

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

**Transbay Block 2 West
\$3,500,000
Predevelopment Loan**

Evaluation of Request for:	Predevelopment Loan
Loan Committee Date:	February 19, 2021
Prepared By:	Annie Wong
Source of Funds Recommended:	Transbay Jobs/Housing Linkage Fees
NOFA/PROGRAM/RFP:	OCII RFP issued June 22, 2020
FY 20/21 ROPS Line:	413
Total Previous City Funds Committed:	None
Applicant/Sponsor Name:	Transbay 2 Senior LP/Chinatown Community Development Center ("CCDC")

EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	Transbay Block 2 West	Sponsor(s):	CCDC
Project Address (w/ cross st):	Western half Transbay Block 2 (bounded by Folsom Street to the south, Beale Street to the west, the future extension of Clementina Street to the north, and Main Street to the east)	Ultimate Borrower Entity:	Transbay 2 Senior LP

Project Summary:

Chinatown Community Development Center (“CCDC” or the “Sponsor”), through Transbay 2 Senior LP, is requesting \$3,500,000 in predevelopment financing for Transbay Block 2 West (“Block 2 West”). Block 2 West will be a 153-unit mixed-use affordable rental housing development serving low-income senior households, with approximately 20% of units set-aside to serve formerly homeless senior households, subsidized by the Local Operating Subsidy Program (“LOSP”).

Block 2 West will be comprised of 35 studio and 117 one-bedroom units, as well as one two-bedroom manager’s unit. Units will serve senior households at a wide range of income levels, with an average at or below 60% of Area Median Income as defined by the San Francisco Mayor’s Office of Housing and Community Development (“SF AMI” or “AMI”). In addition to residential units and resident serving amenities, the Block 2 West development includes ground floor retail (the residential and the retail together are the “Project”).

Block 2 West will be developed in coordination with Transbay Block 2 East (“Block 2 East”), a mixed-use affordable rental project serving low-income and formerly homeless families under development by Mercy Housing (“Mercy”). CCDC and Mercy will work closely to coordinate design and construction and maximize efficiencies to the extent feasible, including joint consultant selection, a single general contractor, shared site studies, and, if possible, concurrent construction.

The Project is expected to be financed with 4% Low Income Housing Tax Credits and will seek funding from the California Department of Housing and Community Development Infill Infrastructure Grant (“IIG”) program and Multifamily Housing Program (“MHP”), as well as the Federal Home Loan Bank Affordable Housing Program (“AHP”).

Project Description:

Construction Type:	Type I	Project Type:	New Construction
Number of Stories:	9	Lot Size (acres and sf):	0.49 acres / 21,313 sf*
Number of Units:	153	Architect:	Mithun
Total Residential Area:	81,521 sf	General Contractor:	TBD
Total Commercial Area:	4,320 sf	Property Manager:	CCDC
Total Building Area:	116,083 sf	Supervisor and District:	Sup. Haney - District 6
Land Owner:	OCH		
Total Development Cost (TDC):	\$96,818,138	Total Acquisition Cost:	N/A
TDC/unit:	\$632,798	TDC less land cost/unit:	\$632,798
Loan Amount Requested:	\$3,500,000	Request Amount / unit:	\$22,876
HOME Funds?	No	Parking	None

** Lot size reflects half of overall Transbay Block 2 site, exact lot dimensions between Blocks 2 East and West will be determined during predevelopment.*

PRINCIPAL DEVELOPMENT ISSUES

1. Coordination between 2 West and 2 East. Mercy and CCDC were selected as co-developers under a single RFP for Transbay Blocks 2 East and 2 West. Mercy will be the lead developer, however, each developer will take primary responsibility for their respective project (as the sole owner). See Section 1.2 for and Conditions 11.2.1 and 11.3.1. Key considerations include:
 - a. Cohesive design: the building and streetscape designs must be complementary and cohesive, especially the ground level experience. This will require extensive collaboration throughout predevelopment and construction;
 - b. Efficiency: the developers will work closely to identify and maximize efficiencies, which will include jointly selecting key consultants, using the same general contractor, and coordinating logistics, and, to the extent feasible, synchronizing construction timing; and
 - c. Schedule: Blocks 2 East and West currently assume a schedule with the same construction timelines. Concurrent construction would reduce hard costs, streamline logistics, and allow key streetscape elements to be delivered along with the mixed-use buildings. However, maintaining parallel schedules will be challenging due to the uncertainty in securing financing awards. The developers will coordinate project schedules and, if necessary, establish a plan for phased development.
2. Financing Competition. The Sponsor will seek funding from MHP and IIG, as well as a tax-exempt bond allocation from CDLAC. Financing programs are currently highly competitive and the bond program is expected to continue to be oversubscribed in the coming years. CDLAC regulations may change prior to the Project's anticipated application date, but may continue to disadvantage larger scale, higher cost urban infill projects. The Sponsor will need to closely monitor financing program regulations and review program elements and costs throughout to optimize for maximum scoring. See Section 6.5 and Condition 11.3.8.
3. Income Levels. The preliminary AMI mix provides units at wide range of levels from 25% to 80% AMI. Early in predevelopment, the Sponsor will verify the demand for senior units at 80% AMI and will be challenged to balance cash flow to ensure long term operational strength with the need to serve seniors with limited fixed incomes. See Sections 4.7 and 7.2 and Condition 11.3.4.
4. Resident Age Limits. The OCII RFP anticipated a senior household age minimum of 62 years, however, a lower age limit would provide the Department of Homelessness and Supportive Housing ("HSH") with greater flexibility in referring adult tenants to the Project through the Coordinated Entry System. The Sponsor will review financing and operational considerations, as well as fair housing implications, and recommend a minimum age limit. See Section 4.7 and Condition 11.3.3.
5. Retail. Successful retail is crucial to ground floor activation and meeting community needs and expectations. Mercy, through its affiliate Mercy Commercial California, will be responsible for developing a retail program for all of Transbay Block 2. Current restrictions due to COVID-19 and the related economic uncertainty will create a challenging environment in which to design, program, and secure interest in a new retail space. See Section 4.5 for further discussion and Condition 11.3.11.

SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Terms	Status
OCII	\$3,500,000	3 years @ 3% deferred	This Request
Total	\$3,500,000		

Predevelopment Uses	Amount	Per Unit	Per SF
Architecture & Engineering	\$2,351,818	\$15,371	\$20
Soft Costs	\$598,182	\$3,909	\$5
Developer Fee	\$550,000	\$3,595	\$5
Total	\$3,500,000	\$22,875	\$30

Permanent Sources	Amount	Terms	Status
Tax Credit Equity	\$35,024,963	\$0.90/credit, 4% credit rate	Not Committed
OCII Loan	\$30,593,175	55 years @ 0-3% interest, residual receipts	Not Committed
AHP	\$1,200,000	55 years @ 0%	Not Committed
HCD MHP	\$20,000,000	55 years @ .42%, residual receipts	Not Committed
HCD IIG	\$7,000,000	Grant	Not Committed
GP Equity	\$3,000,000		Not Committed
Total	\$96,818,138		

Permanent Uses	Amount	Per Unit	Per SF
Acquisition	\$0	N/A	N/A
Hard Costs	\$78,574,411	\$513,558	\$677
Soft Costs	\$13,043,727	\$82,253	\$112
Developer Fee	\$5,200,000	\$33,987	\$45
Total	\$96,818,138	\$632,798	\$834

1. BACKGROUND

1.1. Project History Leading to This Request.

Blocks 2 East and West are part of the approximately 40-acre Transbay Redevelopment Project Area that was administered by the former San Francisco Redevelopment Agency (“SFRA”). Pursuant to state law, redevelopment agencies throughout the State of California were eliminated on February 1, 2012 (California Health and Safety Code Section 34161 et seq (the “Redevelopment Dissolution Law”)). OCII is the Successor Agency to SFRA and is responsible for implementing SFRA’s enforceable obligations. On April 15, 2013, the California Department of Finance determined “finally and conclusively” that the Transbay Implementation Agreement, Affordable Housing Program, and Tax Increment Sales Proceeds Pledge Agreement are enforceable obligations under Redevelopment Dissolution Law.

The Transbay Redevelopment Plan, established in 2005, is implemented through partnerships between OCII, the City, Transbay Joint Powers Authority (“TJPA”), Caltrans, and for-profit and non-profit developers. The Project Area is divided into two zones: Zone 1 is implemented by OCII and Zone 2 is implemented by the San Francisco Planning Department. When completed, the Transbay Redevelopment Area (including both Zone 1 and Zone 2) will include over 4,000 new residential units, a minimum of 35% of which will be affordable, office and retail space, over 9 acres of new parks, and significant transportation and streetscape improvements.

Within Zone 1, a total of 2,196 residential units have been completed (Blocks 1, 6, 7, 8, 9, and 11a), 721 of which are restricted for affordability. Additional housing units are planned on Blocks 2 East and West (the subject of this evaluation), Block 4, and Block 12. The planned affordable units on Blocks 2 East and West are essential to achieving 35% affordability in the Transbay Project Area.

Transbay Block 2, along with Blocks 3 and 4 and the future extensions of Clementina and Tehama Streets, was part of the lot formerly used as the Temporary Transbay Terminal. The Greyhound station building remains on the site but is currently unoccupied. Transbay Terminal operations relocated to the newly constructed Salesforce Transit Center in 2019.

OCII issued a Request for Proposals (“RFP”) seeking teams to develop, own, and operate mixed-use affordable rental family and senior housing units, including units set-aside for formerly homeless family and senior households at Transbay Blocks 2 East and 2 West in June 2020, with proposals due in September 2020. OCII received 5 proposals, all of which were deemed complete. An evaluation panel comprised of staff from OCII, Mayor’s Office of Housing and Community Development (“MOHCD”), the Department of Homelessness and Supportive Housing (“HSH”), and a member of the Transbay Citizens Advisory Committee (“CAC”) recommended selection of the development team led by Mercy and CCDC. Please see Sections 9 and 10 below for further discussion regarding threshold requirements and scoring.

Mercy and CCDC proposed that while they would collaborate on development of the site as a whole, with Mercy designated as the overall lead developer for Transbay Block 2, each would take the lead on securing financing for, and owning and operating one of the two residential projects. CCDC will own and operate the senior project on Block 2

West and Mercy will own and operate the family project on Block 2 East. See below for further discussion on this relationship.

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

The Borrower entity is Transbay 2 Senior LP. The managing general partner is CCDC Transbay 2 LLC, a subsidiary of CCDC.

CCDC has significant experience in the development and operation of affordable housing in San Francisco. CCDC's portfolio includes 869 affordable senior units and 220 units of supportive housing. While Block 2 West will be CCDC's first project in the Transbay Project Area, CCDC has worked on numerous OCII projects as well as on dense infill sites in nearby neighborhoods.

Kate Voshell at CCDC will be the Project Manager and will dedicate approximately 40% of her time to the Project. Abigail Brown will provide project assistance and will dedicate approximately 20% of her time to Block 2 West. Kate and Abigail will be supported by Kim Piechota (Housing Director), Kayne Doumani (Director of Property Management), and Allie Markowitz (Resident Services Manager).

CCDC will develop, own, and operate Block 2 West and will provide ongoing property management and resident services. However, CCDC will collaborate with Mercy, lead developer of Block 2 East, to ensure cohesive and complementary development of the Transbay Block 2 site as a whole. Pursuant to a Memorandum of Understanding between Mercy and CCDC dated September 20, 2020, Mercy will take the lead in providing the following services in support of Block 2 West:

- Contract negotiation including predevelopment loan terms and ground leases;
- Consultants selection;
- Retail programming, commercial shell design, marketing, and leasing; and
- Lot split and streetscape improvement design.

Pursuant to Condition 11.2.1, Mercy and CCDC will enter into a joint development agreement to formalize the collaborative partnership and further clarify roles and responsibilities.

