidson College. He is a member of the Non-Profit Housing Association Emerging Leaders Peer Network.

KAITLIN ROTH

Project Coordinator

Related NorCal Affordable

As Project Coordinator for Related California, Ms. Roth is responsible for supporting Northern California's Affordable Division project management team in all aspects of the design, financing and construction of more than 400 affordable units throughout Northern California.

Prior to joining Related, Ms. Roth was an Investor Relations and Project Coordinator for Prado Group where she supported the development team on all projects in varying stages of the development process and facilitated investor reporting of over twenty investments. As a Legal Assistant for Colantoni, Collins, Marren, Phillips & Tulk, LLP, she supported several senior litigation attorneys with complex insurance claims.

Ms. Roth holds a Bachelor of Science in Biology from Saint Mary's College of California. She is a member of the Urban Land Institute and the Non-Profit Housing Association Emerging Leaders Peer Network.

Mission Housing Development Corporation -

Since 1976, MHDC has owned and developed 35 projects totaling over 1600 units of affordable housing serving over 3,000 low-income residents including families, seniors, and persons with special needs. MHDC's developments include 14 new construction projects, 17 acquisition and rehab projects, and 12 scattered site developments. MHDC has also assisted local non-profit social service providers to develop 6 additional sites with 88 units of affordable housing for persons with special needs.

MHDC provides on-going support services for all of its residents through its Resident Services Programs Department, which ensure that residents have access to a wide range of community services and resources. MHDC's Resident Services Programs service delivery philosophy includes working in collaboration to create and maintain a safe and stable housing community, and to ensure that residents have access to as many services that are available both on-site and off-site. The provision of various interconnected services to at-risk families and special needs populations has enabled MHDC to support residents living within their buildings by stabilizing their housing, maximizing their human potential, and achieving greater self-determination and self-sufficiency.

MHDC's experience as developer, owner, property manager, and services provider of its properties continue to allow MHDC to successfully house its residents and create innovative partnerships with other community-based institutions to enriched residents' living environments while strengthening the existing fabric of the Mission District neighborhood and other neighborhoods in the City of San Francisco.

SAM MOSS

Executive Director

Mission Housing Development Corporation

Mr. Moss has served as Mission Housing Development Corporation's Executive Director since September 2013. Mr. Moss has worked in real estate for 11 years, with a focus in real estate development and asset management from both a nonprofit & for-profit perspective. He joined Mission Housing in early 2012; initially serving as Mission Housing's asset manager and eventually as Director of Asset Management, overseeing its 35 building portfolio. Prior to joining Mission Housing Sam worked for WhiteStar Advisors, where he directed real estate investment ownership entities on behalf of union pension funds, the majority of which were building trade unions, throughout the western United States. During his tenure at Mission Housing, Mr. Moss has focused on crafting working policies that earn Mission Housing the resources required to provide sustainable economic & real estate developments while maintaining an equitable balance of housing programs, the majority of which are supported through Mission Housing's own portfolio operations rather than public funds. Mr. Moss holds a B.A. in Political Science, Education & Public Policy from Bucknell University, and sits on the City Wide Energy Efficiency Coordinating Committee, as an appointee of the San Francisco Board of Supervisors.

MARCIA CONTRERAS

Director of Operations & Resident Services

Mission Housing Development Corporation

Since joining Mission Housing in 2009, Mrs. Contreras has assumed the responsibilities in various departments including: Asset Management, Resident Services and Operations. As the Director of Operations, Ms. Contreras has spearheaded and solidified interdepartmental collaborations for projects in addition to overseeing the overall operations at Mission Housing. These projects include: rehabilitation of residential buildings at various sites, engaging the community during the outreach process throughout all phases until project completion, as well as the relocation of residents. Mrs. Contreras also manages the Resident Services department and oversees 15 buildings sites with over 2,100 residents. In past 4 years as the Director of Resident Services, Mrs. Contreras has been able to continue the growth and solidification of the department through the assembly of a strong communal team. Furthermore, she has expanded Mission Housing's relationships with Community Based Organizations and also sits with the Calle24/Latino Cultural District Council to show solidarity with community-based leaders. Mrs. Contreras was recently appointed to the Eastern Neighborhoods Citizens Advisory Committee. She has held her California Real Estate License for 12 years with a Certification in California Real Estate. Mrs. Contreras also holds a degree in Accounting as well as a Certificate in Organizational Behavior and Management.

GAIL McGUIRE

Project Developer

Mission Housing Development Corporation

Gail McGuire joined Mission Housing in 2017 and has over 9 years of experience in nonprofit affordable housing development. Ms. McGuire previously worked at EAH, EBALDC and Conley Consulting Group (a real estate economics firm). Gail has a BA from Dartmouth College, an MBA in Real Estate and Land Use Economics from University of Wisconsin, Madison and a Masters in Real Estate Development from USC. Gail has helped develop over 2,000 units of affordable housing including Lion Creek Crossings a HOPE VI multiphase development in Oakland, CA and various multifamily rehab and new construction projects in Honolulu, HI and Kahului, Maui. In addition to Balboa Park Upper Yard. McGuire is currently developing a TCAC scattered sites rehab development to preserve 108 units of affordable housing in historically significant buildings in San Francisco. Gail served on the Steering Committee for NPH's Emerging Leaders Peer Network, and led the Special Events and Professional Development Committees.

SCOTT FALCONE

Development Consultant

Falcone Development Services

As a resident of District 11 dedicated to improving the neighborhood, Mr. Falcone has contributed to several specific neighborhood improvement projects. For seven years, he regularly participated in the Balboa Park Station Area Plan process, consulting with neighbors during active workshops and outside of formal meetings, and was one of the first members nominated to sit on the Balboa Park Station Area Plan Community Advisory Committee (CAC), formally convened in 2012. Mr. Falcone continues to be an active community member and maintains relationships with his neighbors, neighborhood merchants, and members of several community-based organizations in the area including the New Mission Terrace Association, the Excelsior Action Group, Communities Uniting for Health and Justice, Geneva-Excelsior Lions Club, and the Ocean Avenue Revitalization Collaborative. In his formal roles as project manager and director of development at Citizen's Housing Corporation, Mr. Falcone was involved in the development and community approval of several affordable housing projects including Mosaica Family and Senior Apartments, 990 Polk Senior Apartments, and Folsom+Dore Apartments.

Lisa M. Mendoza

Senior Asset Manager

Lisa Mendoza has a unique mix of executive experience in managing a diverse portfolio of urban developments over the last 20 years. Her strengthen in asset management, operations, project management, construction and financing has allowed her to wear multiple hats, bringing her talents and skills into all aspects of developments. Working for non-profits and for-profits developers has enhanced her knowledge as an initiative thinker and dedicated professional.

A graduate of San Diego State University; Lisa relocated to San Francisco after revitalizing the Little Italy and East Village neighborhoods in San Diego with a series of infill affordable and market rate housing, historic renovation, hotels and mixed-use developments totaling more than \$250 million in affordable & market rate housing, including 5 historic SRO's.

Lisa is experienced in utilizing low income housing tax credits, historic tax credits, HOME funds, CBDG, tax exempt bonds and other governmental programs to finance the development and redevelopment of underserved urban areas. Building strong relationships with Redevelopment Authorities, Housing Authorities, Mayor's Office of Housing, California Tax Credit Allocation Committee (CTCAC) and the Sacramento Housing and Redevelopment Authority (SHRA) to finance her housing and community development projects.

A community advocate, volunteer green-builder; Lisa cares about the environment and communities she serves; researching and implementing the latest materials. She continues to add to her executive and professional development by attending programs in urban planning, architecture and real estate financing. Lisa's attention to detail has won several projects awards.

Lisa currently leads the Asset Management team of Mission Housing while working closely with the property management teams that oversee Mission Housing communities. Her deep family roots hale from the Mission District, where she spent much of her time as a child and is now proud to work and serve in this community. In her spare time Lisa enjoys hiking with her young dog Santo, paddle boarding with friends and riding horses with her daughter.

Attachment D: Asset Management Evaluation of Project Sponsor

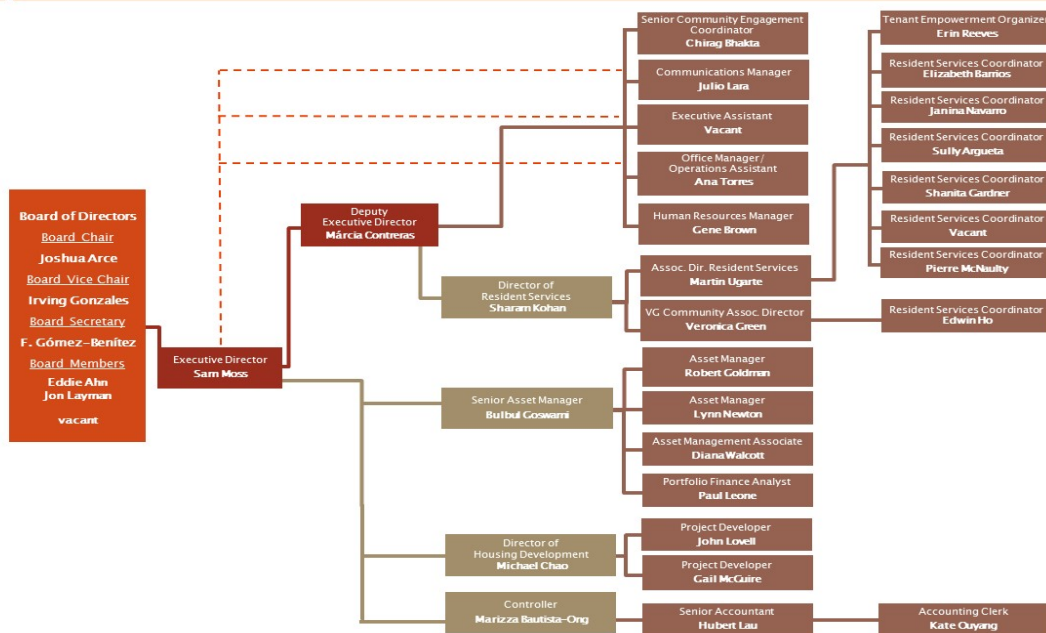
MHDC asset management portfolio currently consists of 33 projects equating to 1,231 units. The asset management department is currently staffed with two full time asset managers, and supported by four full time occupancy and compliance staff persons employed by its property management company, Caritas Management Corporation. With asset management as a strong cornerstone of the MHDC model, MHDC has the staffing capacity and structure to assume an expanded portfolio.

MHDC’s asset management staffing is comprised of the following –

Senior Asset Manager: Bulbul Goswami
 Asset Manager: Robert Goldman
 Asset Manager: Lynn Newton
 Asset Manager Associate: Diana Walcott

Staff organization chart

As of 12-2018



See MHDC’s Staff Organizational Chart below for reference.

The Asset Management team’s responsibilities include:

- Monitor and provide oversight of property management processes.
- Obtain and review property monthly financial and operating statements to ensure appropriate efficiency.
- Conduct regular property inspections and assist appropriate governmental agencies with physical property and file inspections.

- Assist in the preparation of annual governmental reporting and other compliance processes.
- Correspond and communicate with financial institutions such as lending agency and institution staff, limited partners and other investors.
- Produce quarterly, annual and other reports as required per loan, limited partnership and other governing loan and regulatory agreements.
- Assist in ensuring regulatory compliance or property portfolio.
- Assist in overseeing the annual property budgeting process and annual audit review process.
- Engage relevant parties in financial workouts for properties with operational and cash flow challenges.
- Assist in implementing debt restructuring, recapitalization and re-syndication processes as needed.
- Assist in the acquisition and disposition of organization’s physical property assets.

As a long-term owner, MHDC is committed to caring for its growing portfolio of properties. The Asset Management team works with other MHDC departments to ensure the long-term financial and physical health and regulatory compliance. Examples of MHDC Asset Management’s cross-department coordination include:

- Coordinating with Property Management to ensure that the physical needs of the portfolio are met, including obtaining physical needs assessments.
- Working with the Finance team to budget, monitor, report on and audit the financial health of MHDC’s assets at property and portfolio levels.
- Ensuring that properties comply with the numerous regulatory requirements and other use restrictions that are unique to affordable housing.
- Directing Portfolio Management in analyzing project and portfolio performance; recommending financial restructuring as appropriate, including new opportunities and refinancing debt.
- Assist with the organization’s annual insurance renewal process, obtain certification of insurance from vendors and contractors, and ensure compliance of existing insurance requirements.
- Interface with and cultivate productive relationships with the Resident Services Department in an effort to produce the most stable and efficient housing environments possible for tenants.