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

Site Description	
Zoning:	Zoning for the site is form-based and is governed by the Transbay Redevelopment Plan, Transbay Development Controls and Design Guidelines, and the Transbay Design for Development. The DCDG establishes that Block 2 is split by a 25' wide ground level pedestrian mews connecting Folsom Street and Clementina Street. On the western side (Block 2 West), the DCDG allows a height of up to 50' on the northern portion of Block 2 West along Clementina, and up to 85' mid-block along Beale Street and on the southern side along Folsom and Beale Street. The DCDG also requires a central open space courtyard.

Maximum units allowed by current zoning (N/A if rehab):	The maximum number of units on the site is based on form-based zoning. The number of units is limited only by what can fit within the site's height and bulk restrictions.
Number of units added or removed (rehab only, if applicable):	N/A
Seismic (if applicable):	The site is within a Liquefaction Zone (per the California Geological Survey)
Soil type:	According to the Transbay EIR, the site is located on the Bay side of the historic circa 1848 shoreline. Soils on the site may generally be characterized by the presence of soft and compressible bay mud under the superficial fill placed when the area was reclaimed in the late 1800s or early 1900s. The depth of the sediment varies throughout the site. The Sponsor will assemble a consultant team and will perform further geotechnical analysis during predevelopment.
Environmental Review:	CEQA clearance was obtained through the Environmental Impact Report (EIR) for the Transbay Redevelopment Plan (a program EIR). See Section 2.2 below for further discussion.
Adjacent uses (North):	Currently a continuation of the Block 2 surface parking lot, previously used as the temporary Transbay Terminal, planned for an approximately 1-acre public park.
Adjacent uses (South):	An approximately 650-unit mixed use condominium complex known as "Lumina". Woodlands Market, a high-end grocery store is located at the ground floor.
Adjacent uses (East):	Block 2 East, an approximately 101-unit affordable family rental project, under development concurrently with Block 2 West, will be located directly to the east within Transbay Block 2. To the east of Transbay Block 2, a 392-unit mixed-use, mixed-income condominium complex known as "Mira" is under construction and nearing completion.
Adjacent uses (West):	A 479-unit mixed use apartment project, including 409 units in a tower (on the western side of the block) and 70 affordable units in a mid-rise and townhomes (on the eastern side of the block). The 70-unit affordable project is owned and operated by Mercy.
Neighborhood Amenities within 0.5 mile:	Grocery: Woodlands Market is located directly across Folsom Street, Ferry Building Saturday Farmer's Market (0.5 mile), Safeway (0.7 mile), Whole Foods (0.8 mile), Target (0.9 mile), Trader's Joe's (1 mile) Pharmacy: Walgreens (0.4 mile), CVS (0.7 mile), Target (0.9 mile) Library: Mission Bay Public Library (1.3 miles) Parks: planning is under way for an approximately 1-acre park on Block 3 directly to the north of the site, Salesforce Park (located on the roof of the Salesforce Transit Center) is one block from the site (0.2 mile), Rincon Park is 2 blocks from the site (0.2 mile)
Public Transportation within 0.5 mile:	The site is located 1 block from the Salesforce Transit Center, a regional hub for 11 transit systems, including

	multiple Muni bus lines. In addition, the site is two blocks from the Muni Metro station at The Embarcadero and Folsom Street and 2 blocks from the Embarcadero BART station.
Article 34:	Article 34 authority is needed and will be requested before the predevelopment loan is encumbered.
Article 38:	Not exempt. The site is within the Air Pollutant Exposure Zone. The design will be subject to relevant guidelines and requirements.
Accessibility:	Project will provide at least 15% of tax credit units with mobility features (California Building Code (“CBC”) 11B 809.2 through 11B 809.5) and at least 10% with communications features (CBC 11B 809.5). Adaptability requirements will be determined by the San Francisco Mayor’s Office on Disability.
Green Building:	Per the RFP, the building must either achieve a Green Point Rating of 125 or above, or LEED Gold rating. The OCII design team will work with the Sponsor to ensure the Project meets one of these two thresholds.
Recycled Water:	Not exempt. The project does fall within the boundaries of the designated recycled water use area, and therefore it will be required to comply with the City’s Recycled Water Ordinance. As such, the Sponsors will be required to install purple pipe to recycle grey water within the project.
Storm Water Management:	Developments that disturb 5,000 square feet or more of the ground surface must comply with the Storm Water Design Guidelines and submit a Storm Water Control Plan to the SFPUC for review. The development team will meet with SFPUC during the predevelopment period.

2.1. Zoning.

See above.

2.2. Local/Federal Environmental Review.

In April 2004, the Redevelopment Agency Commission certified the Environmental Impact Report (EIR) for the Transbay Redevelopment Plan. In January 2005, the Agency Commission adopted findings under the California Environmental Quality Act (CEQA), a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program in connection with the adoption of the Redevelopment Plan. The Board of Supervisors, Planning Commission, and TJPA adopted similar findings.

The Agency Commission, Board of Supervisors, and TJPA subsequently adopted eight addenda to the Final EIR.

The proposed loan is an implementing action and within the scope of the project analyzed under the EIR and subsequent addenda. Unless the Sponsor seeks building height or bulk that are outside of that assumed under the EIR, no additional environmental review is required under CEQA.

The Sponsor will work with OCII staff and other public agencies to ensure that the mitigation monitoring measures for Block 2 West are appropriately documented and

implemented. Also, the Sponsors will order an updated Phase I analysis and a Phase II analysis, as needed.

2.3. Environmental Issues.

- Phase I/II Site Assessment Status and Results.

As part of due diligence in acquiring the site from TJPA, OCII commissioned a Phase I report from AEW Engineering. The report is dated November 3, 2020. The report identified that soil classified as Federal Class I RCRA and California Class I Non-RCRA hazardous waste is on the site. The soil was capped by the existing temporary terminal asphalt and terminal building but will need to be addressed as part of the site's development. The Sponsor will work with a consultant to determine whether an updated Phase I is needed.

The Sponsor will seek a Phase II report during predevelopment.

- Potential/Known Hazards.

Soil contaminants currently exist in the Project Area and are assumed to exist at the site. The Sponsor will engage consultants to provide testing and analysis.

2.4. Adjacent uses and neighborhood amenities. See table above.

2.5. Green Building. See table above.

3. COMMUNITY SUPPORT

3.1. Prior Outreach.

The Transbay Citizens Advisory Committee ("CAC") is comprised of 11 members who represent neighboring residents, property owners, and Citywide interests. The CAC is charged with providing advice to OCII on all matters pertaining to the planning and implementation of the Transbay Redevelopment Project Area.

Staff presented the RFP to the CAC and to the OCII Commission in June 2020 prior to its issuance. A member of the CAC participated in the interview and evaluation panel for the developer team selection. Staff presented an update on the selection process and the recommended developer to the CAC on November 12, 2020 in advance of the anticipated upcoming OCII Commission action on the Predevelopment Loan Agreement and Exclusive Negotiations Agreement. At each meeting, the CAC members were supportive of this development.

3.2. Future Outreach.

The Sponsor will return to the CAC to present the recommended concept design for Blocks 2 West and East and will return again to seek approval of the schematic design. Pursuant to Condition 11.3.15, the Sponsor will conduct further outreach to neighborhood groups as needed throughout predevelopment, in coordination with the sponsor of Block 2 East. Groups may include the East Cut Community Business District, neighboring homeowner associations, and others.

4. DEVELOPMENT PLAN

4.1.1. Site Control.

OCII currently holds and will continue to hold fee simple ownership of the site. The site was transferred from TJPA to OCII in January 2021, along with Transbay Blocks 3 and 4 and the parcels planned for the extensions of Clementina and Tehama Streets.

Pursuant to the terms of a purchase agreement between TJPA and OCII in August 2020, Transbay Block 2 was transferred at no cost to OCII.

The Sponsor, in coordination with the sponsor of Block 2 East, will be responsible for pursuing a subdivision map to facilitate the Blocks 2 East and West projects. Per Condition 11.3.12, CCDC and Mercy will work together to determine appropriate boundaries for the two or more parcels to be created through the subdivision. Mercy will take the lead in preparing the subdivision map application and will oversee the mapping process.

4.1.2. Proposed Property Ownership Structure

OCII will retain fee interest in the land and, at the close of construction financing, will enter into a long-term ground lease with the Sponsor. The Sponsor will own the improvements.

4.2. Proposed Design.

The preliminary massing for Block 2 West features a nine story (85') building anchoring the corner of Folsom and Beale, stepping down to approximately 50' along Clementina Street. The building will have 153 units, with 117 one-bedrooms and 35 studios, plus one two-bedroom manager's unit. To improve the efficiency of the floor plate without sacrificing quality or space, some bedrooms in the one-bedroom units may be "shared light", meaning that they will not have a direct window to the outdoors. The Sponsor and design team will work with OCII to ensure that all units provide high quality living spaces.

As one of the final remaining sites in the Transbay project area, the urban design of Blocks 2 West and East is critical to creating a vibrant pedestrian realm. Units with townhome-style frontages and stoops are located along the planned extension of Clementina Street, while a café on the Beale-Clementina corner will serve residents as well as patrons of the planned park across the street. On the Folsom Street side, a continuous stretch of retail from Beale to the pedestrian mews furthers the Folsom "main street".

The ground floor also contains the resident lobby and most of the management and services spaces, including a community room near the entrance that opens up out onto the courtyard. There is also a roof deck on the sixth floor overlooking the future park where residents can gather.

A partial basement will provide resident bicycle storage, building storage, utility functions, and trash storage. There will be no resident vehicular parking.

The Block 2 West design will be closely coordinated with the design of Block 2 East. The Sponsors and design teams will collaborate to submit a single schematic design package for OCII review and approval. Designs will feature complementary exterior features and materials for a cohesive look across the block. The design team envisions a masonry material for the façade that will contrast with the glassy towers across Folsom Street. A common landscape architect will work on both Blocks 2 West and East, ensuring consistency in the look and feel of the large "linear parks" on Beale and Main, the wide sidewalk on the Folsom Street frontage, the central pedestrian mews, and the townhome frontages on Clementina.

Estimated area square footages are as follows:

Average Unit SF by type:	Studio: 400 1 bedroom: 550
Residential SF:	81,521
Circulation SF:	17,208
Retail SF:	4,320
Common Area SF:	8,234
Maintenance/Utility SF:	4,800
Building Total SF:	116,083

4.3. Proposed Rehab Scope. N/A

4.4. Construction Supervisor/Construction Specialist's Evaluation

OCII's Construction Specialist has performed a preliminary analysis of the proposed massing concept and construction cost estimate for Block 2 West. The nine-story development includes 35 studio and 117 one-bedroom units serving low-income seniors. The proposed design takes advantage of the southwest corner of Folsom and Beale Streets while creating a sunlit courtyard facing the midblock pedestrian mews to the east. The northern façade, along Clementina Street, provides views to the planned Block 3 park. The midblock mews and streetscape improvements to Clementina, Beale, and Folsom will contribute to street level activation and link to similar improvements on surrounding Transbay blocks.

Design and construction efficiencies can be gained by simultaneously developing Blocks 2 West and East. To the extent feasible, these projects should maintain coordinated schedules (Condition 11.3.1).

Preliminary cost estimates are at approximately \$834 per square foot, or \$632,798 per unit, which are below the average for MOHCD projects with similar construction typologies and unit types currently in predevelopment. The cost is reasonable for Type I construction. OCII will work closely with the Sponsor and design team to identify strategies to maximize efficiencies and maintain costs as designs progress.

4.5. Commercial Space.

Ground floor commercial on Transbay Block 2 is essential to meeting the overall Redevelopment Plan goal to develop Transbay as a vibrant and functional urban neighborhood. Existing Transbay residents have, through discussions at Transbay CAC meetings, affirmed the need and desire for neighborhood-serving commercial uses, particularly affordable grocery. In response to the RFP for Transbay Blocks 2 East and West, Mercy and CCDC proposed a retail plan intended to complement existing area businesses and provide spaces and uses that act as community connectors. The overall commercial plan for Block 2 provides 11,650 square feet of ground floor commercial. An affiliate of Mercy, Mercy Commercial California ("MCC") will lead the planning, lease-up, and build-out of the commercial spaces on both 2 East and West.

During predevelopment, the Sponsor, in collaboration with Mercy and MCC, will prepare a commercial financing plan for OCII review and approval and will consider and recommend whether or not to establish separate parcels for the commercial spaces as part of the overall subdivision mapping process for the Transbay Block 2.

The preliminary design for Block 2 West provides approximately 4,320 square feet of retail, including an approximately 620 square foot space at the corner of Beale Street and Clementina, and an approximately 3,700 square foot space on Folsom Street between Beale and the mid-block passage between Blocks 2 East and West.

The smaller single space's use is envisioned as complementary to the planned park on Block 3 to the north, such as a café. The larger space may be divided into smaller retail bays.

MCC has identified the potential for partnerships with the San Francisco Bicycle Coalition for an office/community workshop space, and with small grocers through the San Francisco Neighborhood Business Alliance, a membership-based trade association founded by retailers in the Arab, Asian, and Black communities in the Bay Area. MCC and the Sponsor will continue collaboration with these organizations as well as other local organizations supporting entrepreneurs and small businesses to market the spaces and secure neighborhood-serving tenants (Condition 11.3.11). The Sponsor and Mercy will enter into an agreement (the joint development agreement or a separate agreement) to finalize MCC's initial and ongoing role in the Block 2 West retail and leasing and will coordinate to ensure that the commercial design is in keeping with OCII/MOHCDC standards (Conditions 11.2.1 and 11.3.11).

4.6. Service Space.

Preliminary designs provide for ground floor service/property management offices, a lounge area, community room and adjacent outdoor open space courtyard. The type and amount of space seems adequate for the target population. Programming and design of the space will be refined during predevelopment and reviewed with service and property management providers as well as OCII housing and design staff.

4.7. Target Population

Block 2 West will serve senior households at incomes ranging from 25% to 80% SF AMI. Approximately 20% of the units (30 units) will be set-aside for occupancy by formerly homeless senior households, referred to the Project by HSH through the Coordinated Entry program. Pursuant to Condition 11.3.6, the Sponsor will work with HSH to confirm that the number of permanent supportive units is appropriate and allows for an efficient case management ratio.

The OCII RFP for Transbay Block 2 anticipated that the senior component would serve households at age 62+, however, a lower age limit, such as 55+, would provide HSH with greater flexibility in referring adult tenants to the supportive units in the Project through the Coordinated Entry program. The Sponsor will review the operational impacts, fair housing compliance implications, as well as considerations for financing applications and will recommend a minimum resident age for OCII consideration and approval during early predevelopment (Condition 11.3.3).

In addition to reviewing age requirements, the Sponsor will review income limits to ensure all proposed income levels and rents are feasible for the anticipated population. Specifically, the Sponsor will review the demand for and marketability of the higher tier AMI levels. Pursuant to Condition 11.3.4, the Sponsor will provide recommended income tiers to OCII for review and approval during predevelopment.

While senior households are expected to be small, comprised of one- and two-person households, there may be a need to provide a limited number of larger two-bedroom

units to accommodate seniors who require live-in health support, allowing residents to age in place. With this in mind, the Sponsor will review the design implications and financial feasibility of integrating two-bedroom units into the Project (Condition 11.3.5).

4.8. Marketing & Occupancy Preferences

As previously noted, tenants in the 30 units serving formerly homeless senior households will be referred to the Project through the Coordinated Entry System. All remaining affordable units will be marketed and leased through OCII's standard procedures, including early outreach to Certificate of Preference ("COP") holders, broad marketing and outreach, and applications and a lottery through the MOHCD DAHLIA digital housing portal system. In addition, potential tenants will be prioritized in accordance with preferences.

As of April 19, 2019, the OCII Commission has authorized staff to apply the preferences in City Affordable Housing Programs, as amended from time to time, to affordable housing approved by OCII, to the extent that those preferences are consistent with redevelopment plans, enforceable obligations, and applicable law. The preferences applicable for the Project are:

1. COP holders
2. Displaced Tenant Preference Program for 20% of lottery units
3. Neighborhood Resident Housing Preference for 40% of the lottery units if project does not include State funding sources, and 25% of the lottery units if project does include State funding sources (if such preference does not conflict with other financing sources)
4. San Francisco residents or workers
5. Members of the general public

The Sponsor will, as a condition of the anticipated gap loan, provide an early outreach and marketing plans that describe specific efforts to engage preference program participants, and clearly describe how the marketing is consistent with the Mayor's Racial Equity statement and promote positive outcomes for African American San Franciscans.

Potential tenants, including those prioritized by preference, must meet the Sponsor's established screening requirements for the Project, and final selection will lie with the Sponsor. Any authorized preference shall be permitted only to the extent that such preference: (a) does not have the purpose or effect of delaying or otherwise denying access to a housing development or unit based on race, color, ethnic origin, gender, religion, disability, age, sexual orientation, or other protected characteristic of any member of an applicant household; and (b) is not based on how long an applicant has resided or worked in the area. OCII will work with the Sponsor to resolve potential occupancy conflicts and determine marketing requirements and to ensure adherence to OCII occupancy preferences.

4.9. Relocation.

N/A.

5. DEVELOPMENT TEAM

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

5.1. Outstanding Procurement Issues.

There are no outstanding procurement issues. Sponsor, in collaboration with the sponsor of Block 2 East, is working with OCII's Contract Compliance team to issue an RFQ/P for design consultants and will endeavor to meet OCII's goal that a minimum of 50% of professional services contracts are awarded to certified Small Business Enterprises ("SBEs").

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

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

There is no prior OCII funding. This predevelopment loan request will be the first sum of money extended to the project.

6.2. Disbursement Status.

The proposed predevelopment loan is the only predevelopment source for the Project. No sums of money have yet been disbursed. Staff recommends that the Loan Committee approve payment of costs dating back to November 12, 2020, the date of the informational update staff provided to the Transbay CAC on the developer selection recommendation, so long as these previously incurred costs are deemed acceptable and correspond to the predevelopment budget attached herein.

6.3. Fulfillment of Loan Conditions.

N/A.

6.4. Proposed Predevelopment Financing

6.4.1. Predevelopment Sources Evaluation Narrative

The proposed predevelopment loan is the only predevelopment source for the Project.

6.4.2. Predevelopment Uses Evaluation

The Sponsor is seeking a predevelopment loan of \$3,500,000. The budget includes costs related to design through construction documents, survey and engineering sites studies, permit fees, legal fees, and a portion of the developer fee.

6.4.3.

Predevelopment Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Acquisition Cost is based on appraisal	N/A	Not applicable.
Architecture and Engineering Fees are within standards	Y	A&E fee during predevelopment is \$2,351,818
Bid Contingency is at least 5% of total hard costs	Y	
Escalation amount is commensurate with time period until expected construction start, not to exceed 15%	N	The Project is carrying a total of 15% in design, bid, and plan check contingencies, which is consistent with the MOHCD Underwriting Guidelines, but more than the amounts held in typical recent practice for projects of this scale (typical is a total of 8%). While escalation is not included in the hard cost estimate, it is assumed that these conservative contingency amounts would allow for escalation.
Construction Management Fees are within standards	Y	
Developer Fee is within standards	Y	See discussion on Developer Fee below.
Soft Cost Contingency is 10% per standards	Y	
Financing Costs are reasonable	Y	

6.5. Potential Proposed Permanent Financing

Permanent financing is being presented to demonstrate the project's overall feasibility but not intended to be presented for Loan Committee approval at this time.

6.5.1. Permanent Sources Evaluation Narrative:

- OCII Loan: The current budget assumes an OCII subsidy of \$30,593,175 or \$199,955 per unit. The OCII subsidy will be used during predevelopment and construction and will be structured as a loan with up to 3% interest.
- LIHTC Equity: The Sponsor is projecting LIHTC equity in the amount of \$35,024,963 or \$228,921 per unit. This assumes a fixed 4% credit rate. Pricing is assumed at \$0.90 which may be conservative but is based on recent offers from tax credit investors on other San Francisco projects without project-based Section 8 contracts. Pursuant to Condition 11.3.14, the Sponsor will provide the debt/equity request for proposals for OCII review and will share responses and draft terms sheets.

- HCD MHP: The budget assumes a MHP award of \$20,000,000, the maximum available under the program. CCDC has succeeded in securing MHP funding on other projects in the recent past though the program remains highly competitive. The program rewards deep affordability and supportive housing, thus preliminary analysis shows that the Project would be highly competitive and CCDC is optimistic about securing a maximum award.
- HCD IIG: The budget assumes an IIG award of \$7,000,000, the maximum available for the program. The funds would be used for site preparation, drainage, and streetscape work.
- Construction Loan: The budget assumes a tax-exempt construction loan of \$58,888,275 with an interest rate of 3.65% for 30 months. Pursuant to Condition 11.3.14, the Sponsor will provide the debt/equity request for proposals for OCII review and will share responses and draft terms sheets.
- Permanent Loan: The budget assumes that the project will not support a permanent loan. While cash flow is significant in early years, the debt service coverage ratio would fall below standards in year 15 of operations and beyond. The Sponsors will re-analyze the potential for a permanent loan or otherwise utilize early year cash flow to support the project and reduce the OCII loan (Condition 11.3.9).
- AHP: The budget assumes an AHP award of \$1,200,000, the maximum available for the program. The funds would be used during construction. The Sponsors will work with OCII and MOHCD to analyze scoring for AHP funding early in predevelopment. The Sponsor anticipates an AHP award prior to seeking gap funds from OCII.
- GP Capital Contribution: The GP estimates that it will make an equity contribution of \$3,000,000 or \$19,608 per unit to maximize tax credit equity. This amount is reflected in the developer fee shown below.

6.5.2. Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Hard Cost per unit are within standards	Y	Hard costs are \$513,558 / unit (includes contingencies). Costs will be monitored closely during the predevelopment period.
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	Hard cost contingency is 5%. Design, bid, and plan check contingencies total 15%.
Architecture and Engineering Fees are within standards	Y	A&E fee is \$3,818,408, which is approximately 5% of hard costs (excluding contingencies).
Construction Management Fees are within standards	Y	The construction management fee of \$150K is within the maximum allowable per MOHCD's underwriting guidelines for a large project.
Developer Fee is within standards, see also disbursement chart below	Y	Total cash developer fee is \$2.2M, which is below the max. allowed under the MOHCD

		Developer Fee Policy (See further description below.)
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10%.
Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to 3 months of expenses

Cash Developer Fee Disbursement Schedule		
Payment Milestone	% of Project Mgmt. Fee	Amount
At acquisition or closing of preconstruction financing	15%	\$165,000
During or at end of predevelopment	35%	\$385,000
At construction closing	20%	\$220,000
During construction/at construction completion	20%	\$220,000
Project close-out	10%	\$110,000
Total Project Management Fee	100%	\$1,100,000
At Risk Fee*		\$1,100,000
Total Cash Developer Fee		<u>\$2,200,000</u>
GP Equity		\$3,000,000
Total Developer Fee		<u>\$5,200,000</u>

* The at-risk fee is below the maximum allowable under the MOHCD Developer Fee Policy due to restrictions from other funding sources (the MOHCD policy would allow up to \$2,730,000 in total cash fee, as well as commercial development fee). Should the funding sources change, the fee may be revised at consideration of gap financing to an amount up to the maximum allowed under the MOHCD policy. The at-risk fee will be held back from distribution to cover any cost overruns that exceed the contingency amounts held in the Sponsor's budget, per the MOHCD Developer Fee Policy.

6.6. This Request/Phasing Narrative

N/A

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

7.1. Annual Operating Budget

Since this is a predevelopment loan request, the annual operating budget is presented to demonstrate the project's overall feasibility and is not presented for approval at this time. Please see Attachment J.

7.2. Income

Project income will include tenant rents as well as subsidy for LOSP units. In addition to LOSP, the Sponsor will monitor the potential for other rental or operating subsidies appropriate for seniors, such as the City's Senior Operating Subsidy demonstration program (Condition 11.3.10). The preliminary cash flow assumes that commercial income and

expenses will not flow through the residential project. This is subject to further analysis during the predevelopment period.