MHDC’s asset management budget shown below –



Mission Housing Asset Management Budget		
Revenue		
Asset Management Fee		\$300,000
TOTAL REVENUE		\$300,000
Personnel Expenses		
Senior Asset Manager #1		\$95,000
Asset Manager #2		\$80,000
Asset Manager #3		\$40,000
Total Salaries		\$215,000
Total Benefits		\$41,000
Total Personnel Expenses		\$256,600
Operating Expenses		

Conference		\$500
Local Travel		\$500
Training		\$400
Total Operating Expenses		\$1,400
Agency Shared Cost		\$42,600
TOTAL EXPENSES		\$300,000
Net Profit or (Loss)		-

Attachment E: Site Map with Amenities

Site Map











Current Approximate Parcel Configuration

-  City Owned
-  BART Owned

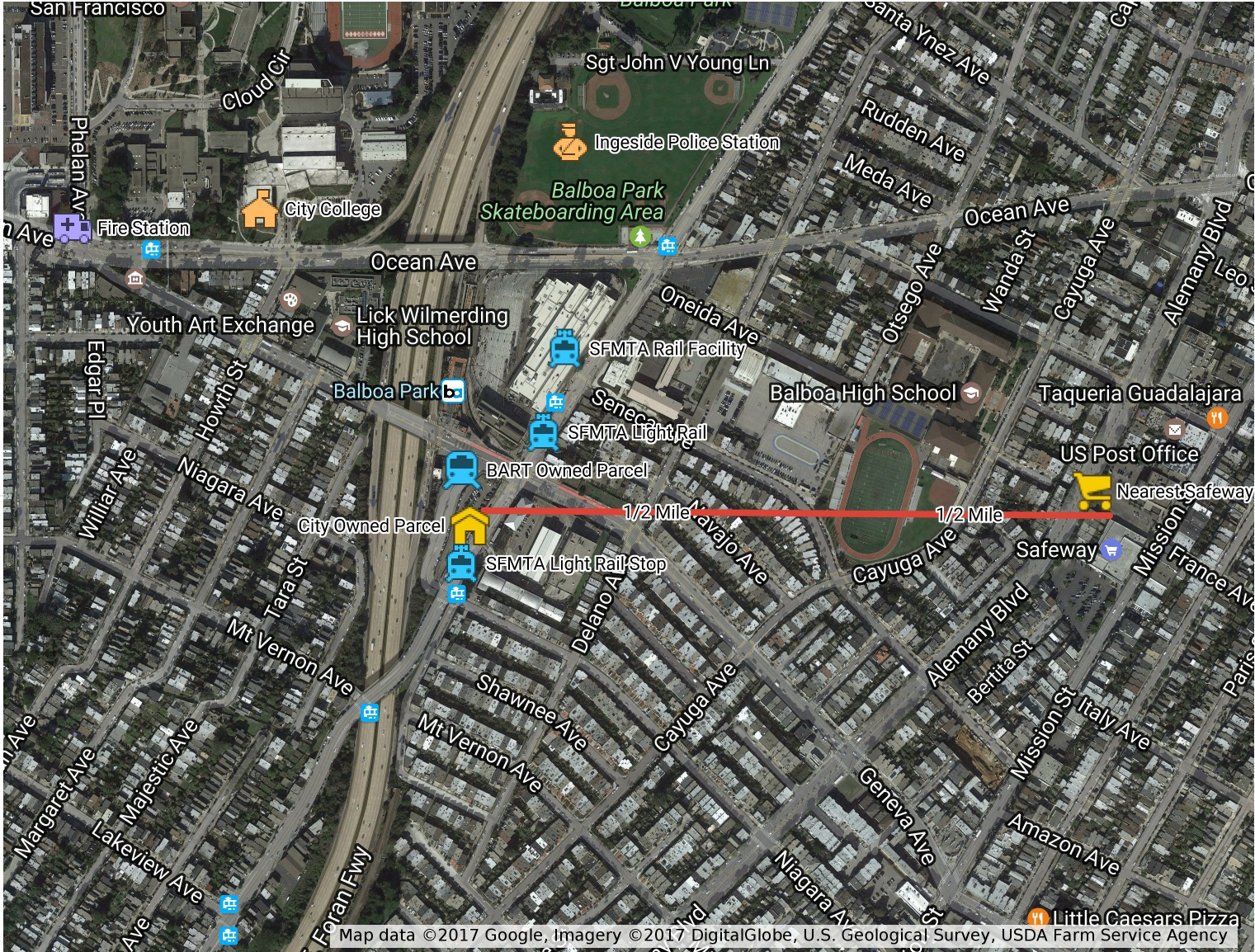


Upper Yard Amenities

Upper Yard Site

-  City Owned Parcel
-  BART Owned Parcel
-  City College
-  Ingeside Police Station
-  Fire Station
-  Nearest Safeway
-  1/2 Mile
-  SFMTA Rail Facility
-  SFMTA Light Rail Stop
-  SFMTA Light Rail

All amenities listed are approximately 1/2 mile from the boundary of the Site.

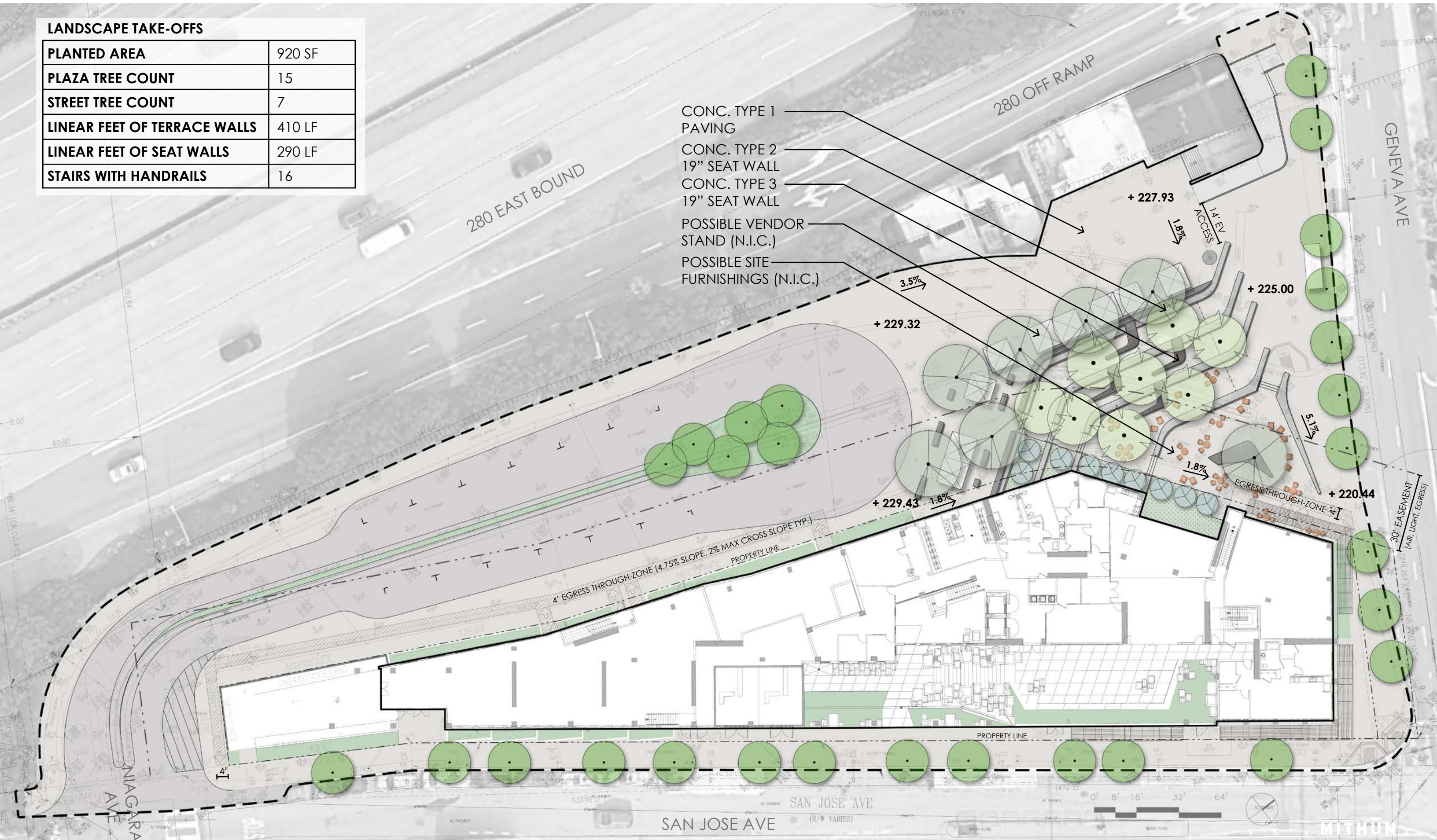


Attachment F: Elevations and Floor Plans

SITE PLAN

LANDSCAPE TAKE-OFFS

PLANTED AREA	920 SF
PLAZA TREE COUNT	15
STREET TREE COUNT	7
LINEAR FEET OF TERRACE WALLS	410 LF
LINEAR FEET OF SEAT WALLS	290 LF
STAIRS WITH HANDRAILS	16









AERIAL VIEW OF PLAZA



PLAZA VIEW TOWARD GENEVA AVE





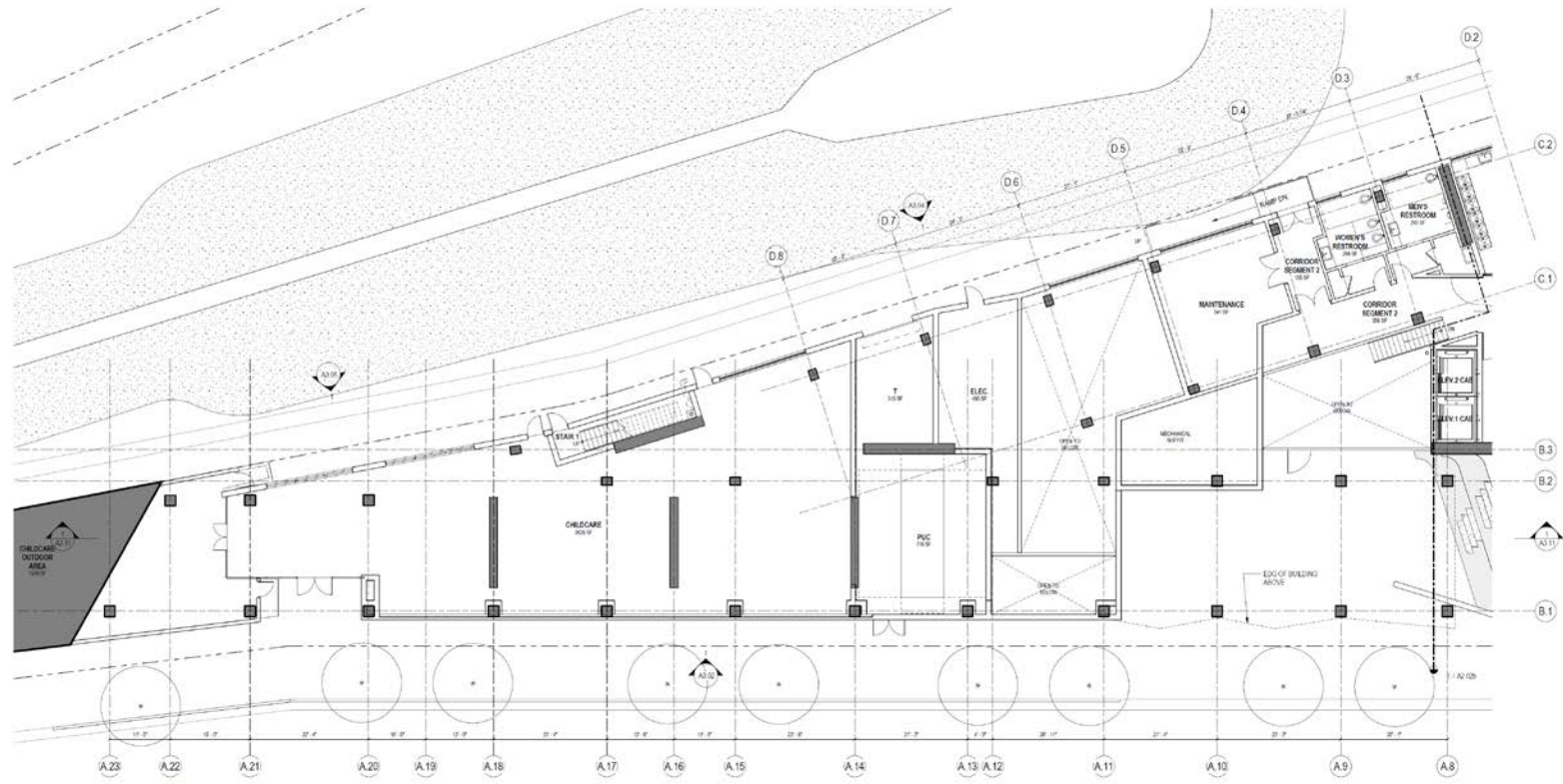
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PLAN LEGEND:

- CONCRETE
- EDGE OF FLOOR SLAB / P.C.
- EXHAUST FAN / SEE OFFICE & SEE TYP. DETAIL
- FIRE RISERWAY
- FIRE STOPPING

GENERAL PLAN NOTES:

1. FINISH FLOOR TO GROUND FINISH
2. FOR TYPICAL FINISH AND OTHER DETAILS, SEE SHEET 1011 AND ELEVATION 1042



1 FLOOR PLAN - LEVEL 2 SOUTH

FLOOR PLAN - LEVEL 2 SOUTH



A2.02a

SCHEMATIC DESIGN

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NOT FOR CONSTRUCTION

DATE: 11.20.2018
 DRAWN BY: J. B. [unreadable]
 CHECKED BY: [unreadable]
 PROJECT NO: [unreadable]

PROJECT
 Balboa Park Upper Yard
 Family Housing
 LOCATION
 2340 San Jose Avenue/
 260 Geneva Avenue
 San Francisco, CA