Unit Type	No. of Units	Max. AMI	Rent (at Max. AMI)*	Rent/ Operating Subsidy
Studio	7	25%	\$560**	LOSP
1 bedroom	23		\$641**	
Studio	11	30%	\$673	
1 bedroom	13		\$769	
Studio	6	50%	\$1,121	
1 bedroom	44		\$1,281	
Studio	8	60%	\$1,345	
1 bedroom	25		\$1,538	
Studio	3	80%	\$1,793	
1 bedroom	12		\$2,050	
1 bedroom	1	unrestricted	n/a	Mngr's Unit
Total Units	153	Average AMI: 36.7%		

* Based on 2020 MOHCD rents

** Tenants in units subsidized by LOSP are assumed to pay \$300 per month in rent, actual rent will be 30% of tenant income, pursuant to LOSP policies. The Sponsor will work with HSH during predevelopment to confirm tenant-paid rent assumptions.

7.3. Annual Operating Expenses Evaluation

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Debt Service Coverage Ratio (DSCR) is between minimum 1.10:1 and maximum 1.15:1 at year 15	N	At 1.91:1, the DSCR is above the maximum 1.15:1 in year 15. Pursuant to Condition 11.3.9, the Sponsor will analyze the potential for a permanent loan for the Project.
DSCR stays above 1.00:1 for entirety of projected 20-year cash flow	N	The DSCR is above 1.00:1 for 19 years of projected cash flow but is at 0.79:1 at year 20. Pursuant to Condition 11.3.9, the Sponsor will need to ensure that the project maintains a 1.0:1 minimum DSCR for the full 20-year cash flow period.
Vacancy meets TCAC Standards	Y	Vacancy is 5% of tenant rents per TCAC and LOSP standards.
Annual Income Growth is increased at 2.5% per year	Y	Income escalation factor is 2.5% for non-LOSP units and 1% for LOSP in compliance with OCII/MOHCD standards and LOSP guidelines.
Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%.
Base year operating expenses per unit are reasonable per comparables	Y	Total base year operating expenses are \$11,462 per unit per year (including reserves). This is reasonable and comparable to other recent projects.
Property Management Fee is at allowable HUD Maximum	Y	Property Management Fee is \$119,340 and will be set in accordance with the HUD schedule

Property Management staffing level is reasonable per comparables	Y	1 FTE Property Manager 1 FTE Assistant Property Manager 1 FTE Administrative Assistant 3.5 FTE Desk Clerks (24/7 coverage) 2 FTE Janitors 1 FTE Janitor Tech 1 FTE Repair Staff This level of property management staffing is consistent with other buildings in the Sponsor's portfolio. The staffing structure will be refined during predevelopment. The Sponsor will assess the need for 24/7 desk coverage and/or will explore the potential for shared after hours desk coverage for cost savings/efficiency (Condition 11.3.7).
Asset Management and Partnership Management Fees meet standards	Y	Annual AM fee is \$21,900 Annual PM Fee is \$21,890 These amounts are consistent with MOHCD maximums for 2020.
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$500 per unit per year (based on comparable projects).
Limited Partnership Asset Management Fee (aka Investor Service Fee) meets standards	Y	\$5,000 per year with no escalation.

7.4. Capital Needs Assessment & Replacement Reserve Analysis

N/A

8. SUPPORT SERVICES

8.1. Services Plan.

CCDC will provide both resident services for all senior households and supportive services for formerly homeless senior households. Anticipated staffing is as follows:

Position	FTE	Description
Intensive Case Manager (serving households in supportive units)	1.0	Focused primarily on supportive housing residents, provides ongoing psychological assessments, supportive counseling, and individualize wrap-around case management.
Resident Services Supervisor (support for households in both supportive and non-supportive units)	.5	Oversees, trains, and supports Case Manager and Resident Services Coordinator, and provides direct case management.
Resident Services Coordinator (serving all residents)	1.0	Provides informational, referral, and linkage services and coordinates educational workshops, health activities, and social/recreational activities.
Total FTE	2.5	

8.2. Service Budget.

General resident services will be paid through the operating budget, while case management and supportive services for formerly homeless households will be funded through a separate contract with HSH. The overall anticipated services budget is as follows:

Position	FTE	Budget Amount	Funding Source
Intensive Case Manager	1.0	\$65,000	HSH
Resident Services Supervisor	.5	\$78,000 salary + 30% fringe	HSH/Operating budget
Resident Services Coordinator	1.0	\$54,080 salary + 30% fringe	Operating budget
Total FTE	2.5	\$197,080	

The Sponsor will work with OCII and HSH to refine the services plan and budget during the predevelopment period (see Condition 11.3.6).

8.3. HSH Assessment of Service Plan and Budget.

To be provided with the gap funding request. Mili Choudhury, Family Permanent Supportive Housing Manager at HSH, was a member of the selection panel for the RFP and will participate in planning for services and management. OCII staff will coordinate with HSH to identify the HSH staff representative from the adult supportive housing program for ongoing review of Block 2 West throughout predevelopment. A condition of this loan request is to work closely with OCII, HSH, and MOHCD to develop and appropriate supportive services plan and budget for this Project (Condition 11.3.6).

9. THRESHOLD ELIGIBILITY REQUIREMENTS

The RFP defined minimum threshold requirements to be considered for selection. The Sponsors satisfied these requirements.

10. RANKING CRITERIA

The Sponsor was selected, along with the Sponsor of Block 2 East, based on their submittal in response to an RFP as described in Section 1.1. The team led by Mercy and CCDC had the highest score of the five proposals received, with 90 out of 100 possible points. Scoring criteria was as follows:

Maximum Points	Criteria
50	Proposed Development Concept
20	Proposed massing concept
15	Financial feasibility and level of OCII subsidy
10	Proposed services plan
5	Proposed marketing plan
50	Developer Team Experience and Capacity
10	Developer's experience: comparable mixed-use projects
10	Developer's experience: affordable housing financing; workload capacity

10	Workforce and contracting action plan
10	Architect experience and capacity
5	Service provider experience and capacity
5	Property manager experience and capacity
100	Maximum Total Points

11. STAFF RECOMMENDATIONS

11.1. Proposed Loan/Grant Terms

Financial Description of Proposed Loan	
Loan Amount:	\$3,500,000
Loan Term:	3 years or until rolled into permanent loan for the Project
Loan Maturity Date:	2024
Loan Repayment Type:	Deferred
Loan Interest Rate:	3% (may be recast if necessary due to true debt analysis performed in preparation for the close of construction financing. Interest rate may be between 0% and 3%, with approval of the OCII Executive Director)

11.2. Recommended predevelopment disbursement conditions

- 11.2.1 Subject to OCII approval, Mercy and CCDC will enter into a joint development agreement that clearly defines the roles and responsibilities of Mercy and CCDC in the overall development of Transbay Block 2. The agreement will use as its basis the Term Sheet attached to the MOU dated September 10, 2020 between Mercy and CCDC and will clearly define Mercy's role as lead developer, in close coordination with CCDC for the following matters: contract negotiations, including predevelopment loan terms, and ground leases; general contractor and consultants' selection; retail programming, commercial shell design, marketing and leasing; lot split/subdivision mapping; streetscape and landscape design; respective liabilities for work performed under the agreement; and other matters to achieve cost efficiencies and cohesive development on Block 2.

11.3. Recommended conditions prior to gap financing

- 11.3.1 Sponsor will work closely with the sponsor of Block 2 East throughout predevelopment and will:
- ensure that the design teams for Blocks 2 East and West collaborate and submit a single combined schematic design package, which demonstrates cohesive design between Blocks 2 East and West, particularly for the ground floor and mid-block pedestrian mews; and
 - use the same general contractor or joint venture for construction and coordinate construction timing between Blocks 2 East and West, either by construction of both sites at the same time or phased development.

- 11.3.2 Sponsor will cooperate with OCII and the sponsor of Block 2 East to competitively solicit a general contractor with the intent of creating a joint venture or similar partnership opportunity, to the extent practicable and economically feasible, between a general contractor and an OCII-recognized SBE contractor. Furthermore, Sponsor will require the general contractor to exercise good faith efforts to select subcontractors who are SBEs or are willing to create joint ventures or similar partnership opportunities with SBEs.
- 11.3.3 Prior to any application for Project financing, Sponsor will analyze financing application parameters and operations for senior housing and recommend, for OCII approval, an age limit for Project residents at age 55 or age 62.
- 11.3.4 Prior to any application for Project financing, Sponsor will review maximum income levels to confirm that they are appropriate for population to be served. Proposed income limits are subject to OCII review and approval.
- 11.3.5 Prior to schematic design submittal, the Sponsor will work with OCII to assess the physical and financial feasibility of integrating a limited number of two-bedroom units into the Project to accommodate the needs of seniors in need of larger units.
- 11.3.6 Sponsor will work with OCII, MOHCD, and HSH to:
 - a. finalize the number of permanent supportive units, ensuring consistency with best practice case management ratios;
 - b. coordinate with HSH to refine the services plan and budget; and
 - c. establish assumptions for tenant-paid rent for LOSP-supported units.
- 11.3.7 Sponsor will evaluate the need for 24-hour desk coverage for the Project and will explore the potential for shared after hours front desk coverage/security between Blocks 2 West and East to improve efficiency and reduce costs.
- 11.3.8 Sponsor will monitor available funding sources such as AHP, MHP and others, review regulations, and submit timely applications, as appropriate. If necessary, Sponsor will recommend strategies and program modifications for OCII approval to improve the Project's likelihood of securing awards.
- 11.3.9 Sponsor will ensure that the DSCR remains over 1.0:1 for the first 20 years of operations and will further analyze the potential for permanent debt and/or alternative ways to utilize surplus cash to support the Project and reduce the OCII gap loan.
- 11.3.10 Sponsor will review local, state and federal rent and operating subsidy programs as appropriate for the target population, and will assess program viability and pursue funding applications.
- 11.3.11 Sponsor will retain the services of MCC for the design, marketing, and lease-up of the commercial spaces. MCC in coordination with Sponsor, will:
 - a. ensure that commercial spaces are designed in accordance with the specifications established in the MOHCD Commercial Space Underwriting Guidelines and incorporate best practices from Mercy's San Francisco commercial experience;
 - b. provide a commercial financing plan for OCII review and approval; and

- c. conduct early outreach to local small business organizations, non-profit entrepreneur organizations, and other entities, groups and organizations. In addition, MCC and Sponsor will with the San Francisco Office of Economic and Workforce Development regarding the retail space and the availability of City's small business, legacy business, and other programs to identify and assist potential local business tenants. .

- 11.3.12 Sponsor will coordinate with OCII and the sponsor of Block 2 East to establish project boundaries and secure a subdivision map for Transbay Block 2.
- 11.3.13 Prior to submittal of a site permit application and subdivision map application, Sponsor will collaborate with the sponsor of Block 2 West in recommending for OCII approval, a plan for the development of public or common use areas in Transbay Block 2, e.g. the mid-block pedestrian mews, that establishes the lot lines, allocation of development costs, a mechanism for ensuring public access, and responsibilities for construction and ongoing maintenance and security.
- 11.3.14 Sponsor will provide for OCII review any RFP for debt and equity providers before it is finalized and released.
- 11.3.15 Sponsor, in coordination with the sponsor of Block 2 East, will work collaboratively on a community outreach plan, will conduct ongoing outreach to the Transbay community to solicit input, address concerns, and educate community members on various aspects of the Project. Mercy will take the lead in obtaining OCII approval for the community outreach plan.

12. 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, Director of Housing
Department of Homelessness and Supportive Housing

Date: _____

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

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

Date: _____

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

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

Date: _____

Attachments: A. Project Milestones/Schedule
 B. Borrower Organizational Chart
 C. Developer Resumes
 D. Asset Management Analysis of Sponsor
 E. Site Map with Amenities
 F. Elevations and Floor Plans
 G. Comparison of City Investment in Other Housing Developments
 H. Predevelopment Sources and Uses
 I. Permanent Sources and Uses
 J. First Year Operating Budget
 K. 20-Year Operating Pro Forma

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Friday, February 19, 2021 12:00 PM
To: Chavez, Rosanna (MYR)
Subject: Predevelopment Financing Transbay West

I approve

Eric D. Shaw
Director

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

Chavez, Rosanna (MYR)

From: Menjivar, Salvador (HOM)
Sent: Friday, February 19, 2021 12:56 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: Financing for Transbay Block 2 West

I approve the request for a predevelopment loan in the amount of \$3,500,00 to develop Transbay Block 2 West.

Best,

salvador



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

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Chavez, Rosanna (MYR)

From: Oerth, Sally (CII)
Sent: Friday, February 19, 2021 11:59 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Wong, Annie (CII)
Subject: Predevelopment Financing Transbay Block 2W- 2.19.21 Loan Committee

I approve the Predevelopment Loan request for Transbay Block 2W, as presented at the 2.19.21 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, February 19, 2021 11:57 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: Predevelopment Financing Transbay West

Approve

Bridget Katz

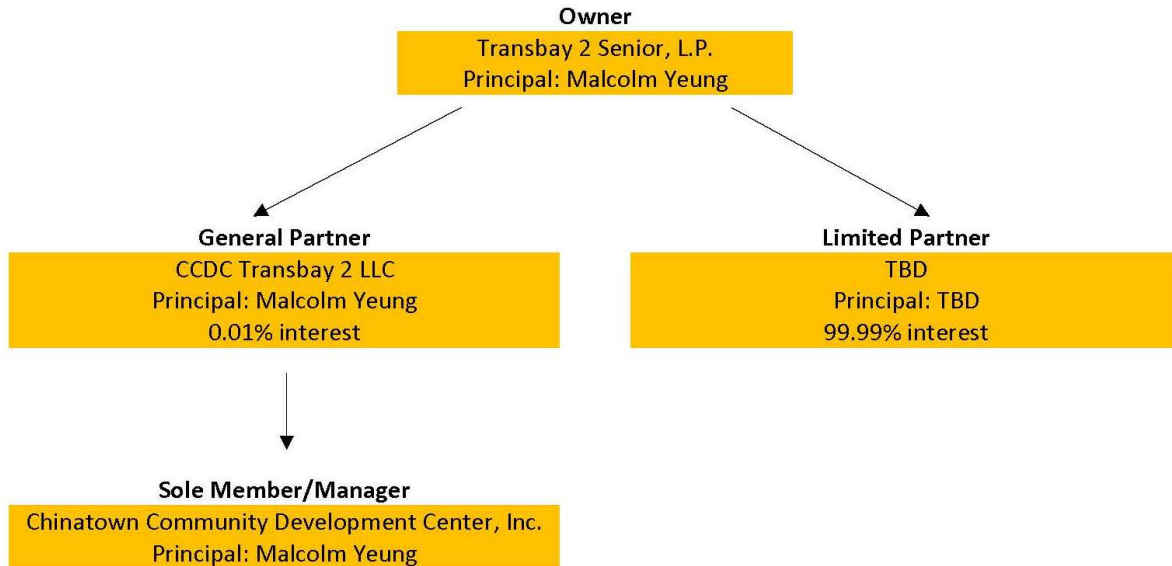
Development Finance Specialist, Office of Public Finance
Controller's Office | City & County of San Francisco
Office Phone: (415) 554-6240
Cell Phone: (858) 442-7059
E-mail: bridget.katz@sfgov.org

Attachment A: Project Milestones and Schedule

No.	Performance Milestone	Estimated or Actual Date	Contractual Deadline
A.	Prop I Noticing (if applicable)	N/A	N/A
1	Acquisition/Predev Financing Commitment	February 2021	(this request)
2.	Site Acquisition	September 2023	March 2024
3.	Development Team Selection		
a.	Architect	November 2020	Complete
b.	General Contractor	June 2021	December 2021
c.	Owner's Representative	April 2021	October 2021
d.	Property Manager	November 2020	Complete
e.	Service Provider	November 2020	Complete
4.	Design		
a.	Conceptual Design & Cost Estimate	July 2021	January 2022
b.	Submittal of Schematic Design & Cost Estimate	November 2021	May 2022
c.	Submittal of Design Development & Cost Estimate	September 2022	March 2023
d.	Submittal of 50% CD Set & Cost Estimate	January 2023	July 2023
e.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	May 2023	November 2023
5.	Environ Review/Land-Use Entitlements		
a.	CEQA Environ Review Submission	N/A	N/A
b.	NEPA Environ Review Submission	N/A	N/A
6.	Permits		
a.	Building / Site Permit Application Submitted	January 2022	July 2022
b.	Subdivision Mapping	September 2022	March 2023
b.	Addendum #1 Submitted	August 2022	February 2023
c.	Addendum #2 Submitted	February 2023	August 2023
7.	Request for Bids Issued	June 2023	December 2023
8.	Service Plan Submission		
a.	Preliminary	September 2021	March 2022
b.	Interim	N/A	N/A

c.	Final	May 2023	November 2023
9.	Additional City Financing		
a.	Predevelopment Financing Application #2	N/A	N/A
b.	Gap Financing Application	February 2023	August 2023
10.	Other Financing		
a.	IIG Application	November 2021	November 2022
b.	MHP Application	March 2022	March 2023
c.	Construction Financing RFP	January 2023	July 2023
d.	AHP Application	March 2023	March 2024
e.	CDLAC Application	March 2023	September 2023
f.	TCAC Application	March 2023	September 2023
11.	Closing		
a.	Construction Closing	September 2023	March 2024
b.	Permanent Financing Closing	September 2023	March 2024
12.	Construction		
a.	Notice to Proceed	September 2023	March 2024
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	August 2025	February 2026
13.	Marketing/Rent-up		
a.	Early Outreach Plan Submission	October 2023	April 2024
b.	Marketing Plan Submission	August 2024	February 2025
c.	Commence Marketing	January 2025	July 2026
d.	95% Occupancy	January 2026	July 2026
14.	Cost Certification/8609	December 2026	June 2027
15.	Close Out OCII Loan	December 2026	June 2027

Attachment B: Borrower Organizational Chart



Attachment C: Developer Resumes

See attached resumes for Kim Piechota (Senior Manager) and Kate Voshell (Project Manager).

Kate Voshell

Project Manager



Chinatown Community
Development Center

華協中心

EDUCATION

Master of Public Administration—Sustainable
Management Presidio Graduate School
Master of Architecture
University of California, Berkeley

RELATED AND PROFESSIONAL EXPERIENCE

Project Manager

Chinatown Community Development Center |
San Francisco, CA (1/2020 – present)

- Manages the development process throughout all phases, from feasibility and acquisition; through design, entitlements, and financing; through construction and initial occupancy, including:
- The refinance and rehabilitation of a 67-unit occupied SRO building in the Tenderloin.
- The syndication and renovation of a scattered sites bundle of 4 CCDC-owned properties (410 units total).
- The renovation of a CCDC commercial space into offices, including overseeing the incorporation of COVID exposure-reducing ventilation strategies.

Business Consultant

Goodwill of San Francisco, Marin, & San Mateo
Counties | San Francisco, CA

- Conducted business process analyses of multiple departments, designed and implemented efficiency and cost-saving processes

Project Architect

Gelfand Partners Architects | San Francisco, CA

- Acted as Project Architect for over 600 completed units of affordable housing, done within budget and under tight public funding deadlines.
- Responsible for the day-to-day management of multi-family affordable housing projects from the programming stage through construction administration.
- Prepared reports and presentations to secure project approvals from communities and public agencies
- Assisted clients in preparation of entitlements paperwork in support of successful funding requests.
- Prepared preliminary construction budgets, and tracked costs throughout projects.

PROFESSIONAL CERTIFICATIONS & AFFILIATIONS

Registered Architect—C30196

California Architects Board | Sacramento, CA

Kim Piechota

Director of Housing Development



Chinatown Community
Development Center

華協中心

EDUCATION

Master of City Planning

University of California, Berkeley

Bachelor of Sciences, Applied Behavioral
Sciences (Community Development Emphasis)

University of California, Davis

RELATED AND PROFESSIONAL EXPERIENCE

Director of Housing Development

Chinatown Community Development Center |
San Francisco, CA (2/2020 – present)

- Responsible for oversight of all affordable housing developments.
- Supervisor of housing development staff.
- Site acquisition and negotiation.
- Devise housing strategy and budget for organization.
- Participation on senior management team.
- Reporting to the Board.
- Represent Chinatown CDC in housing coalitions, at community meetings, and in funder/government agency discussions.

Associate Director of Housing Development
Chinatown Community Development Center |
San Francisco, CA (8/2018 - 2/2020)

- Assist department Director in overseeing the Housing Development department and representing CCDC externally, supervise Project Management staff, perform project management work as necessary.

Project Manager

Chinatown Community Development Center |
San Francisco, CA (5/2009 - 8/2018)

- Veterans Commons, 76 units adaptive re-use | 150 Otis, San Francisco
- Broadway Sansome Apartments, 75 units new construction | 255 Broadway, San Francisco
- North Ping Yuen, 200 units occupied rehabilitation (RAD) | 838 Pacific, San Francisco
- Edwin M. Lee Apartments, 119 units new constructions | 1150 3rd Street, San Francisco

Development Consultant

Citizens Housing Corporation | San Francisco, CA
(9/2003 - 3/2009)

- Assisted staff in the development of affordable housing projects.
- Managed two senior rental projects in their final stages of development: a 114-unit service-enriched development in the city of San Bruno, and a 40-unit adaptive re-use project in the Haight Ashbury neighborhood of San Francisco.

Project Manager

Citizens Housing Corporation | San Francisco, CA
(5/1999 - 9/2002)

- Projects included a 54-unit assisted living facility in San Francisco, a 30-unit transitional housing project on Alameda Point Naval Air Station, a 50-unit development combining senior and family housing in Mill Valley, a 40-unit senior development in San Francisco involving historic preservation, and a 98-unit special needs/transitional housing development in San Francisco.

Attachment D: Asset Management Evaluation of Project Sponsor

Number of projects and average number of units/project currently in Sponsor's asset management portfolio: 35 Projects, 85 average units per project

Sponsor's current asset management staffing – job titles, FTEs, org chart and status of each: The Asset Management Department (AM) is comprised of 4.625 FTE:

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

All positions are currently filled.

Description of scope and range of duties of Sponsor's asset management team:

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

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

AM meets twice-monthly with the Housing Development, Property Management, and Fiscal departments to discuss cross-department topics and coordinate the organization's approach to property and portfolio issues. The Director of AM also has regular individual meetings with other directors, including Housing Development, Property Management, and the Controller.