PREPARED FOR
 Balboa Park Housing
 Partners LP

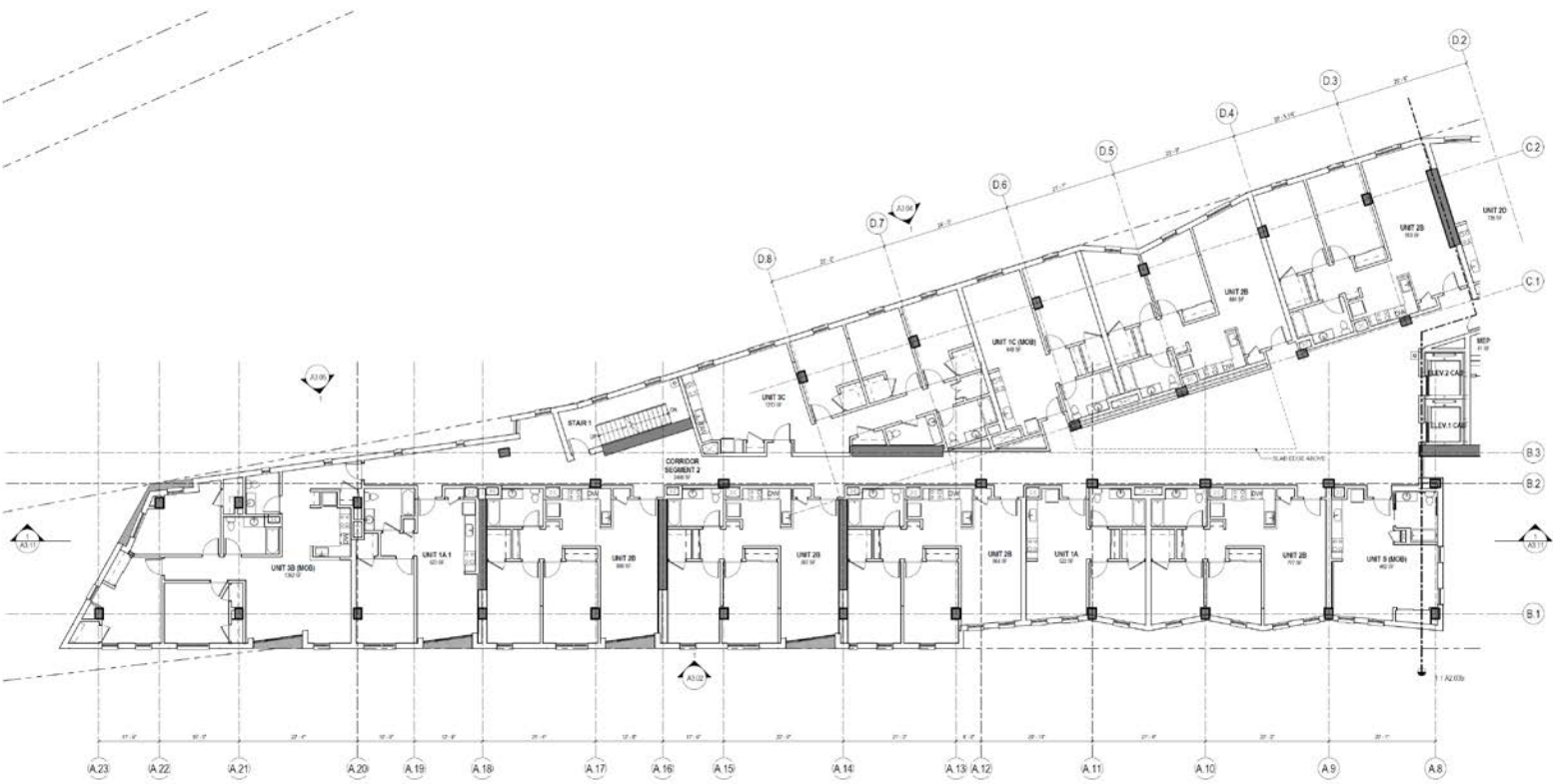


PLAN LEGEND:

- CONCRETE
- SECTION FLOORING R.T.G.
- EXHAUST FAN SEE SCHEDULE SEE FTY DETAIL
- HALLWAY
- FIRE ESCAPE

GENERAL PLAN NOTES:

1. HOUSE LAYOUTS TO BE VERIFIED.
2. PORTFOLIO ARCHITECTURE DETAILS SEE SHEET 11.1 AND 11.2 FOR DETAILS.



1 FLOOR PLAN - LEVEL 3, SOUTH

AT	Architect
ET	Engineer
SD	Structural Designer
CF	Construction Firm
MR	Manufacturer

FLOOR PLAN - LEVEL 3, SOUTH

12/14/18
 01/15/19

A2.03a

SCHEMATIC DESIGN
 FOR NETWORK, INC.



PROJECT
**Balboa Park Upper Yard
 Family Housing**

LOCATION
 2340 San Jose Avenue/
 260 Geneva Avenue
 San Francisco, CA

PREPARED FOR
**Balboa Park Housing
 Partners LP**

DATE
 09-15-18

SCALE
 1/8" = 1'-0"

PROJECT NO.
 180540

DATE
 09-15-18

SCALE
 1/8" = 1'-0"

PROJECT NO.
 180540

DATE
 09-15-18

SCALE
 1/8" = 1'-0"

PROJECT NO.
 180540

DATE
 09-15-18

SCALE
 1/8" = 1'-0"

PROJECT NO.
 180540

DATE
 09-15-18

SCALE
 1/8" = 1'-0"

PROJECT NO.
 180540

DATE
 09-15-18

SCALE
 1/8" = 1'-0"

PROJECT NO.
 180540

DATE
 09-15-18

SCALE
 1/8" = 1'-0"

PROJECT NO.
 180540

DATE
 09-15-18

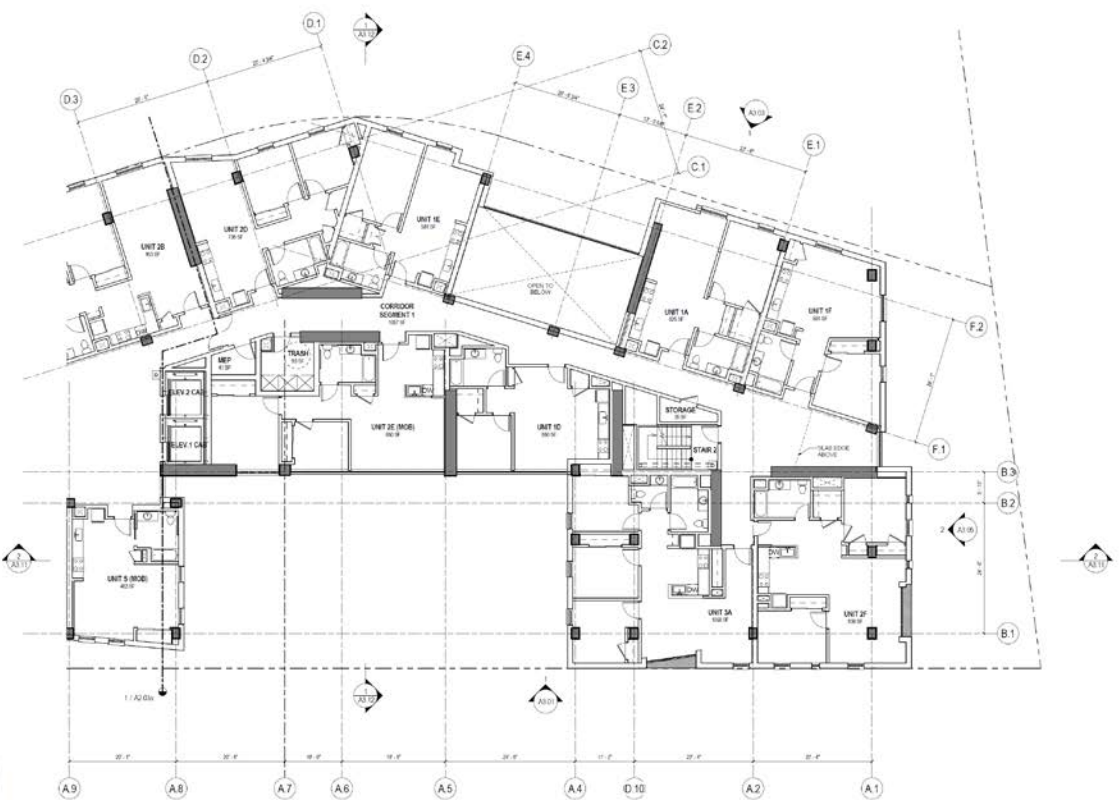
SCALE
 1/8" = 1'-0"

PLAN LEGEND

- CONCRETE
- DECK OR FLOOR SLAB, E.T.C.
- CONSTRUCTION SEE NOTES & SEE TOP SHEET
- SEE ARCHITECT
- SEE STAMPEY

GENERAL PLAN NOTES

1. PROVIDE LATCHED TO CLEAR FOR EGRESS
2. FOR TYPICAL WINDOW AND EGRESS DETAILS, SEE SHEET 40 OF ARCHITECTONAL SET



1 FLOOR PLAN - LEVEL 3, NORTH



A2.03b

SCALE: ARCHITECT DESIGN

DATE: 11/14/18
DRAWN BY: [Name]
CHECKED BY: [Name]

PROJECT:
Balboa Park Upper Yard
Family Housing

LOCATION:
2340 San Jose Avenue/
260 Geneva Avenue
San Francisco, CA

PREPARED FOR:
Balboa Park Housing
Partners LP



REVISIONS

NO.	DATE	DESCRIPTION

FLOOR PLAN - LEVEL 6 SOUTH

DATE:
10/24/18
08/18/18

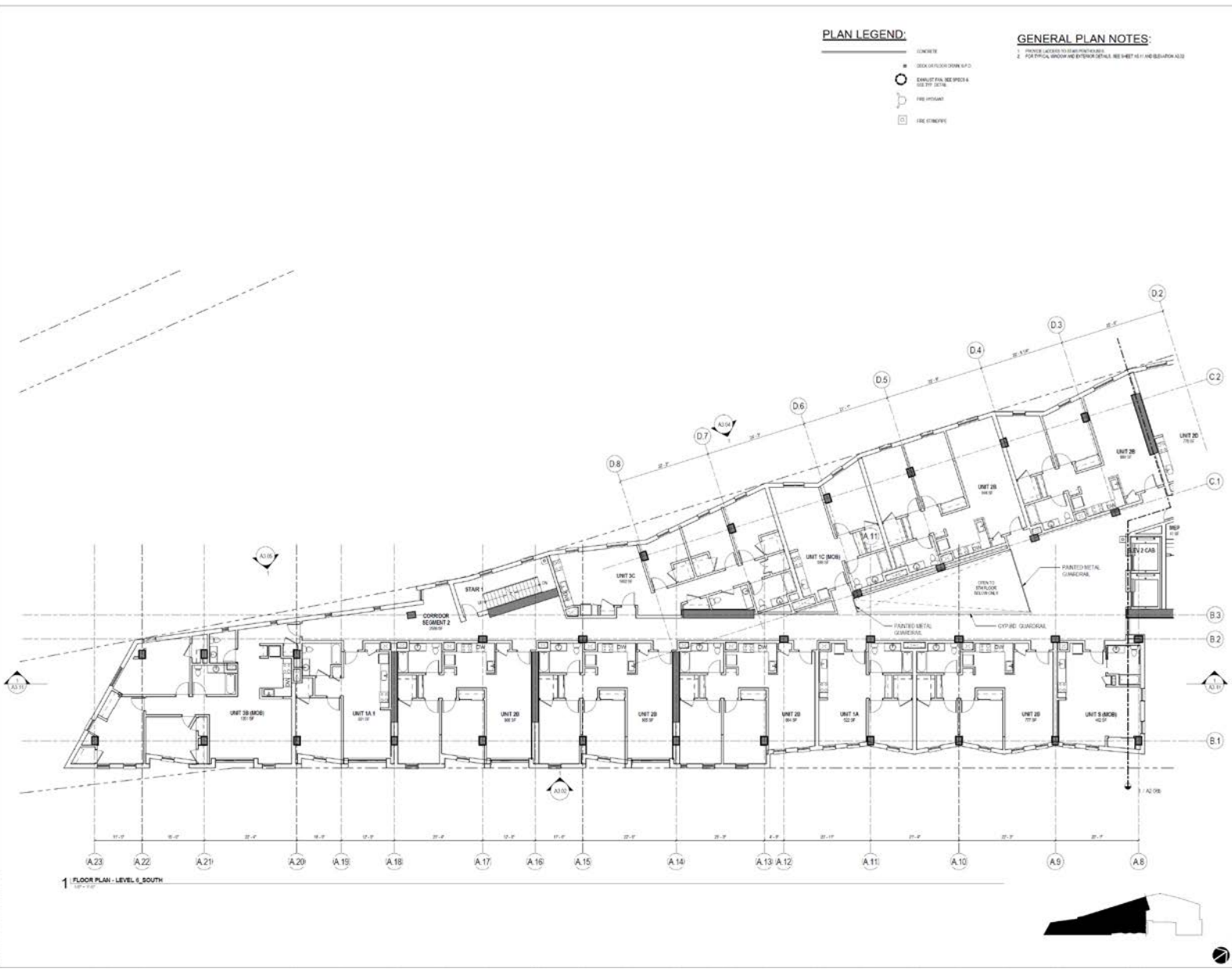
A2.06a
SCHEMATIC DESIGN
© MITHUN INC.

PLAN LEGEND:

- CONCRETE
- DECK OR FLOOR FINISH (A-F)
- EXHAUST FAN, SEE MECHANICAL SHEET 413
- FIRE HYDRANT
- FIRE EXTINGUISHER

GENERAL PLAN NOTES:

1. FINISH LOCATED TO BEARDING LOCATIONS
2. FOR PHYSICAL GROUP AND EXTERIOR DETAILS, SEE SHEET 411 AND 412



1 FLOOR PLAN - LEVEL 6 SOUTH

1000 CALIFORNIA STREET, SUITE 1000
SAN FRANCISCO, CA 94109
TEL: 415.774.4000
WWW.MITHUN.COM

PROJECT
**Balboa Park Upper Yard
Family Housing**

LOCATION
**2340 San Jose Avenue/
260 Geneva Avenue
San Francisco, CA**

PREPARED FOR
**Balboa Park Housing
Partners LP**



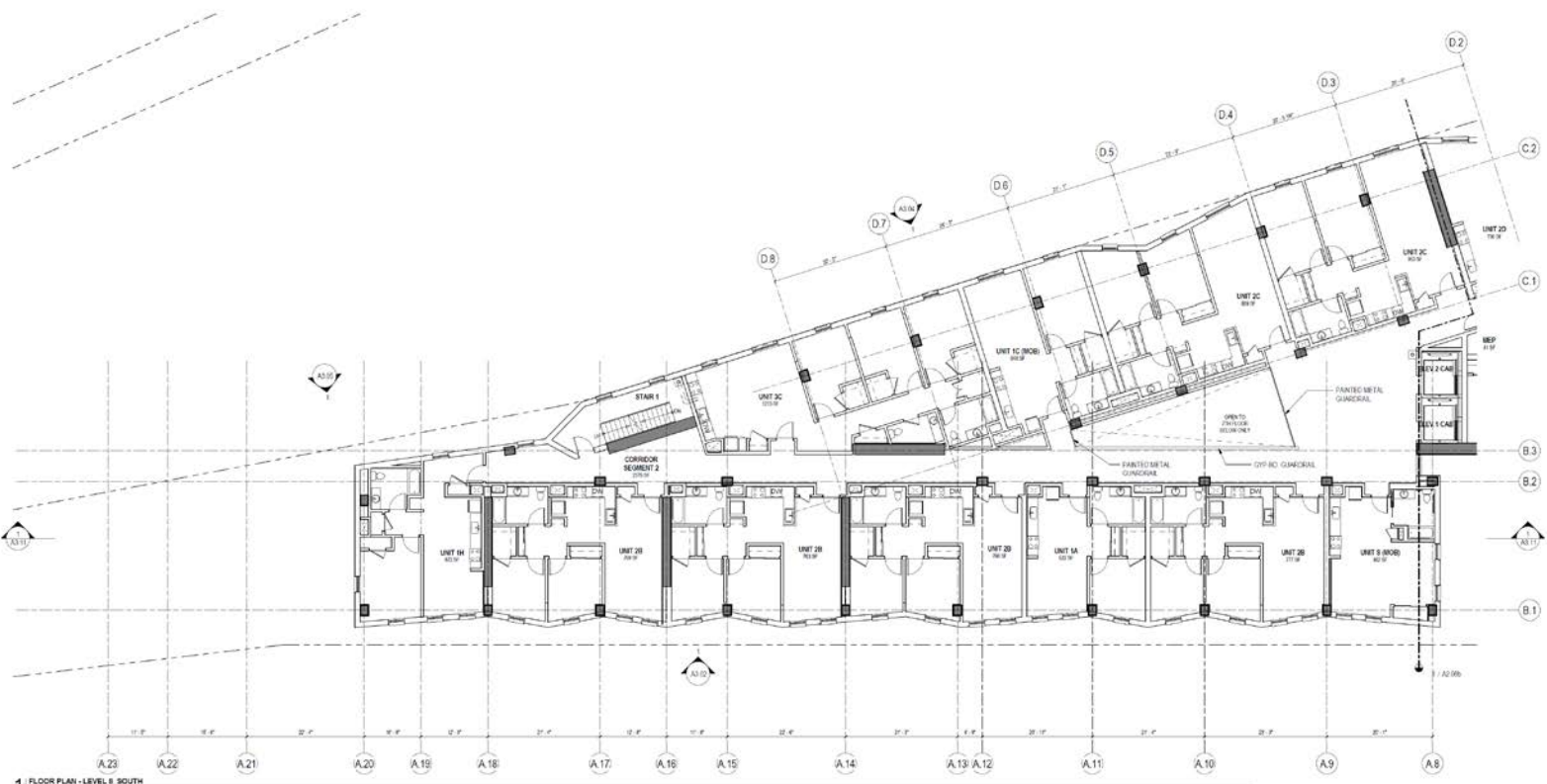
NO.	DESCRIPTION	DATE

PLAN LEGEND

- CONCRETE
- EDGE OF FLOOR/SLAB S.F.S.
- TRANSITIONAL SEE SPEC 4 SEE TOP DETAIL
- PIPE RISER
- PIPE STAIRWELL

GENERAL PLAN NOTES

1. GENERAL LEGEND TO OTHER FLOOR PLANS
2. EXISTING ROOM AND ROOM DETAILS SEE SHEET 1110-010-1/10-1/10-02



1 FLOOR PLAN - LEVEL 8, SOUTH

FLOOR PLAN - LEVEL 8, SOUTH

10/20/18
09/15/18

A2.08a

SCHEMATIC DESIGN
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PROJECT
Balboa Park Upper Yard
Family Housing
LOCATION
2340 San Jose Avenue/
289 Geneva Avenue
San Francisco, CA

PREPARED FOR
Balboa Park Housing
Partners LP



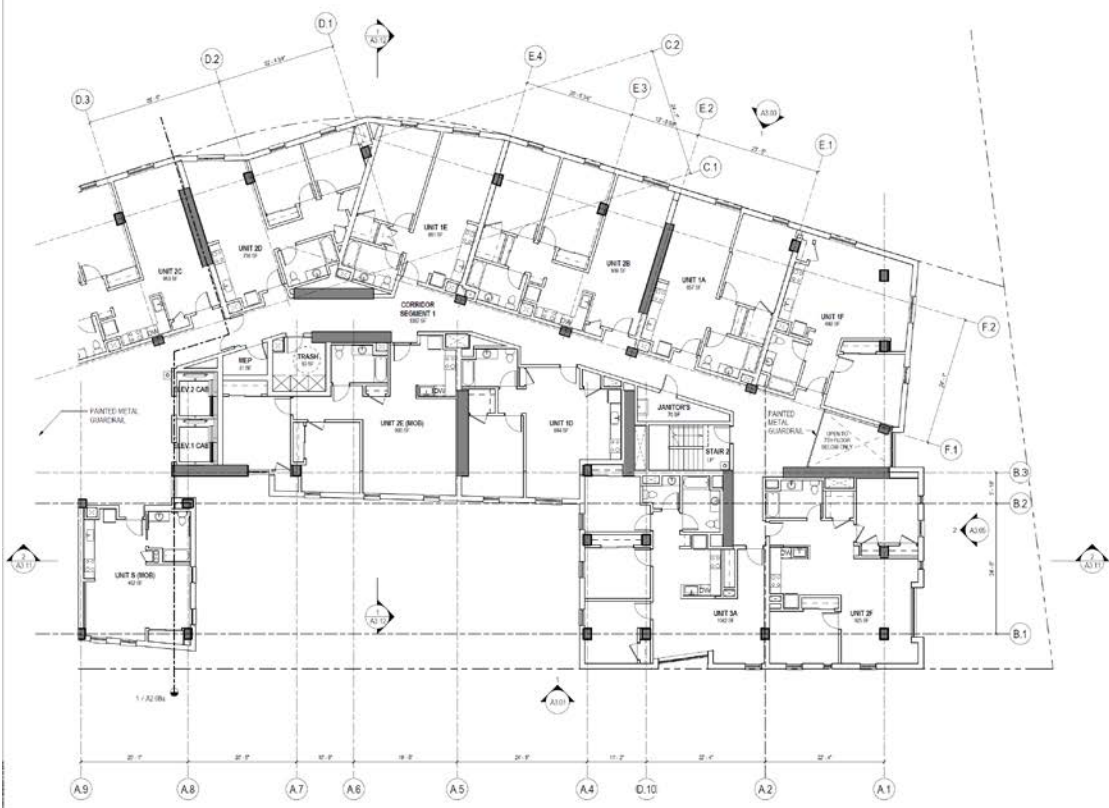
NO.	DESCRIPTION
1	CONCRETE
2	WOOD-GROUNDED FLOOR FINISH
3	CONCRETE FLOOR FINISH SPEC. A USE TYP DETAIL
4	FIRE RATED GLASS
5	FIRE STOPPING
6	FIRE STOPPING

PLAN LEGEND:

- CONCRETE
- WOOD-GROUNDED FLOOR FINISH
- CONCRETE FLOOR FINISH SPEC. A USE TYP DETAIL
- FIRE RATED GLASS
- FIRE STOPPING
- FIRE STOPPING

GENERAL PLAN NOTES:

- 1. PROVIDE LEDGERS TO BRUSH REINFORCES
- 2. FOR TYPICAL WALLS AND EXTERIOR DETAILS, SEE SHEET 16.11 FOR ELEVATION BASE



1 | FLOOR PLAN - LEVEL 8 NORTH
DATE: 08.15.18



FLOOR PLAN - LEVEL 8 NORTH

NO. 100040
DATE 08/15/18

A2.08b
SCHEMATIC DESIGN
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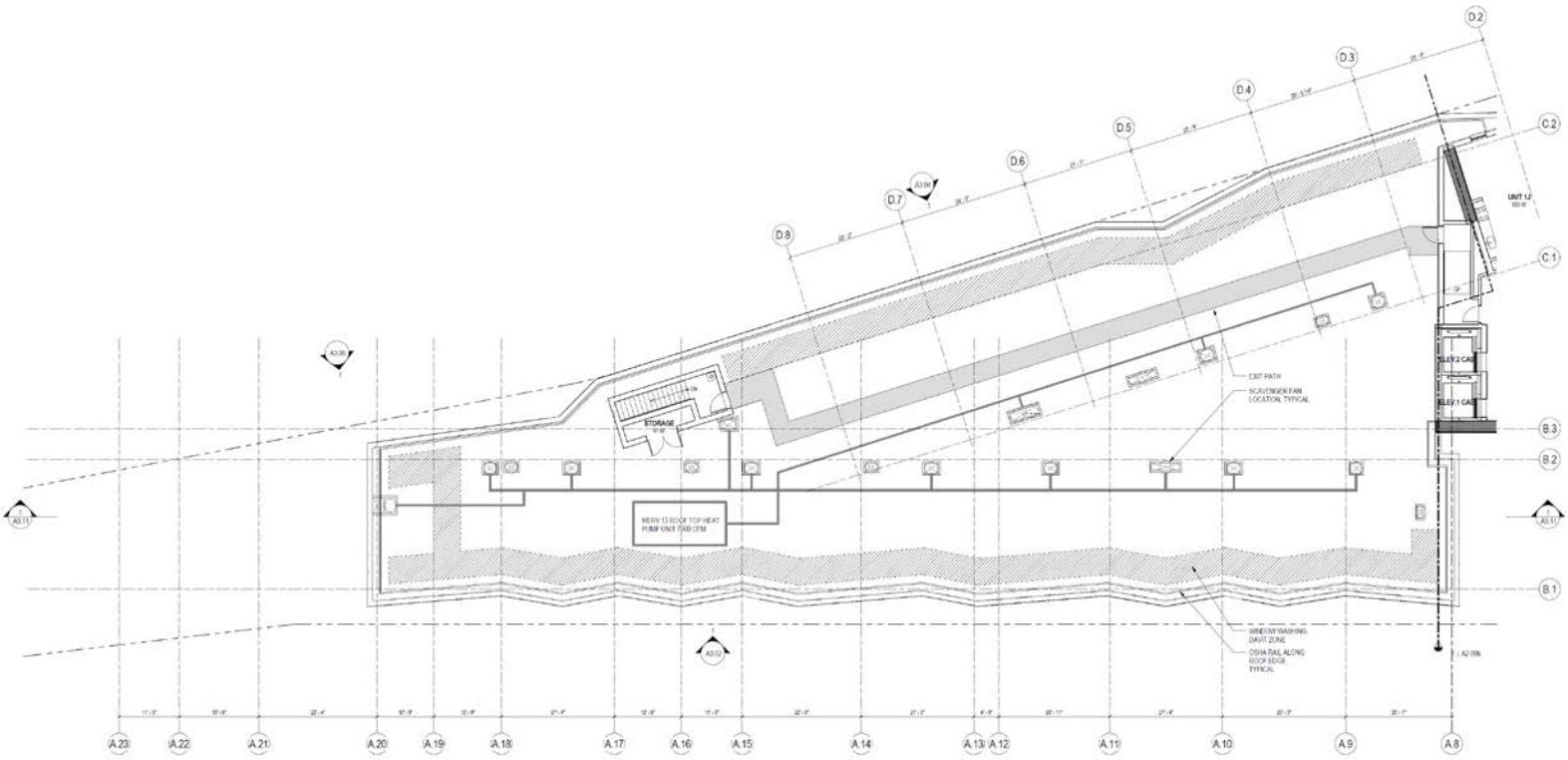


PLAN LEGEND:

- CONCRETE
- DECK OR GROUND FLOOR
- CONCRETE FLOOR WITH 6
INCH FILL
- 4 INCH CONCRETE
- FINISH STAIRS

GENERAL PLAN NOTES:

1. PROVIDE ACCESS TO STAIRS PER CODES
2. SEE OTHER SHEETS FOR DETAILS SEE SHEET A2.09b FOR DETAILS



1 FLOOR PLAN - LEVEL 9 SOUTH

FLOOR PLAN - LEVEL 9 SOUTH

A2.09a

SCHEMATIC DESIGN



PROJECT:
**Balboa Park Upper Yard
 Family Housing**

LOCATION:
 2340 San Jose Avenue/
 266 Geneva Avenue
 San Francisco, CA

PREPARED FOR:
**Balboa Park Housing
 Partners LP**



NO.	DESCRIPTION
1	CONCRETE
2	ROOF TOP HEAT PUMP UNIT
3	MECHANICAL ROOM
4	MECHANICAL ROOM
5	MECHANICAL ROOM
6	MECHANICAL ROOM
7	MECHANICAL ROOM
8	MECHANICAL ROOM
9	MECHANICAL ROOM
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42	MECHANICAL ROOM
43	MECHANICAL ROOM
44	MECHANICAL ROOM
45	MECHANICAL ROOM
46	MECHANICAL ROOM
47	MECHANICAL ROOM
48	MECHANICAL ROOM
49	MECHANICAL ROOM
50	MECHANICAL ROOM

FLOOR PLAN - ROOF SOUTH

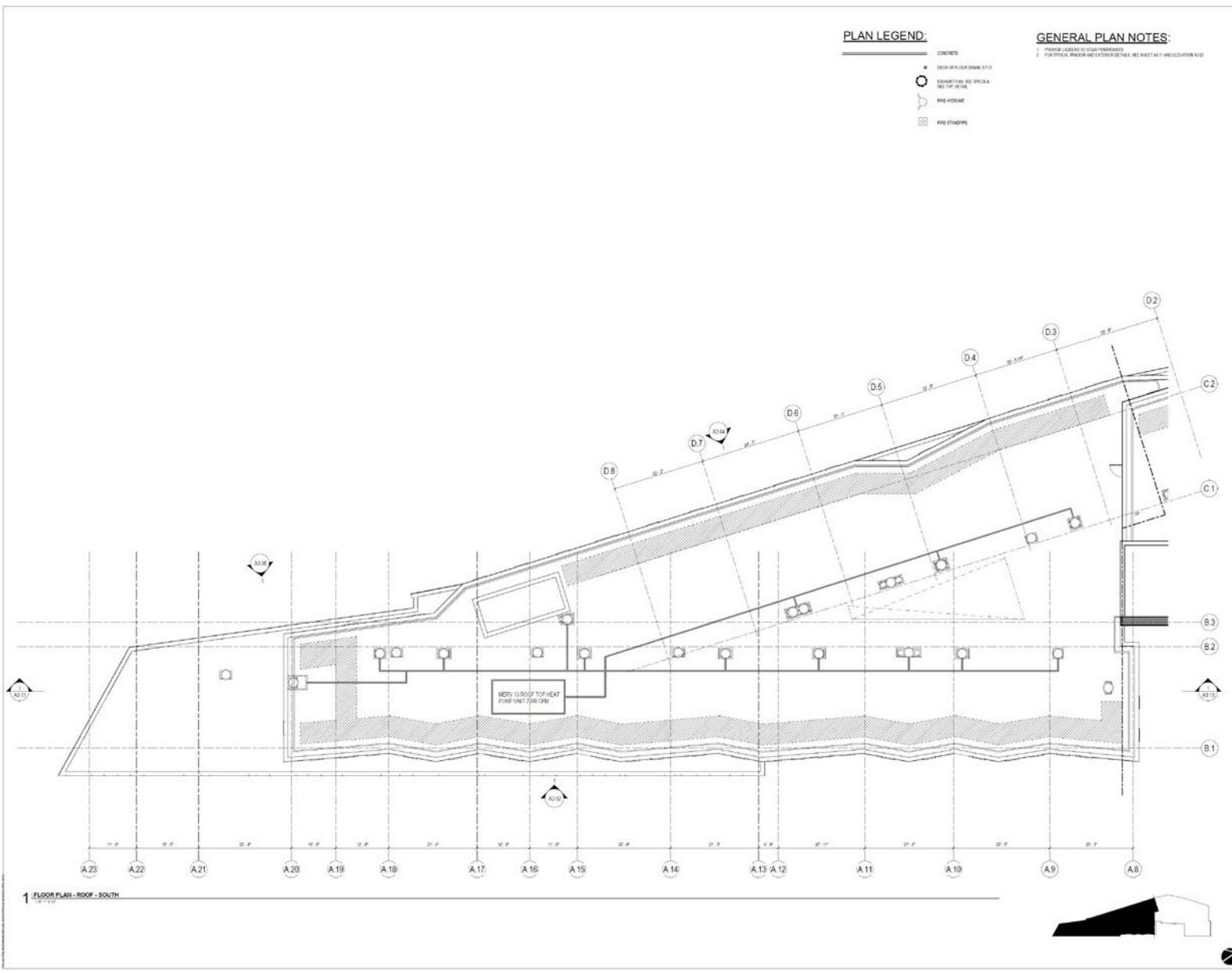
A2.10a

PLAN LEGEND:

- CONCRETE
- ROOF TOP HEAT PUMP UNIT
- MECHANICAL ROOM
- MECHANICAL ROOM
- MECHANICAL ROOM

GENERAL PLAN NOTES:

1. PROVIDE ACCESS TO STAIRWAYS
2. FOR TYPICAL MECHANICAL ROOM DETAILS, SEE MITHŪN'S STANDARD DETAILS



1 FLOOR PLAN - ROOF SOUTH



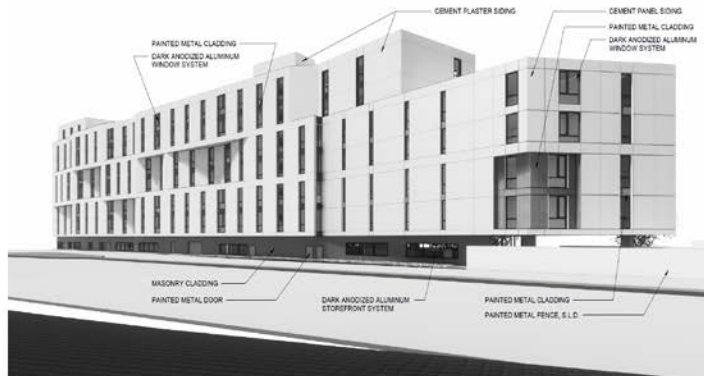
STREET VIEW FROM SAN JOSE / GENEVA AVE. LOOKING SOUTHWEST



STREET VIEW FROM GENEVA AVE. LOOKING SOUTHEAST



STREET VIEW FROM BART DRIVEWAY LOOKING SOUTHEAST



STREET VIEW FROM BART DRIVEWAY LOOKING NORTHEAST



STREET VIEW FROM SAN JOSE AVE. LOOKING NORTHWEST



OVERHEAD FROM SAN JOSE / GENEVA AVE. LOOKING SOUTHWEST

MITHUN

100 CALIFORNIA STREET, SUITE 400
SAN FRANCISCO, CA 94104
415.774.4000
WWW.MITHUN.COM

PROJECT
Balboa Park Upper Yard
Family Housing
LOCATION
2340 San Jose Avenue
260 Geneva Avenue
San Francisco, CA

PREPARED FOR
Balboa Park Housing
Partners LP



DATE	08/18/2016
SCALE	AS SHOWN
PROJECT	BALBOA PARK UPPER YARD FAMILY HOUSING
CLIENT	BALBOA PARK HOUSING PARTNERS LP
ARCHITECT	MITHUN
DATE	08/18/2016
SCALE	AS SHOWN
PROJECT	BALBOA PARK UPPER YARD FAMILY HOUSING
CLIENT	BALBOA PARK HOUSING PARTNERS LP
ARCHITECT	MITHUN

RENDERINGS

DATE
08/18/2016

A3.06

SCHEMATIC DESIGN
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Attachment G: Comparison of City Investment in Other Housing Developments

Affordable Multifamily Housing New Construction Cost Comparison

Updated 3/12/2021

PROJECTS COMPLETED						Building Square Footage			Total Project Costs							
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments
Mission Family Housing	1036 Mission	15,200	Oct-18	88	134	92,462	6,955	99,417	\$ 5,551,029	\$ 41,667,746	\$ 6,583,453	\$ 53,802,228	\$ 17,704,400	\$ 48,251,199	2 HCD Loans (MHP & TOD)	Type IB - 9 story
Eddy and Taylor Family Housing	222 Taylor	22,344	Jun-19	113	211	108,440	21,086	129,526	\$ 9,300,000	\$ 57,508,513	\$ 14,837,459	\$ 81,645,972	\$ 22,187,436	\$ 72,345,972	2 HCD Loans (MHP & TOD)	Type IB - 8 story, extensive PG&E regional switch required
1296 Shotwell Senior	1296 Shotwell	11,667	Jan-20	94	94	66,153	-	66,153	\$ 831,098	\$ 45,767,583	\$ 8,173,523	\$ 54,772,204	\$ 27,812,014	\$ 53,941,106	4% LIHTC HOME AHF	Type IA 9 stories 1st PUC served Affordable Hsg. Including low-side metering, resilient seismic damp
Completed Projects:		Average:		98	146	89,018	9,347	98,365	5,227,376	48,314,614	9,864,812	63,406,801	22,567,950	58,179,426		

PROJECTS UNDER CONSTRUCTION						Building Square Footage			Total Project Costs							
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments
490 South Van Ness	490 S. Van Ness Avenue	14,250	Sep-20	81	121	51,639	28,985	80,624	\$ 18,500,000	\$ 43,647,993	\$ 13,393,811	\$ 75,541,804	\$ 28,892,030	\$ 57,041,804		Type IA - 7 stories over partial basement
2060 Folsom Street	2060 Folsom	29,075	Dec-20	127	252	155,648	11,810	167,458	\$ 134,931	\$ 71,655,660	\$ 20,100,172	\$ 91,890,763	\$ 31,697,110	\$ 91,755,832	HCD AHSC Loan	9 Story Type IB - TAY, Childcare, Community Hub w/AHSC Improvements of \$6MM
1950 Mission Street	1950 Mission Street	36,590	Nov-20	157	262	113,432	48,142	161,574	\$ 9,775,000	\$ 85,644,853	\$ 15,171,496	\$ 110,591,349	\$ 44,945,740	\$ 100,816,349	HCD AHSC Loan	Type IA - 9 stories with significant (30% of sf) art and PDR spaces and Paseo Des Artes
500 Turk Street (555 Larkin)	500 Turk Street	18,906	Dec-21	108	186	82,805	26,586	109,391	\$ 1,853,895	\$ 54,251,461	\$ 29,815,020	\$ 85,920,376	\$ 32,400,000	\$ 84,066,481	HCD AHSC Loan	Type I 8 stories on constrained site
681 Florida	681 Florida Street	19,000	Jun-22	130	199	126,830	9,250	136,080	\$ 125,091	\$ 69,184,293	\$ 20,545,793	\$ 89,855,177	\$ 33,826,507	\$ 89,730,086	HCD MHP Loan	Type IB 9 stories, 8,400+/- PDR
Under Construction:		Average:		121	204	106,071	24,955	131,025	6,077,783	64,876,852	19,805,258	90,759,894	34,352,277	84,682,111		

PROJECTS IN PREDEVELOPMENT						Building Square Footage			Total Project Costs							
Project Name	Address	Lot sq.ft	Start Date (anticipated)	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy	Total Dev. Cost w/o land	Notes on Financing	Comments
Mission Bay S. Bl. 9A (Homeowner)	350 China Basin Street	29,939	Feb-22	140	280	136,165	50,611	186,776	\$ -	\$ 110,040,000	\$ 22,053,737	\$ 132,093,737	\$ 79,200,000	\$ 132,093,737	Not LIHTC eligible; Homeownership	Type I
266 4th Street	266 4th Street	8,400	Dec-21	70	99	60,515	1,580	62,095	\$ 133,100	\$ 49,982,213	\$ 13,943,417	\$ 64,058,730	\$ 15,629,817	\$ 63,925,630	4% Credits; AHSC; St. Credits	Type I, 8 stories over MUNI substation tunnel, structurally complex, small footprint
Parcel U	78 Haight Street	5,583	Jun-21	63	63	44,327	3,349	47,676	\$ 24,643	\$ 33,982,932	\$ 18,703,273	\$ 52,710,848	\$ 22,289,234	\$ 52,686,205	9% Fed Credits & St. Credits	Type I, 7 stories over full basement, constrained site + childcare. (60% DD est. dated 10/2/20)
600 7th Street (fmlly. 801 Brannan)	600 7th Street	37,800	Apr-22	200	290	181,390	5,000	186,390	\$ 10,000	\$ 107,308,076	\$ 43,082,529	\$ 150,400,605	\$ 44,550,243	\$ 150,390,605	Fed & St Credits; HCD IIG	Type I, 8 stories (SD pricing dated 11/20)
180 Jones Street	180 Jones Street	4,853	Sep-21	70	70	36,116	3,304	39,420	\$ 100,000	\$ 36,262,793	\$ 17,576,236	\$ 53,839,029	\$ 15,200,000	\$ 53,839,029	4% LIHTC + MHP	Type I - 8 stories small very tight site (studios) (SD est. 5/29/20)
HPSY Block 56	11 Innes Court	28,792	Aug-21	73	145	55,172	35,021	90,193	\$ -	\$ 49,263,904	\$ 13,914,818	\$ 63,178,722	\$ 25,000,000	\$ 63,178,722	Bonds, 4% LIHTC Infill incentive grant, AHP	Type I (podium level) - Type V (levels 2-5)
921 Howard	921 Howard Street	28,893	Apr-21	203	259	235,680	1,970	237,650	\$ 14,081,129	\$ 111,340,698	\$ 36,248,774	\$ 161,670,601	\$ 46,468,120	\$ 147,589,472	CalHfa MIP/ 4% LIHTC	Type IA, 18 stories, 3 parking spaces & retail (April 2020 SD estimate)
In Predevelopment		Average:		117	172	107,052	14,405	121,457	2,049,839	71,168,660	23,646,112	96,864,610	35,476,773	94,814,772		

ALL PROJECTS Average: 20,192 112 174 100,714 16,236 116,949 \$ 4,451,666 \$ 61,453,375 \$ 17,772,061 \$ 83,677,102 \$ 30,799,000 \$ 79,225,436

SUBJECT PROJECT	2340 San Jose Ave	30,699	May-21	131	217	163,906	9,830	173,736	\$ 20,000	\$ 95,106,925	\$ 26,639,462	\$ 121,766,387	\$ 32,205,555	\$ 121,766,387	4% Credits HCD IIG & AHSC	Type IB - 9 story adjacent to BART. Early Childhood Ed Center. MOHCD La
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PROJECTS COMPLETED		Acquisition by Unit/Bed/SF			Construction by Unit/Bed/SF			Soft Costs By Unit/Bed/SF			Total Development Cost (Incl. Land)			Subsidy		
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft ⁶	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft ⁶	Subsidy / unit	Leveraging ⁷	
Mission Family Housing	Oct-18	63,080	41,426	365	\$ 473,497	\$ 310,953	\$ 419	\$ 74,812	\$ 49,130	66	\$ 611,389	\$ 401,509	\$ 541	\$ 201,186	67.1%	
Eddy & Taylor Family Housing	Jun-19	82,301	44,076	416	\$ 508,925	\$ 272,552	\$ 444	\$ 131,305	\$ 70,320	115	\$ 722,531	\$ 386,948	\$ 630	\$ 196,349	72.8%	
1296 Shotwell Sr	Jan-20	8,841	8,841	71	\$ 486,889	\$ 466,889	\$ 692	\$ 86,952	\$ 86,952	420	\$ 582,683	\$ 582,683	\$ 828	\$ 295,872	49.2%	
Completed Projects:		Average:	51,407	31,448	284	489,770	356,798	518	97,690	68,801	200	638,868	457,047	666	231,136	63%

PROJECTS UNDER CONSTRUCTION		Acquisition			Construction			Soft Costs			Total Development Cost (Incl. Land)			Subsidy		
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft ⁶	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft ⁶	Subsidy / unit	Leveraging ⁷	
490 South Van Ness	Sep-20	228,395	152,893	1,298	\$ 538,864	\$ 360,727	\$ 541	\$ 165,356	\$ 110,693	166	\$ 932,615	\$ 624,312	\$ 937	\$ 356,692	61.8%	
2060 Folsom Street	Dec-20	1,062	535	5	\$ 564,218	\$ 284,348	\$ 428	\$ 158,269	\$ 79,763	120	\$ 723,549	\$ 364,646	\$ 549	\$ 249,584	65.5%	
1950 Mission Street	Nov-20	62,261	37,309	267	\$ 545,509	\$ 326,889	\$ 530	\$ 96,634	\$ 57,906	94	\$ 704,403	\$ 422,104	\$ 684	\$ 286,279	59.4%	
500 Turk Street (555 Larkin)	Dec-21	17,166	9,967	98	\$ 502,328	\$ 291,675	\$ 496	\$ 276,065	\$ 160,296	273	\$ 795,559	\$ 461,938	\$ 785	\$ 300,000	62.3%	
681 Florida	Jun-22	962	629	7	\$ 532,187	\$ 347,660	\$ 508	\$ 158,045	\$ 103,245	151	\$ 691,194	\$ 451,534	\$ 660	\$ 260,204	62.4%	
Under Construction:		Average:	61,969	40,267	335	536,621	322,260	501	170,874	102,381	161	769,464	464,907	723	290,552	62%