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

The 2021 budget for AM is \$580,000.

of projects expected to be in sponsor's AM portfolio in 5 years and, if applicable, plans to augment staffing to manage growing portfolio: In the next five years, CCDC will add the following projects to the portfolio:

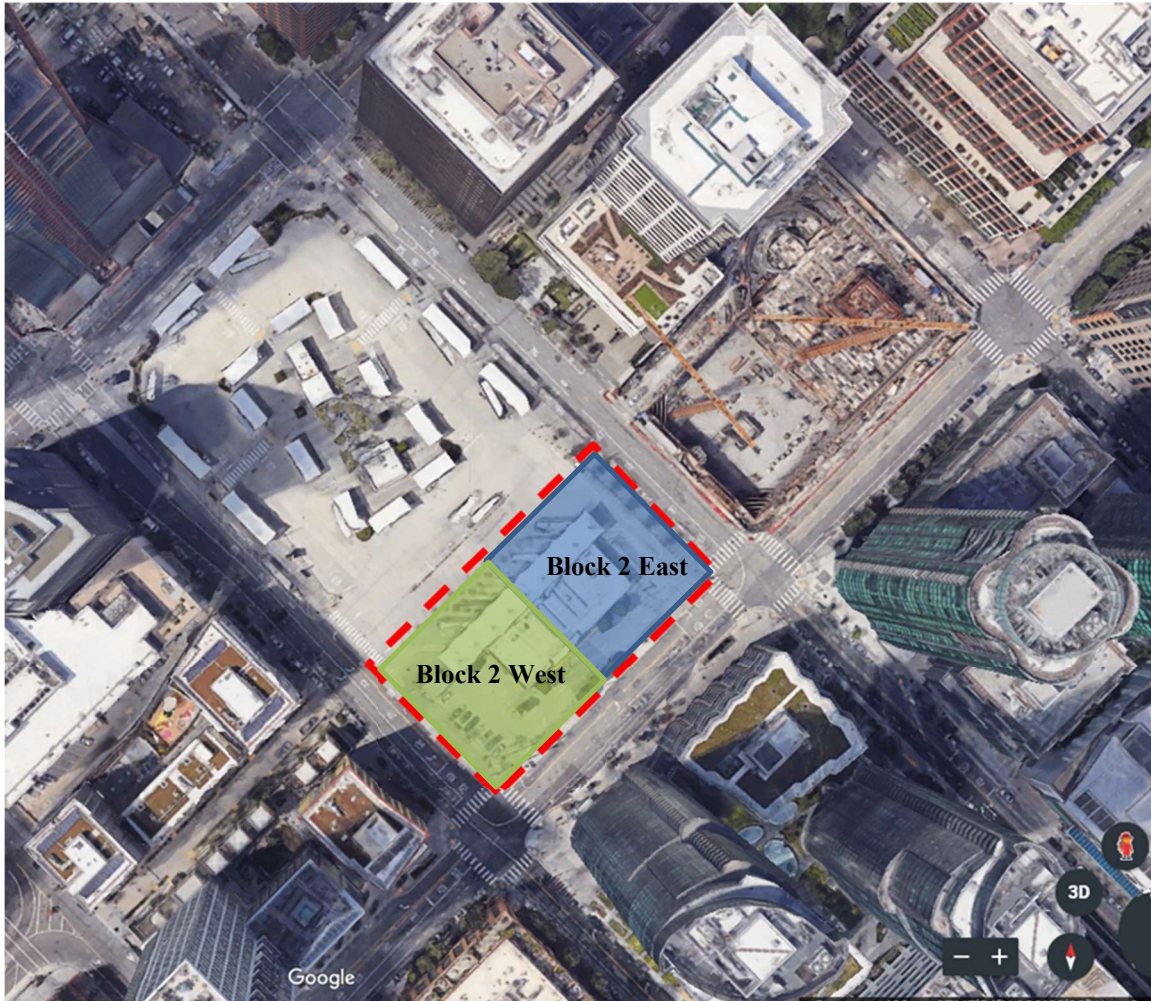
- Casa Adelante/2060 Folsom (127 units)
- Treasure Island, with Sword to Plowshares (100 units)
- 730 Stanyan with TNDC (150+ units to be determined)
- Transbay Block 2 West (the subject of this evaluation) (approximately 153 units)

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

AM is a relatively new department for CCDC and has worked for the past several years to develop and implement policies and procedures to improve quality and efficiency. CCDC expects to be able to add these projects without increasing staffing. The asset management activity that creates spikes in regular AM work flow is refinancing. If these should prove too great a strain on staffing, CCDC will engage consultants to perform that work.

Attachment E: Site Map with amenities

Aerial image of Transbay Block 2 (southern portion of block formerly occupied by the Temporary Transbay Terminal)



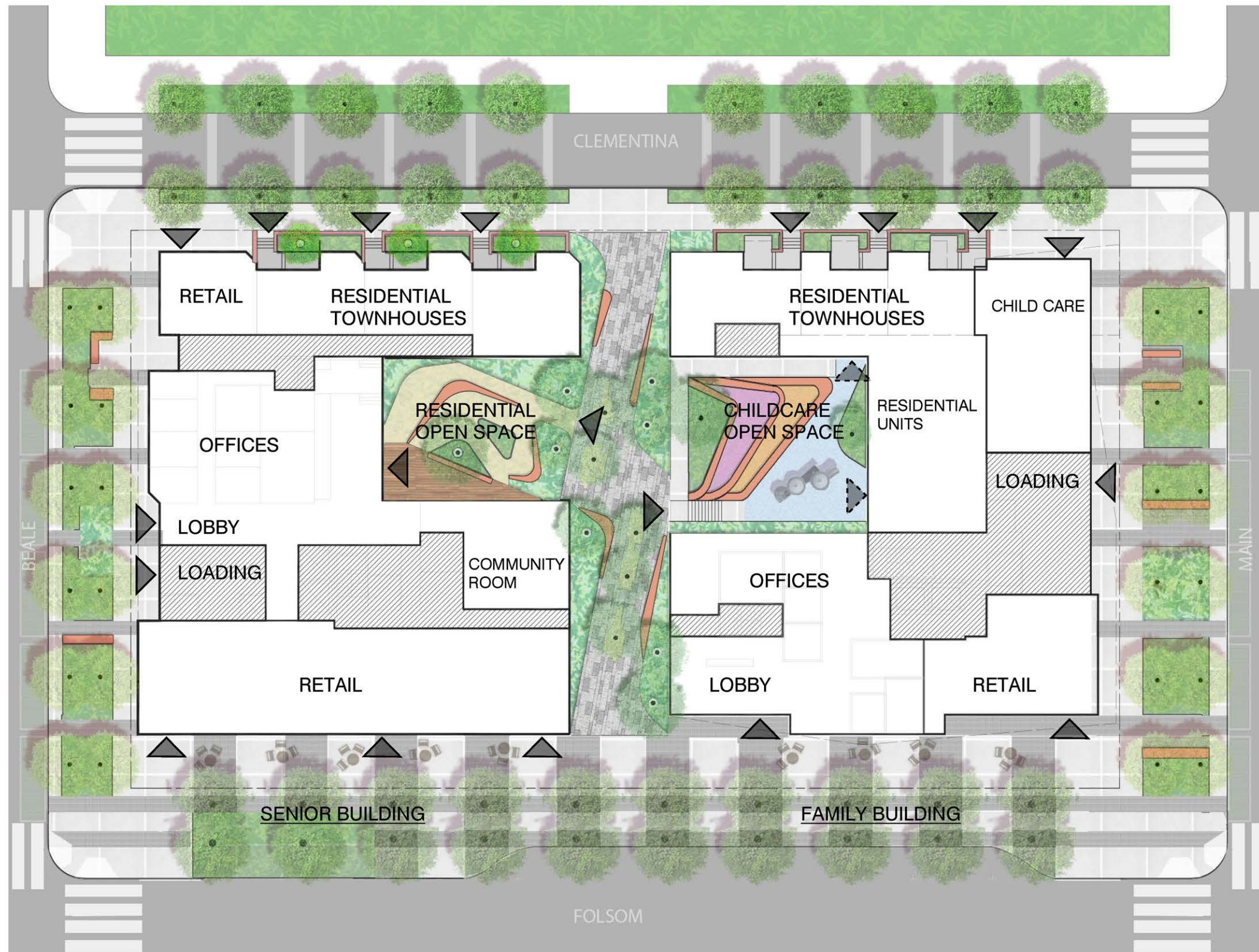
Transbay Block 2 site location and amenities



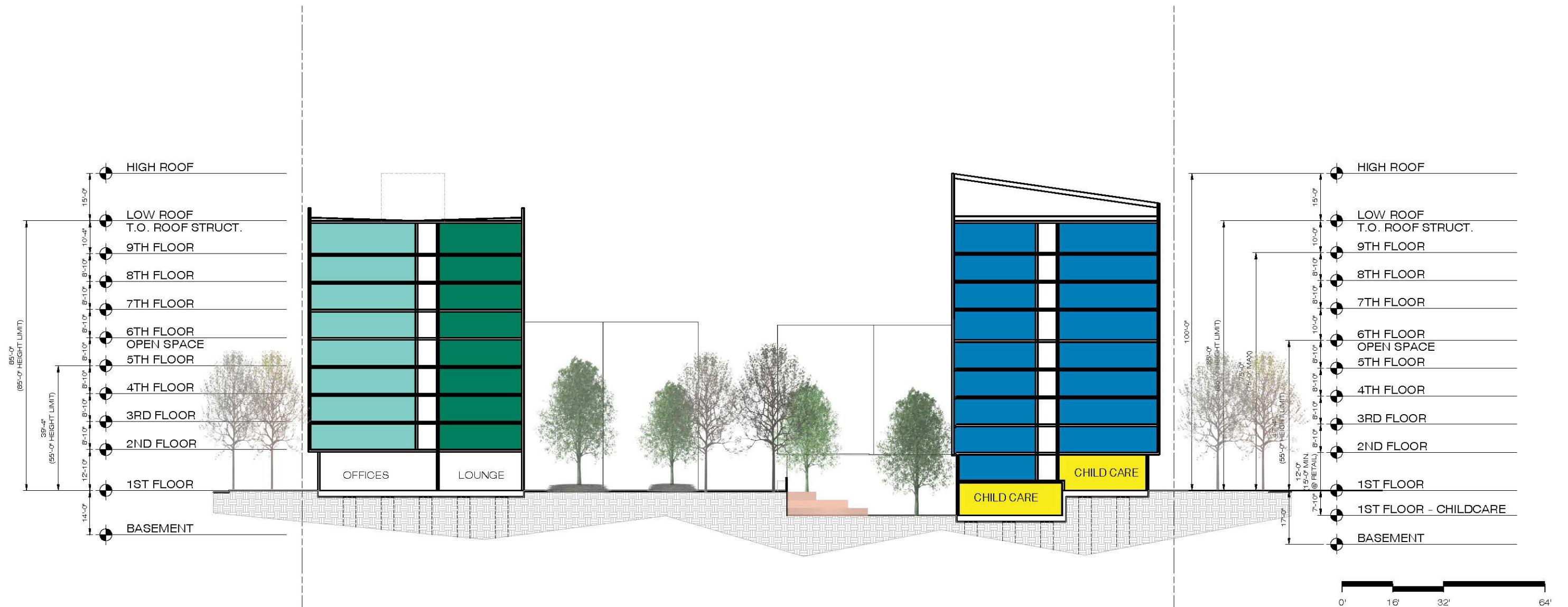
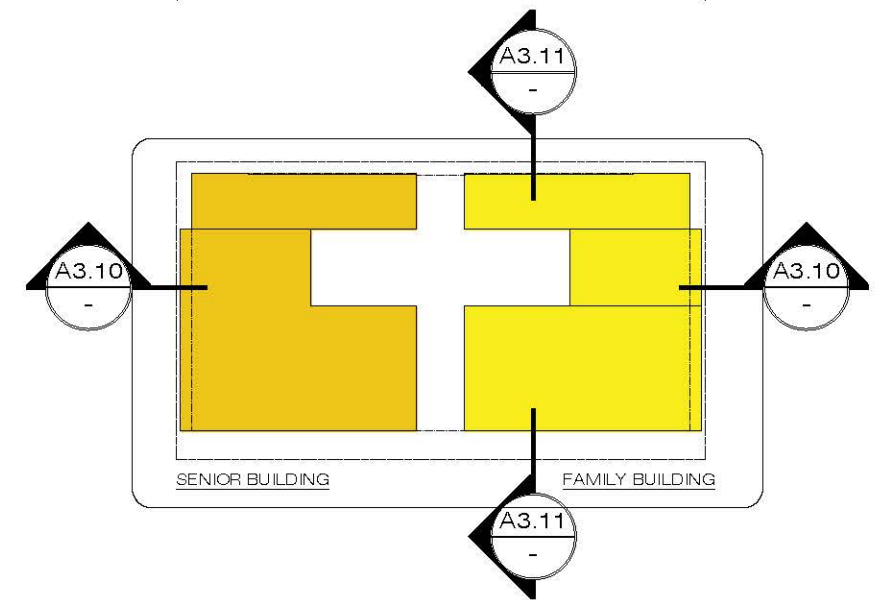
Attachment F: Elevations and Floor Plans