PROJECTS IN PREDEVELOPMENT		Acquisition			Construction			Soft Costs			Total Development Cost (Incl. Land)			Subsidy		
Project Name	Start Date (anticipated)	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft ⁶	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft ⁶	Subsidy / unit	Leveraging ⁷	
Mission Bay S. Block 9A (ownership)	Feb-22	-	-	-	\$ 786,000	\$ 393,000	\$ 589	\$ 157,527	\$ 78,763	118	\$ 943,527	\$ 471,763	\$ 707	\$ 565,714	40.0%	
4th and Folsom	Dec-21	1,901	1,344	16	\$ 714,032	\$ 504,871	\$ 805	\$ 199,192	\$ 140,843	225	\$ 915,125	\$ 647,058	\$ 1,032	\$ 223,283	75.6%	
Parcel U	Jun-21	391	391	4	\$ 539,412	\$ 539,412	\$ 713	\$ 296,877	\$ 296,877	392	\$ 836,680	\$ 836,680	\$ 1,106	\$ 353,797	57.7%	
600 7th Street	Apr-22	50	34	0	\$ 536,540	\$ 370,028	\$ 576	\$ 215,413	\$ 148,560	231	\$ 752,003	\$ 518,623	\$ 807	\$ 222,751	70.4%	
180 Jones Street	Sep-21	1,429	1,429	21	\$ 518,040	\$ 518,040	\$ 920	\$ 251,089	\$ 251,089	446	\$ 770,558	\$ 770,558	\$ 1,368	\$ 217,143	71.8%	
HPSY Block 56	Aug-21	-	-	-	\$ 674,848	\$ 339,751	\$ 546	\$ 190,614	\$ 95,964	154	\$ 865,462	\$ 435,715	\$ 700	\$ 342,466	60.4%	
921 Howard	Apr-21	69,365	54,367	487	\$ 548,476	\$ 429,887	\$ 469	\$ 178,565	\$ 139,957	153	\$ 796,407	\$ 624,211	\$ 680	\$ 228,907	71.3%	
In Predevelopment		Average:	10,448	8,224	75	616,764	442,141	660	212,754	164,579	246	839,966	614,944	914	307,723	64%

All Projects: AVERAGE 41,275 26,646 232 \$ 547,719 \$ 373,733 \$ 560 \$ 160,439 \$ 111,920 \$ 202 \$ 749,432 \$ 512,299 \$ 768 \$ 276,470 63.1%

Attachment H: Sources and Uses

Application Date: 3/19/21 # Units: 131
 Project Name: Balboa Park Upper Yard # Bedrooms: 214
 Project Address: 2340 San Jose Ave # Beds: N/A
 Project Sponsor: The Related Companies of California, LLC

SOURCES	Total Sources						Comments
	32,204,555	44,532,832	20,000,000	21,729,000	2,800,000	500,000	
Name of Sources:	MOHCD/OCII	TC Equity	HCD AHSC	Perm Loan	Def Fee	Gp Equity	

USES

ACQUISITION

	32,204,555	44,532,832	20,000,000	21,729,000	2,800,000	500,000	121,766,387
Acquisition cost or value							0
Legal / Closing costs / Broker's Fee	20,000						20,000
Holding Costs							0
Transfer Tax							0
TOTAL ACQUISITION	20,000	0	0	0	0	0	20,000

CONSTRUCTION (HARD COSTS)

	32,204,555	44,532,832	20,000,000	21,729,000	2,800,000	500,000	121,766,387	
Unit Construction/Rehab		34,140,261	20,000,000	21,729,000			75,869,261	Include FF&E
Commercial Shell Construction	4,644,177						4,644,177	All commercial except fee
Demolition							0	
Environmental Remediation							0	
Onsite Improvements/Landscaping							0	
Offsite Improvements							0	
Infrastructure Improvements							0	HOPE SF/OCII costs for streets etc.
Parking							0	
GC Bond Premium/GC Insurance/GC Taxes		1,722,160					1,722,160	
GC Overhead & Profit		2,929,589					2,929,589	
GC General Conditions		3,821,644					3,821,644	
<i>Sub-total Construction Costs</i>	<i>4,644,177</i>	<i>42,613,654</i>	<i>20,000,000</i>	<i>21,729,000</i>	<i>0</i>	<i>0</i>	<i>88,986,831</i>	
Design Contingency (remove at DD)							0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)							0	5% up to \$30MM HC, 3% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)	1,310,829	459,963					1,770,792	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency	4,349,302						4,349,302	Calc at right slightly off, as commercial line above includes soft costs for commercial. HC contingency is not built off comm soft costs.
<i>Sub-total Construction Contingencies</i>	<i>5,660,131</i>	<i>459,963</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>6,120,094</i>	
TOTAL CONSTRUCTION COSTS	10,304,308	43,073,617	20,000,000	21,729,000	0	0	95,106,925	

SOFT COSTS

Architecture & Design

Architect design fees	1,590,785	1,459,215					3,050,000	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)							0	
Architect Construction Admin	450,000						450,000	
Reimbursables	60,000						60,000	
Additional Services	35,000						35,000	
<i>Sub-total Architect Contract</i>	<i>2,135,785</i>	<i>1,459,215</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>3,995,000</i>	
Other Third Party design consultants (not included under Architect contract)							384,500	Title 24 (47k), Traffic (30K), utility (50K), Public Art (257K)
Total Architecture & Design	2,520,285	1,459,215	0	0	0	0	3,979,500	

Engineering & Environmental Studies

Survey	114,000						114,000	
Geotechnical studies	115,000						115,000	
Phase I & II Reports	100,000						100,000	
CEQA / Environmental Review consultants	5,000						5,000	
NEPA / 106 Review							0	
CNA/PNA (rehab only)							0	
Other environmental consultants	290,000						290,000	Special Inspections & Testing+ dust monitoring
Total Engineering & Environmental Studies	624,000	0	0	0	0	0	624,000	

Financing Costs

Construction Financing Costs								
Construction Loan Origination Fee	900,000						900,000	
Construction Loan Interest	6,005,723						6,005,723	
Title & Recording	35,000						35,000	
CDLAC & CDIAAC fees							0	
Bond Issuer Fees	550,000						550,000	
Other Bond Cost of Issuance	45,000						45,000	
Other Lender Costs (specify)	30,000						30,000	
<i>Sub-total Const. Financing Costs</i>	<i>7,565,723</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>7,565,723</i>	
Permanent Financing Costs								
Permanent Loan Origination Fee	50,000						50,000	
Credit Enhance. & Appl. Fee							0	
Title & Recording	10,000						10,000	
<i>Sub-total Perm. Financing Costs</i>	<i>60,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>60,000</i>	
Total Financing Costs	7,625,723	0	0	0	0	0	7,625,723	

Legal Costs

Borrower Legal fees	100,000						100,000	
Land Use / CEQA Attorney fees	65,000						65,000	
Tax Credit Counsel	70,000						70,000	
Bond Counsel	80,000						80,000	
Construction Lender Counsel	60,000						60,000	
Permanent Lender Counsel	70,000						70,000	
Other Legal (specify)							0	
Total Legal Costs	445,000	0	0	0	0	0	445,000	

Other Development Costs

Appraisal	10,000						10,000	
Market Study	20,000						20,000	
* Insurance	1,123,980						1,123,980	Added terrorism insurances per lender requirement
* Property Taxes							0	
* Accounting / Audit	45,900						45,900	
* Organizational Costs	15,000						15,000	
* Entitlement / Permit Fees	884,967						884,967	
* Marketing / Rent-up	357,784						357,784	
* Furnishings	262,000						262,000	
PGE / Utility Fees	988,783						988,783	PG&E, water, sewer, fire, SFMTA Street space
TCAC App / Alloc / Monitor Fees	102,402						102,402	
* Financial Consultant fees							0	
Construction Management fees / Owner's Rep	200,000						200,000	Includes \$25K from commercial budget
Security during Construction							0	
* Relocation							0	
Other (specify)							0	
Other (specify)							0	
Other (specify)							0	
Total Other Development Costs	4,010,816	0	0	0	0	0	4,010,816	

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	1,572,582	0	0	0	0	0	1,572,582	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	16,798,406	1,459,215	0	0	0	0	18,257,621	Total Soft Cost Contingency as % of Total Soft Costs 9.4%

RESERVES

* Operating Reserves	1,406,035						1,406,035	
Replacement Reserves	65,500						65,500	
* Tenant Improvements Reserves							0	
Other (specify)	1,135,306						1,135,306	HCD mandated transition reserve
Other (specify)							0	
Other (specify)							0	
TOTAL RESERVES	2,606,841	0	0	0	0	0	2,606,841	

DEVELOPER COSTS

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	
Commercial Developer Fee							0	
Developer Fee - GP Equity (also show as source)						500,000	500,000	
Developer Fee - Deferred (also show as source)					2,800,000		2,800,000	
Development Consultant Fees	75,000						75,000	
Commercial Developer Fee	200,000						200,000	
TOTAL DEVELOPER COSTS	2,475,000	0	0	0	2,800,000	500,000	5,775,000	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	32,204,555	44,532,832	20,000,000	21,729,000	2,800,000	500,000	121,766,387	
Development Cost/Unit as % of TDC by Source	245,836	339,945	152,672	165,870	21,374	3,817	929,514	
	26.4%	36.6%	16.4%	17.8%	2.3%	0.4%	100.0%	

Acquisition Cost/Unit by Source

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

	78,659	328,806	152,672	165,870	0	0	726,007	
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Construction Cost (inc Const Contingency)/SF

	59.31	247.93	115.12	125.07	0.00	0.00	547.42	
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*Possible non-eligible GO Bond/COP Amount:

	7,808,976							
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City Subsidy/Unit

	245,836							
--	---------	--	--	--	--	--	--	--

Tax Credit Equity Pricing:

	1,010							
--	-------	--	--	--	--	--	--	--

Construction Bond Amount:

	62,500,000							
--	------------	--	--	--	--	--	--	--

Construction Loan Term (in months):

	34							
--	----	--	--	--	--	--	--	--

Construction Loan Interest Rate (as %):

	3.55%							
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Attachment I: 1st Year Operating Budget

Application Date: 3/19/2021 Project Name: Balboa Park Upper Yard
 Total # Units: 131 Project Address: 2340 San Jose Ave
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2023 Project Sponsor: The Related Companies of California, LLC
TCAC Income Limits In Use!

INCOME	Total	Comments
Residential - Tenant Rents	2,257,812	Links from 'New Proj - Rent & Unit Mix' Worksheet
Residential - Tenant Assistance Payments (Non-LOSP)	979,728	Links from 'New Proj - Rent & Unit Mix' Worksheet
Commercial Space	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%
Residential Parking	0	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Rent Income	0	Links from 'Utilities & Other Income' Worksheet
Supportive Services Income	0	
Interest Income - Project Operations	0	Links from 'Utilities & Other Income' Worksheet
Laundry and Vending	9,329	Links from 'Utilities & Other Income' Worksheet
Tenant Charges	0	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Residential Income	0	Links from 'Utilities & Other Income' Worksheet
Other Commercial Income	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%
Withdrawal from Capitalized Reserve (deposit to operating account)	0	
Gross Potential Income	3,246,869	
Vacancy Loss - Residential - Tenant Rents	(112,891)	Vacancy loss is 5% of Tenant Rents.
Vacancy Loss - Residential - Tenant Assistance Payments	(48,986)	Vacancy loss is 5% of Tenant Assistance Payments.
Vacancy Loss - Commercial	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%
EFFECTIVE GROSS INCOME	3,084,992	PUPA: 23,550

OPERATING EXPENSES		
Management		
Management Fee	121,264	1st Year to be set according to HUD schedule.
Asset Management Fee	24,280	
Sub-total Management Expenses	145,544	PUPA: 1,111

Salaries/Benefits		
Office Salaries		
Manager's Salary	153,750	Property Director \$75,000/year and Asst. Mgr. \$85,000/yr; Compliance Mgr \$16,250 FTE
Health Insurance and Other Benefits	75,781	Additional fringe for Compliance Staff 0.25 FTE
Other Salaries/Benefits		
Administrative Rent-Free Unit		
Sub-total Salaries/Benefits	229,531	PUPA: 1,752

Administration		
Advertising and Marketing	1,800	
Office Expenses	15,400	Supplies, postage, copier lease, seminar training, computer & equipment, tech support
Office Rent	0	
Legal Expense - Property	10,000	
Audit Expense	12,500	
Bookkeeping/Accounting Services	15,000	
Bad Debts	19,000	Telephone, Office/Internet, elevator phone, phone service
Miscellaneous		
Sub-total Administration Expenses	73,700	PUPA: 563

Utilities		
Electricity	95,000	Increased from 2020 due to COVID SIP orders and residents home more.
Water	105,000	Increased from 2020 due to COVID SIP orders and residents home more.
Gas		No gas on site
Sewer	130,000	Increased from 2020 due to COVID SIP, large property, open to the public, large common
Sub-total Utilities	330,000	PUPA: 2,519

Taxes and Licenses		
Real Estate Taxes	15,000	
Payroll Taxes		
Miscellaneous Taxes, Licenses and Permits	61,840	Includes payroll taxes (not inc. services staff) - FICA, SUI/ETF, CCSF
Sub-total Taxes and Licenses	76,840	PUPA: 587

Insurance		
Property and Liability Insurance	135,000	Due to wild fires, replacement costs and rising cost of construction, a 30%-50% increases
Fidelity Bond Insurance		
Worker's Compensation		
Director's & Officers' Liability Insurance		
Sub-total Insurance	135,000	PUPA: 1,031

Maintenance & Repair		
Payroll	187,492	Total of 3 FTEs: 1.0 FTE Janitor \$62,400 (\$30hr*2,080 hrs/yr); 0.5 FTE Janitor \$31,200
Supplies	50,000	Increased cleaning due to COVID protocol, janitorial, repair and start up stock of supplies
Contracts	90,000	Repairs, Elevator, Grounds, Janitor, Extermination
Garbage and Trash Removal	117,000	Common area open to public, residents at home
Security Payroll/Contract	20,000	Fire Sprinkler, Cert/Repair Smoke Detector Ordinance
HVAC Repairs and Maintenance	3,500	
Vehicle and Maintenance Equipment Operation and Repairs		
Miscellaneous Operating and Maintenance Expenses		
Sub-total Maintenance & Repair Expenses	467,992	PUPA: 3,572

Supportive Services	101,025	RSC 1.0 FTE, Youth Coordinator 0.5 FTE, Supplies and Program Expenses
Commercial Expenses	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%

TOTAL OPERATING EXPENSES 1,559,632 PUPA: 11,906

Reserves/Ground Lease Base Rent/Bond Fees		
Ground Lease Base Rent	15,000	Ground lease with MOHCD Provide additional comments here, if needed.
Bond Monitoring Fee		
Replacement Reserve Deposit		
Operating Reserve Deposit	65,500	
Other Required Reserve 1 Deposit		
Other Required Reserve 2 Deposit		
Required Reserve Deposits, Commercial	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	80,500	PUPA: 615

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	1,640,132	PUPA: 12,520
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NET OPERATING INCOME (INCOME minus OP EXPENSES) 1,444,860 PUPA: 11,029

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)		
Hard Debt - First Lender	1,171,938	Perm Financing Provide additional comments here, if needed.
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	84,000	HCD AHSC Loan Provide additional comments here, if needed.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	Provide additional comments here, if needed.
Hard Debt - Fourth Lender	0	Provide additional comments here, if needed.
Commercial Hard Debt Service	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%
TOTAL HARD DEBT SERVICE	1,255,938	PUPA: 9,587

CASH FLOW (NOI minus DEBT SERVICE)	188,922
USES OF CASH FLOW BELOW (This row also shows DSCR.)	1.15

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL		
"Below-the-line" Asset Mgt Fee (uncommon in new projects, see policy)		
Partnership Management Fee (see policy for limits)	24,840	2nd
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	5,000	1st
Other Payments		
Non-amortizing Loan Pmt - Lender 1 (select lender in comments field)		Provide additional comments here, if needed.
Non-amortizing Loan Pmt - Lender 2 (select lender in comments field)		Provide additional comments here, if needed.
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	79,541	Def. Develop. Fee split: 50%
TOTAL PAYMENTS PRECEDING MOHCD	109,381	PUPA: 835

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD) 79,541

Residual Receipts Calculation		
Does Project have a MOHCD Residual Receipt Obligation?	Yes	Project has MOHCD ground lease? Yes
Will Project Defeat Developer Fee?	Yes	
Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:	50%	Max Deferred Developer Fee Amt (Use for data entry above. Do not link.): 79,541
% of Residual Receipts available for distribution to soft debt lenders in	50%	

Soft Debt Lenders with Residual Receipts Obligations	(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans
MOHCD/OCI - Soft Debt Loans	All MOHCD/OCI Loans payable from res. recs	\$32,204,555	52.78%
MOHCD/OCI - Ground Lease Value or Land Acq Cost	Acquisition Cost	\$6,000,000	9.84%
HCD (soft debt loan) - Lender 3	HCD AHSC Loan	\$20,000,000	32.78%
Other Soft Debt Lender - Lender 4	Deferred Developer Fee	\$2,800,000	4.59%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE		
MOHCD Residual Receipts Amount Due	49,813	50% of residual receipts, multiplied by 62.63% - MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	49,813	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repaymt.

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE 29,728

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE		
HCD Residual Receipts Amount Due	26,077	50% of residual receipts, multiplied by 32.78% - HCD AHSC Loan's pro rata share of all soft debt
Lender 4 Residual Receipts Due	3,651	50% of residual receipts, multiplied by 4.59%, Deferred Developer Fee's pro rata share of all soft debt
Lender 5 Residual Receipts Due	0	
Total Non-MOHCD Residual Receipts Debt Service	29,728	

REMAINDER (should be zero unless there are distributions below)		
Owner Distributions/Incentive Management Fee	0	
Other Distributions/Uses	0	
Final Balance (should be zero)	0	

Attachment J: 20-year Operating Proforma

Balboa Park Upper Yard

Total # Units: 131

	% annual increase	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19
		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
INCOME																				
Residential - Tenant Rents	2.5%	2,257,812	2,314,257	2,372,114	2,431,417	2,492,202	2,554,507	2,618,370	2,683,829	2,750,925	2,819,698	2,890,190	2,962,445	3,036,506	3,112,419	3,190,229	3,269,985	3,351,735	3,435,528	3,521,416
Residential - Tenant Assistance Payments (Non-LOSP Commercial Space)	1.0%	979,728	989,525	999,421	1,009,415	1,019,509	1,029,704	1,040,001	1,050,401	1,060,905	1,071,514	1,082,229	1,093,052	1,103,982	1,115,022	1,126,172	1,137,434	1,148,808	1,160,296	1,171,899
Other Income	1.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income		3,246,869	3,313,345	3,381,335	3,450,877	3,522,008	3,594,766	3,669,189	3,745,319	3,823,196	3,902,862	3,984,361	4,067,737	4,153,034	4,240,300	4,329,583	4,420,930	4,514,391	4,610,019	4,707,865
Vacancy Loss - Residential - Tenant Rents	n/a	(112,891)	(115,713)	(118,606)	(121,571)	(124,610)	(127,725)	(130,918)	(134,191)	(137,546)	(140,985)	(144,510)	(148,122)	(151,825)	(155,621)	(159,511)	(163,499)	(167,587)	(171,776)	(176,071)
Vacancy Loss - Residential - Tenant Assistance Payment	n/a	(48,986)	(49,476)	(49,971)	(50,471)	(50,975)	(51,485)	(52,000)	(52,520)	(53,045)	(53,576)	(54,111)	(54,653)	(55,199)	(55,751)	(56,309)	(56,872)	(57,440)	(58,015)	(58,595)
Vacancy Loss - Commercial	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME		3,084,992	3,148,155	3,212,759	3,278,836	3,346,423	3,415,555	3,486,271	3,558,607	3,632,604	3,708,302	3,785,740	3,864,962	3,946,010	4,028,928	4,113,763	4,200,559	4,289,364	4,380,228	4,473,199
OPERATING EXPENSES																				
Management	3.5%	145,544	150,638	155,910	161,367	167,015	172,861	178,911	185,173	191,654	198,362	205,304	212,490	219,927	227,625	235,591	243,837	252,371	261,204	270,347
Salaries/Benefits	3.5%	229,531	237,565	245,879	254,485	263,392	272,611	282,152	292,028	302,248	312,827	323,776	335,108	346,837	358,976	371,541	384,544	398,004	411,934	426,351
Administration	3.5%	73,700	76,280	78,949	81,713	84,572	87,532	90,596	93,767	97,049	100,446	103,961	107,600	111,366	115,264	119,298	123,473	127,795	132,268	136,897
Utilities	3.5%	330,000	341,550	353,504	365,877	378,683	391,936	405,654	419,852	434,547	449,756	465,498	481,790	498,653	516,105	534,169	552,865	572,215	592,243	612,971
Taxes and Licenses	3.5%	76,840	79,529	82,313	85,194	88,176	91,262	94,456	97,762	101,184	104,725	108,390	112,184	116,111	120,174	124,380	128,734	133,239	137,903	142,729
Insurance	3.5%	135,000	139,725	144,615	149,677	154,916	160,338	165,949	171,758	177,769	183,991	190,431	197,096	203,994	211,134	218,524	226,172	234,088	242,281	250,761
Maintenance & Repair	3.5%	467,992	484,372	501,325	518,871	537,032	555,828	575,282	595,417	616,256	637,825	660,149	683,254	707,168	731,919	757,536	784,050	811,492	839,894	869,290
Supportive Services	3.5%	101,025	104,561	108,221	112,008	115,929	119,986	124,186	128,532	133,031	137,687	142,506	147,493	152,656	157,999	163,529	169,252	175,176	181,307	187,653
Commercial Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES		1,559,632	1,614,219	1,670,717	1,729,192	1,789,714	1,852,354	1,917,186	1,984,288	2,053,738	2,125,618	2,200,015	2,277,016	2,356,711	2,439,196	2,524,568	2,612,928	2,704,380	2,799,034	2,897,000
Reserves/Ground Lease Base Rent/Bond Fees		11,906																		
Ground Lease Base Rent		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Bond Monitoring Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Deposit		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Deposit		65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500	65,500
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 Deposit/s, Commercial		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees		80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)		1,640,132	1,694,719	1,751,217	1,809,692	1,870,214	1,932,854	1,997,686	2,064,788	2,134,238	2,206,118	2,280,515	2,357,516	2,437,211	2,519,696	2,605,068	2,693,428	2,784,880	2,879,534	2,977,500
NET OPERATING INCOME (INCOME minus OP EXPENSES)		1,444,860	1,453,436	1,461,542	1,469,144	1,476,209	1,482,701	1,488,585	1,493,820	1,498,367	1,502,183	1,505,225	1,507,446	1,508,799	1,509,232	1,508,695	1,507,131	1,504,484	1,500,694	1,495,700
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																				
Hard Debt - First Lender		1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938	1,171,938
Hard Debt - Second Lender (HCD Program 0.42% pymt. or other 2nd Lender)		84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	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		1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938	1,255,938
CASH FLOW (NOI minus DEBT SERVICE)		188,922	197,498	205,604	213,206	220,271	226,763	232,647	237,882	242,429	246,245	249,287	251,508	252,861	253,294	252,757	251,193	248,546	244,756	238,762
USES OF CASH FLOW BELOW (This row also shows DSCR.)		1.15	1.157	1.164	1.17	1.175	1.181	1.185	1.189	1.193	1.196	1.198	1.2	1.201	1.202	1.201	1.2	1.198	1.195	1.191
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																				
Deferred Developer Fee (Enter amt <= Max Fee from row 131)		79,541	83,394	86,997	90,333	93,383	96,131	98,556	100,639	102,360	103,695	104,624	105,121	105,163	104,723	103,774				
Below-the-line Asset Mgt fee (uncommon in new projects, see policy)	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	24,840	25,709	26,609	27,541	28,504	29,502	30,535	31,603	32,710	33,854	35,039	36,266	37,535	38,849	40,208	41,616	43,072	44,580	46,140
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Other Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD		109,381	114,103	118,606	122,874	126,887	130,633	134,091	137,242	140,070	142,549	144,663	146,387	147,698	148,572	148,982	146,616	148,072	149,580	151,140
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)		79,541	83,395	86,998	90,332	93,383	96,130	98,556	100,640	102,359	103,696	104,624	105,122	105,163	104,723	103,774	204,577	200,474	195,177	188,622
Does Project have a MOHCD Residual Receipt Obligation? Yes																				
Will Project Defer Developer Fee? Yes																				
1st Residual Receipts Split - Lender/Deferred Developer Fee 50%/50%																				
MOHCD RESIDUAL RECEIPTS DEBT SERVICE																				
MOHCD Residual Receipts Amount Due	62.63%	49,813	52,227	54,483	56,571	58,482	60,202	61,721	63,026	64,103	64,940	65,521	65,833	65,859	65,583	64,989	65,412	65,899	66,448	67,061
Proposed MOHCD Residual Receipts Amount to Residential Ground Lease		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Replacement Reserve		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE		29,728	31,168	32,515	33,761	34,901	35,928	36,835	37,613	38,256	38,756	39,102	39,288	39,304	39,139	38,785	119			

Balboa Park Upper Yard

Total # Units:	131
	Year 20
	2042

INCOME	% annual increase	Total
Residential - Tenant Rents	2.5%	3,609,452
Residential - Tenant Assistance Payments (Non-LOSP)	1.0%	1,183,618
Commercial Space	1.0%	-
Other Income		-
Gross Potential Income		4,807,983
Vacancy Loss - Residential - Tenant Rents	n/a	(180,473)
Vacancy Loss - Residential - Tenant Assistance Payment	n/a	(59,181)
Vacancy Loss - Commercial	n/a	-
EFFECTIVE GROSS INCOME		4,568,330

OPERATING EXPENSES	% annual increase	Total
Management	3.5%	279,809
Salaries/Benefits	3.5%	441,274
Administration	3.5%	141,668
Utilities	3.5%	634,425
Taxes and Licenses	3.5%	147,725
Insurance	3.5%	259,538
Maintenance & Repair	3.5%	899,715
Supportive Services	3.5%	194,221
Commercial Expenses		-

TOTAL OPERATING EXPENSES		2,998,395
Reserves/Ground Lease Base Rent/Bond Fees		
Ground Lease Base Rent		15,000
Bond Monitoring Fee		0
Replacement Reserve Deposit		0
Operating Reserve Deposit		65,500
Other Required Reserve 1 Deposit		0
Other Required Reserve 2 Deposit		0
Required Reserve Deposit/s, Commercial		0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees		80,500

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)		3,078,895
NET OPERATING INCOME (INCOME minus OP EXPENSES)		1,489,435

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)		
Hard Debt - First Lender		1,171,938
Hard Debt - Second Lender (HCD Program 0.42% pymt. or other 2nd Lender)		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		1,255,938

CASH FLOW (NOI minus DEBT SERVICE)		233,497
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USES OF CASH FLOW BELOW (This row also shows DSCR.)	DSCR:	1,186
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL		
Deferred Developer Fee (Enter amt <= Max Fee from row 131)		-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	-
Partnership Management Fee (see policy for limits)	3.5%	47,755
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)		5,000
Other Payments		-
Non-amortizing Loan Pmnt - Lender 1		-
Non-amortizing Loan Pmnt - Lender 2		-
TOTAL PAYMENTS PRECEDING MOHCD		52,755