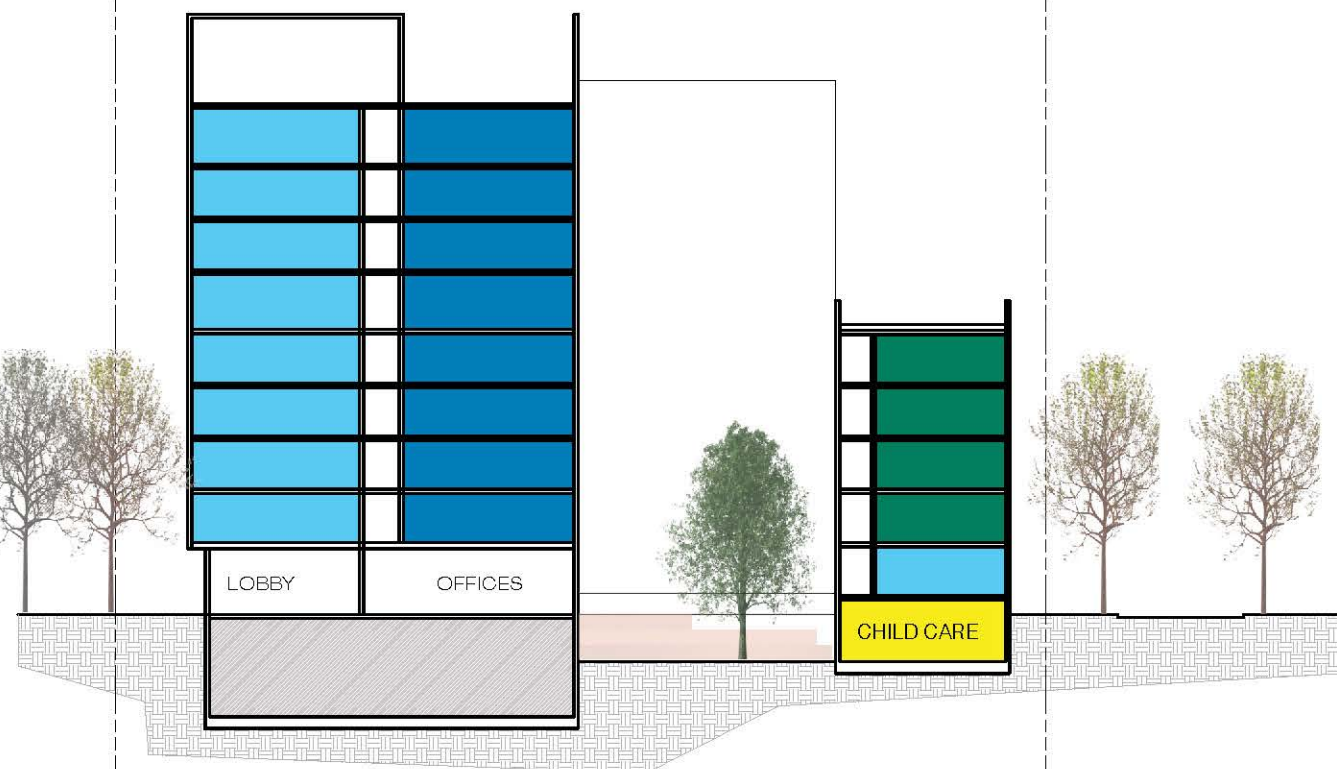
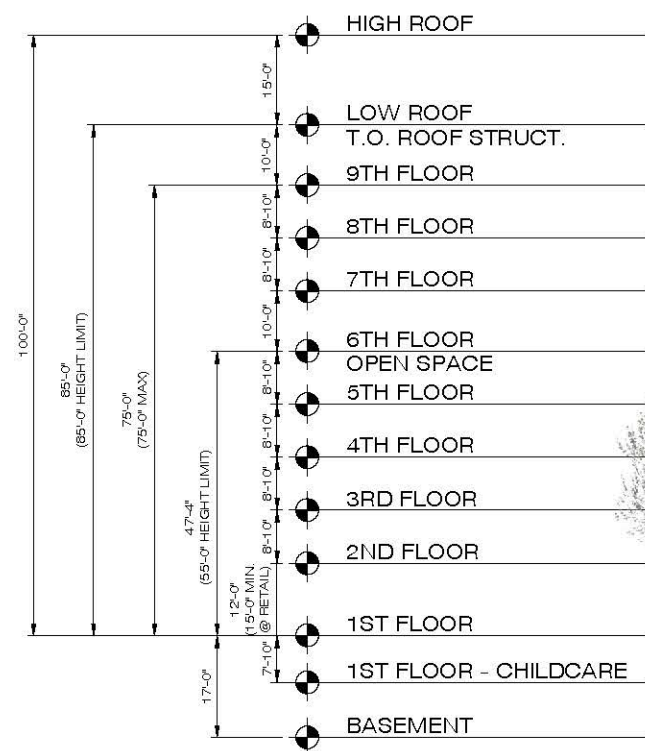
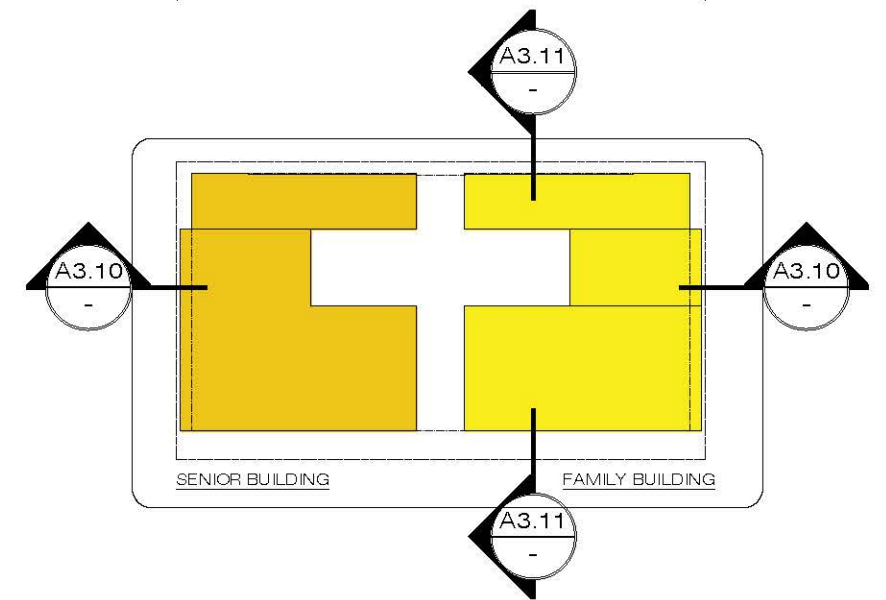
View from Folsom Street looking northwest