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)		180,742
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Does Project have a MOHCD Residual Receipt Obligation?	Yes	
Will Project Defer Developer Fee?	Yes	
1st Residual Receipts Split - Lender/Deferred Developer Fee	50% / 50%	
	[Dist. Split]	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	Debt Loans	
MOHCD Residual Receipts Amount Due	62.63%	75,461
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		105,281
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE		
HCD Residual Receipts Amount Due	32.78%	39,504
Lender 4 Residual Receipts Due	4.59%	5,530
Lender 5 Residual Receipts Due	0.00%	-
Total Non-MOHCD Residual Receipts Debt Service		45,034

REMAINDER (Should be zero unless there are distributions below)	60,247
Owner Distributions/Incentive Management Fee	60,247
Other Distributions/Uses	-
Final Balance (should be zero)	-

RR Running Balance	-
OR Running Balance	1,310,000
Other Required Reserve 1 Running Balance	-
Other Required Reserve 2 Running Balance	-

DEFERRED DEVELOPER FEE - RUNNING BALANCE	
Developer Fee Starting Balance	1,341,566
Deferred Developer Fee Earned in Year	-
Developer Fee Remaining Balance	1,341,566

Attachment K: Commercial Development Budget

Application Date: 3/19/21 # Commercial Spaces:
 Project Name: Balboa Park Upper Yard
 Project Address: 2340 San Jose Ave
 Project Sponsor: The Related Companies of California, LLC

COMMERCIAL SPACE Commercial Use - Description Gross SF	Space 1	Space 2	Space 3	Space 4	Space 5	%age Total Building Costs in Commercial Budget Total Commercial SF
	YMCA	Family Wellness/Bike Facility		Tenant 2A	Tenant 2B	
	4370	2480	760	1140	1080	9,830

SOURCES Name of Sources:	Total Sources					Comments
	2,067,706	1,323,571	386,826	567,376	548,698	
MOHCD	MOHCD	MOHCD	MOHCD	MOHCD	MOHCD	

USES

ACQUISITION

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

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab	1,013,268	695,368	158,878	297,000	281,369	2,445,883	Bid cost
Commercial Warm Shell Construction	746,518	423,653	129,829	150,000	150,000	1,600,000	See MOHCD Commercial Underwriting Guidelines: http://sfmohcd.org/documents-reports-and-forms
Commercial Cold Shell Construction						0	
Demolition						0	
Environmental Remediation						0	
Onsite Improvements/Landscaping						0	
Offsite Improvements						0	
Infrastructure Improvements						0	
Parking						0	
GC Bond Premium/GC Insurance/GC Taxes						0	0.0%
GC Overhead & Profit						0	0.0%
CG General Conditions						0	0.0%
<i>Sub-total Construction Costs</i>	<i>1,759,786</i>	<i>1,119,021</i>	<i>288,707</i>	<i>447,000</i>	<i>431,369</i>	<i>4,045,883</i>	
Design Contingency (remove at DD)						0	0.0%
Bid Contingency (remove at bid)						0	0.0%
Plan Check Contingency (remove/reduce during Plan Review)						0	0.0%
Hard Cost Construction Contingency	87,989	55,951	14,435	22,350	21,568	202,294	5.0%
<i>Sub-total Construction Contingencies</i>	<i>87,989</i>	<i>55,951</i>	<i>14,435</i>	<i>22,350</i>	<i>21,568</i>	<i>202,294</i>	
TOTAL CONSTRUCTION COSTS	1,847,775	1,174,972	303,143	469,350	452,937	4,248,177	

SOFT COSTS

Architecture & Design

Architect design fees	95,580	54,242	16,623	24,934	23,622	215,000	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Architecture design fees for Schematic Drawings for tenant-paid tenant improvements						0	
Design Subconsultants to the Architect (incl. Fees)						0	
Architect Construction Admin						0	
Reimbursables						0	
Additional Services						0	
<i>Sub-total Architect Contract</i>	<i>95,580</i>	<i>54,242</i>	<i>16,623</i>	<i>24,934</i>	<i>23,622</i>	<i>215,000</i>	
Other Third Party design consultants (not included under Architect contract)						0	
Total Architecture & Design	95,580	54,242	16,623	24,934	23,622	215,000	

Engineering & Environmental Studies

Survey	445	252	77	116	110	1,000	
Geotechnical studies						0	
Phase I & II Reports						0	
CEQA / Environmental Review consultants						0	
NEPA / 106 Review						0	
CNA/PNA (rehab only)						0	
Other environmental consultants						0	Name consultants & contract amounts
Total Engineering & Environmental Studies	445	252	77	116	110	1,000	

Financing Costs

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

Legal Costs

Borrower Legal fees						0	
Land Use / CEQA Attorney fees	5,000	5,000	5,000	5,000	5,000	25,000	
Tax Credit Counsel						0	
Bond Counsel						0	
Construction Lender Counsel						0	
Permanent Lender Counsel						0	
Other Legal (specify)						0	
Total Legal Costs	5,000	5,000	5,000	5,000	5,000	25,000	

Other Development Costs

Appraisal						0	
Market Study						0	
Insurance	15,560	8,830	2,706	4,059	3,846	35,000	
Property Taxes	4,446	2,523	773	1,160	1,099	10,000	
Accounting / Audit						0	
Organizational Costs						0	
Entitlement / Permit Fees	22,228	12,614	3,866	5,799	5,493	50,000	
Marketing / Lease-up						0	
Furnishings						0	
PGE / Utility Fees	4,446	2,523	773	1,160	1,099	10,000	
TCAC App / Alloc / Monitor Fees						0	
Financial Consultant fees						0	
Construction Management fees / Owner's Rep	11,114	6,307	1,933	2,899	2,747	25,000	
Security during Construction						0	
Relocation						0	
Other (specify)						0	
Other (specify)						0	
Other (specify)						0	
Total Other Development Costs	57,792	32,798	10,051	15,076	14,283	130,000	

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	11,114	6,307	1,933	2,899	2,747	25,000	5%
TOTAL SOFT COSTS	169,931	98,599	33,684	48,025	45,761	396,000	6.7%

RESERVES

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

DEVELOPER COSTS

Commercial Developer Fee - Cash-out Paid at Milestones	50,000	50,000	50,000	50,000	50,000	250,000	
Other (specify)						0	
Other (specify)						0	
TOTAL DEVELOPER COSTS	50,000	50,000	50,000	50,000	50,000	250,000	

TOTAL DEVELOPMENT COST

Development Cost/SF by Source	2,067,706	1,323,571	386,826	567,376	548,698	4,894,177	
Development Cost/Unit as % of TDC by Source	473	534	509	498	508		

Acquisition Cost/SF by Source

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

	423	474	399	412	419		
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Construction Cost (inc Const Contingency)/SF

	422.83	473.78	398.87	411.71	419.39	24.45	
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Commercial Loan Amount: N/A
 Commercial Loan Term (in years): N/A
 Commercial Interest Rate (as %): N/A

Attachment L: Commercial 20-year Operating Proforma

Balboa Park Upper Yard

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

Total # Units: 131																						
% annual increase																						
Business Year			Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Year 5 2027	Year 6 2028	Year 7 2029	Year 8 2030	Year 9 2031	Year 10 2032	Year 11 2033	Year 12 2034	Year 13 2035	Year 14 2036	Year 15 2037	Year 16 2038	Year 17 2039	Year 18 2040	Year 19 2041	Year 20 2042
Comments																						
COMMERCIAL INCOME																						
Commercial Space 1	1.0%	YMCA	52,440	52,964	53,484	54,029	54,569	55,115	55,666	56,223	56,785	57,353	57,926	58,506	59,091	59,682	60,278	60,881	61,490	62,105	62,726	63,353
Commercial Space 2	1.0%	Family Wellness	37,200	37,572	37,948	38,327	38,710	39,098	39,489	39,883	40,282	40,685	41,092	41,503	41,918	42,337	42,760	43,188	43,620	44,056	44,497	44,942
Commercial Space 3	1.0%	Bike Facility	11,400	11,514	11,629	11,745	11,863	11,982	12,101	12,222	12,345	12,468	12,593	12,719	12,846	12,974	13,104	13,235	13,367	13,501	13,636	13,772
Commercial Space 4	2.0%	Tenant #2A	17,100	27,907	28,465	29,035	29,615	30,208	30,812	31,428	32,057	32,698	33,352	34,019	34,699	35,393	36,101	36,823	37,559	38,311	39,077	39,858
Commercial Space 5	2.0%	Tenant #2B	16,200	26,438	26,967	27,507	28,057	28,618	29,190	29,774	30,369	30,977	31,596	32,228	32,873	33,530	34,201	34,885	35,583	36,294	37,020	37,761
Other Commercial Income																						
Gross Potential Income			134,340	156,396	158,503	160,643	162,815	165,019	167,258	169,531	171,838	174,180	176,559	178,974	181,426	183,916	186,445	189,012	191,619	194,267	196,956	199,686
Rent/\$/Month:			\$1.14	\$1.33	\$1.34	\$1.36	\$1.38	\$1.40	\$1.42	\$1.44	\$1.46	\$1.48	\$1.50	\$1.52	\$1.54	\$1.56	\$1.58	\$1.60	\$1.62	\$1.65	\$1.67	\$1.69

Vacancy Loss - Commercial			(67,170)	(15,639.60)	(15,850.34)	(16,064.28)	(16,281.46)	(16,501.95)	(16,725.79)	(16,953.05)	(17,183.79)	(17,418.05)	(17,655.90)	(17,897.41)	(18,142.63)	(18,391.63)	(18,644.47)	(18,901.22)	(19,161.94)	(19,426.70)	(19,695.57)	(19,968.62)
EFFECTIVE GROSS INCOME			67,170	140,756	142,653	144,578	146,533	148,518	150,532	152,577	154,654	156,762	158,903	161,077	163,284	165,525	167,800	170,111	172,457	174,840	177,260	179,718

COMMERCIAL OPERATING EXPENSES

Management

Commercial Management Fee	3.5%	Fee to be based on recommendation of current market study.	34,105.70	35,299	36,535	37,814	39,137	40,507	41,925	43,392	44,911	46,483	48,109	49,793	51,536	53,340	55,207	57,139	59,139	61,209	63,351	65,568
Sub-total Management Expenses			34,106	35,299	36,535	37,814	39,137	40,507	41,925	43,392	44,911	46,483	48,109	49,793	51,536	53,340	55,207	57,139	59,139	61,209	63,351	65,568

Utilities

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

Taxes and Licenses

Real Estate Taxes	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Taxes	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Taxes, Licenses and Permits	3.5%		6,400	6,624	6,856	7,096	7,344	7,601	7,867	8,143	8,428	8,723	9,028	9,344	9,671	10,009	10,360	10,722	11,098	11,486	11,888	12,304
Sub-total Taxes and Licenses			6,400	6,624	6,856	7,096	7,344	7,601	7,867	8,143	8,428	8,723	9,028	9,344	9,671	10,009	10,360	10,722	11,098	11,486	11,888	12,304

Insurance

Property and Liability Insurance	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fidelity Bond Insurance	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director's & Officers' Liability Insurance	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Maintenance & Repair

Payroll	3.5%		11,200	11,592	11,998	12,418	12,852	13,302	13,768	14,250	14,748	15,264	15,799	16,352	16,924	17,516	18,129	18,764	19,421	20,100	20,804	21,532
Supplies	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracts	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Payroll/Contract	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses			11,200	11,592	11,998	12,418	12,852	13,302	13,768	14,250	14,748	15,264	15,799	16,352	16,924	17,516	18,129	18,764	19,421	20,100	20,804	21,532

Reserves/Ground Lease Base Rent/Bond Fees

Replacement Reserve Deposit			10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Operating Reserve Deposit			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit			5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Other Required Reserve 2 Deposit			5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000

TOTAL COMMERCIAL OPERATING EXPENSES

			71,706	73,515	75,388	77,327	79,333	81,410	83,560	85,784	88,087	90,470	92,936	95,489	98,131	100,865	103,696	106,625	109,657	112,795	116,043	119,404
NET OPERATING INCOME (INCOME minus OP EXPENSES)			(4,536)	67,241	67,265	67,251	67,200	67,107	66,973	66,793	66,568	66,293	65,967	65,588	65,153	64,659	64,104	63,486	62,800	62,045	61,217	60,313

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

Hard Debt - First Lender																						
Hard Debt - Second Lender																						
Hard Debt - Third Lender																						
Hard Debt - Fourth Lender																						
TOTAL HARD DEBT SERVICE																						

CASH FLOW (NOI minus DEBT SERVICE):

			(4,536)	67,241	67,265	67,251	67,200	67,107	66,973	66,793	66,568	66,293	65,967	65,588	65,153	64,659	64,104	63,486	62,800	62,045	61,217	60,313
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REPLACEMENT RESERVE - RUNNING BALANCE

Replacement Reserve Starting Balance				10,000	20,000	30,000	40,000	50,000	60,000	70,000	80,000	90,000	100,000	110,000	120,000	130,000	140,000	150,000	160,000	170,000	180,000	190,000
Replacement Reserve Deposits			10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Replacement Reserve Withdrawals (ideally tied to CNA)																						
Replacement Reserve Interest																						
RR Running Balance			10,000	20,000	30,000	40,000	50,000	60,000	70,000	80,000	90,000	100,000	110,000	120,000	130,000	140,000	150,000	160,000	170,000	180,000	190,000	200,000

OPERATING RESERVE - RUNNING BALANCE

Operating Reserve Starting Balance																						
Operating Reserve Deposits																						
Operating Reserve Withdrawals																						
Operating Reserve Interest																						
OR Running Balance			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

OTHER REQUIRED RESERVE 1 - RUNNING BALANCE

Other Reserve 1 Starting Balance				5,000	10,000	15,000	20,000	25,000	30,000	35,000	40,000	45,000	50,000	55,000	60,000	65,000	70,000	75,000	80,000	85,000	90,000	95,000
Other Reserve 1 Deposits			5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Other Reserve 1 Withdrawals																						
Other Reserve 1 Interest																						
Other Required Reserve 1 Running Balance			5,000	10,000	15,000	20,000	25,000	30,000	35,000	40,000	45,000	50,000	55,000	60,000	65,000	70,000	75,000	80,000	85,000	90,000	95,000	100,000