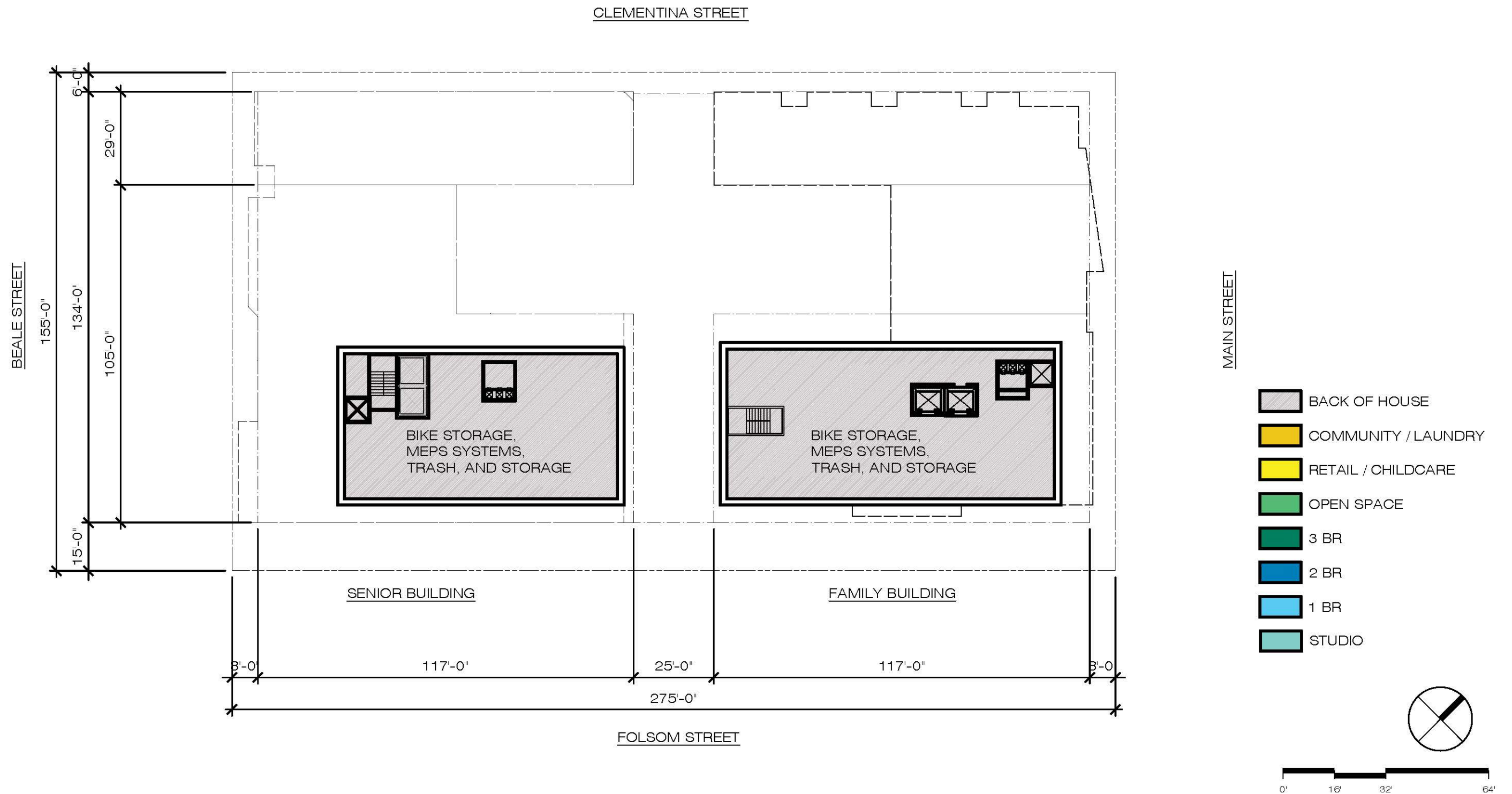


- BACK OF HOUSE
- COMMUNITY / LAUNDRY
- RETAIL / CHILDCARE
- OPEN SPACE
- 3 BR
- 2 BR
- 1 BR
- STUDIO

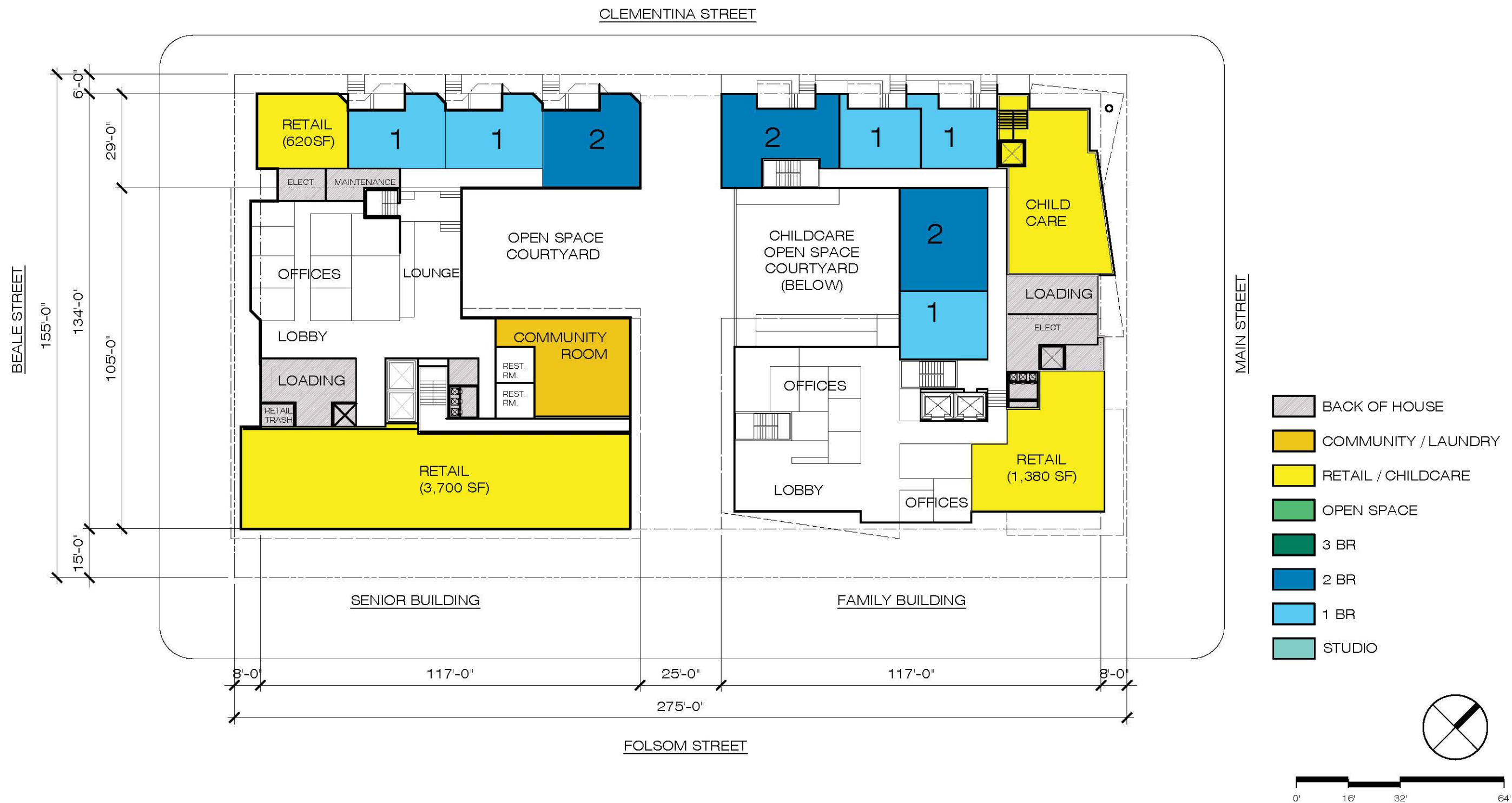


- BACK OF HOUSE
- COMMUNITY / LAUNDRY
- RETAIL / CHILDCARE
- OPEN SPACE
- 3 BR
- 2 BR
- 1 BR
- STUDIO

















Attachment G: Comparison of City Investment in Other Housing Developments

Affordable Multifamily Housing New Construction Cost Comparison

Updated 2/5/2021

PROJECTS COMPLETED						Building Square Footage			Total Project Costs			Total Dev. Cost w/land	Local Subsidy ⁵	Total Dev. Cost w/o land	Notes on Financing	Comments
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost ³	Constr. Cost ⁴	Soft Cost					
Dr. George Davis Senior Comm.	1751 Carroll Ave	80,209	Jun-16	121	125	90,475	62,340	152,815	\$ 4,991,545	\$ 50,499,864	\$ 11,557,097	\$ 67,048,506	\$ 26,221,201	\$ 62,066,961		4 Type V over 2 Type IA. (bsmt pkg) & comml. Kitchen (significant non-res.)
95 Laguna Senior	95 Laguna	14,300	May-19	79	82	59,785	7,316	67,101	\$ 5,012,000	\$ 33,255,516	\$ 11,343,750	\$ 49,611,266	\$ 21,234,000	\$ 44,599,266	9% LIHTC	7 Story - 5 stories Type III over 2 stories Type IA + Community Services space (Open House)
Eddy and Taylor Family Housing	222 Taylor	22,344	Jun-19	113	211	108,440	21,086	129,526	\$ 9,300,000	\$ 57,823,564	\$ 14,637,459	\$ 81,961,023	\$ 22,187,436	\$ 72,861,023	2 HCD Loans (MHP & TOD)	Type IB - 8 story, extensive PG&E regional switch required
Parcel O	455 Fell Street	37,423	Jun-19	108	165	82,117	31,128	113,245	\$ 58,214,173	\$ 9,984,087	\$ 9,984,087	\$ 68,648,743	\$ 17,309,250	\$ 66,948,743	HCD AHSC Loan	Type V over Type I from approved eval dated 05/05/17
1296 Shotwell Senior	1296 Shotwell	11,667	Jan-20	94	94	66,153	-	66,153	\$ 831,098	\$ 46,018,314	\$ 7,922,792	\$ 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 damper
Completed Projects:	Average:	33,190		103	135	81,394	30,468	105,768	\$ 5,033,661	\$ 49,174,286	\$ 11,131,037	\$ 64,008,348	\$ 22,952,780	\$ 59,981,420		

PROJECTS UNDER CONSTRUCTION						Building Square Footage			Total Project Costs			Total Dev. Cost w/land	Local Subsidy ⁵	Total Dev. Cost w/o land	Notes on Financing	Comments
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost ³	Constr. Cost ⁴	Soft Cost					
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
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
735 Davis Senior Housing	735 Davis	10,165	Nov-20	53	54	46,143	1,257	47,400	\$ -	\$ 29,049,657	\$ 11,846,397	\$ 40,896,054	\$ -	\$ 40,896,054		Type IIIA & V over Type I Podium (5-6 stories) - Senior
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
1064 Mission Street	1064 Mission Street	50,844	Dec-21	258	258	152,519	5,391	157,910	\$ -	\$ 106,427,164	\$ 37,557,505	\$ 143,984,670	\$ 46,638,404	\$ 143,984,669	bond 4% credits AHP & NPLH	Type IIIA over Type I podium - factory built
Mission Bay S. Block 9	410 China Basin Street	47,437	Jan-22	141	141	99,160	-	99,160	\$ -	\$ 58,631,775	\$ 15,598,625	\$ 74,230,400	\$ 23,076,000	\$ 74,230,400	HCD Loan	Type IIIA factory built
Casa de la Mision	3001 24th Street	6,715	Apr-21	45	45	26,439	1,239	27,678	\$ 3,225,000	\$ 17,049,794	\$ 425,847	\$ 20,700,641	\$ 1,313,694	\$ 17,475,641	9% LIHTC & private donation	Type V over Type I podium
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
53 Cotton (Plumbers Union DA)	53 Cotton	7,780	Dec-20	96	96	47,969	-	47,969	\$ 171,697	\$ 34,895,639	\$ 16,721,274	\$ 51,788,610	\$ 2,750,000	\$ 51,616,913	4% Fed & State; HCD MHP, AHP, \$10M GM Cont.	Type IIIA over Type I podium and basement, 6 stories, constrained site, efficiency studios
Under Construction:	Average:	23,521		119	151	82,993	17,264	96,421	\$ 4,807,241	\$ 55,420,292	\$ 17,897,308	\$ 77,056,565	\$ 25,818,703	\$ 73,317,600		

PROJECTS IN PREDEVELOPMENT						Building Square Footage			Total Project Costs			Total Dev. Cost w/land	Local Subsidy	Total Dev. Cost w/o land	Notes on Financing	Comments
Project Name	Address	Lot sq.ft	Start Date (anticipated)	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost ³	Constr. Cost ⁴	Soft Cost					
4840 Mission	4840 Mission	64,033	Mar-21	137	232	181,711	14,384	120,861	\$ 14,169,802	\$ 81,589,804	\$ 23,931,086	\$ 119,690,492	\$ 51,614,447	\$ 105,520,690	HCD MHP Loan	Type V over Type I Podium + retail + 39 spaces pkg + Health Clinic + POPO (8/27/20 50% CD)
266 4th Street	266 4th Street	8,400	Dec-21	70	99	80,515	1,580	62,095	\$ 133,100	\$ 49,982,213	\$ 13,943,417	\$ 64,058,730	\$ -	\$ 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	\$ 53,939,029	\$ 15,200,000	\$ 53,839,029	4% LIHTC + MHP	Type I - 9 stories small very tight site (studios) (SD est. 5/29/20)
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)
4200 Geary	4200 Geary	16,738	Feb-22	98	98	83,109	2,442	85,551	\$ 10,500,000	\$ 60,847,004	\$ 19,645,140	\$ 90,992,144	\$ 35,251,638	\$ 80,492,144	4% Credits: HCD MHP, AHP, Private Loan	Type III over Type I, 7 stories, TI space, no parking, Urban Agriculture (Sept. 2020 SD Estimate)
Laguna Honda Senior	375 Laguna Honda Blvd	-	Feb-24	200	204	212,000	13,000	225,000	\$ 15,000	\$ 97,750,000	\$ 20,222,441	\$ 117,987,441	\$ 47,272,441	\$ 117,972,441	4% Credits: IIG, HCD, AHP	Type III over I, 7 stories
The Kelsey	240 Van Ness	18,313	Jul-22	107	117	86,288	1,349	87,637	\$ 9,846	\$ 64,775,759	\$ 23,310,926	\$ 88,095,531	\$ 13,000,000	\$ 88,086,685	4% LIHTC, IIG, AHSC, Large Sponsor Loan	5 stories of Type III over 3 stories of Type I
In Predevelopment	Average:	23,077		128	159	124,571	5,153	121,364	\$ 4,338,169	\$ 71,537,676	\$ 24,073,758	\$ 99,949,603	\$ 32,363,993	\$ 95,611,434		

ALL PROJECTS	Average:	26,596		116	149	96,319	17,628	107,851	\$ 4,726,357	\$ 58,710,751	\$ 17,700,701	\$ 80,338,172	\$ 27,045,159	\$ 76,303,484		
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Transbay 2 West Senior	Folsom bt Beale & Main	21,313	Jun-23	153	153	111,763	4,320	116,083	0	\$78,574,411	\$18,243,727	\$96,818,138	\$30,593,175	\$96,818,138		
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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
Dr. George Davis Senior Comm.	Jun-16	41,252	39,932	61,077	\$ 417,354	\$ 403,999	\$ 330	\$ 95,513	\$ 92,457	\$ 76	\$ 554,120	\$ 536,388	\$ 439	\$ 216,704	60.9%
95 Laguna Senior	May-19	63,443	61,122	350	\$ 420,956	\$ 405,555	\$ 496	\$ 143,592	\$ 138,338	\$ 169	\$ 605,015	\$ 585,015	\$ 739	\$ 268,785	57.2%
Eddy & Taylor Family Housing	Jun-19	82,301	44,078	416	\$ 511,713	\$ 274,045	\$ 446	\$ 131,305	\$ 70,320	\$ 115	\$ 725,319	\$ 388,441	\$ 633	\$ 196,349	72.9%
Parcel O	Jun-19	-	-	-	\$ 539,576	\$ 353,177	\$ 515	\$ 92,538	\$ 60,570	\$ 211	\$ 617,118	\$ 403,932	\$ 589	\$ 160,271	74.0%
1296 Shotwell Sr	Jan-20	8,841	8,841	71	\$ 489,557	\$ 489,557	\$ 696	\$ 84,285	\$ 84,285	\$ 420	\$ 582,683	\$ 582,683	\$ 828	\$ 295,872	49.2%
Completed Projects:	Average:	48,959	38,493	225	\$ 475,831	\$ 385,267	\$ 497	\$ 109,447	\$ 89,194	\$ 198	\$ 621,446	\$ 503,292	\$ 645	\$ 227,596	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%
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%
735 Davis Senior Housing	Nov-20	-	-	-	\$ 548,107	\$ 537,957	\$ 613	\$ 223,517	\$ 219,378	\$ 250	\$ 771,624	\$ 757,334	\$ 863	\$ 349,546	54.7%
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%
1064 Mission Street	Dec-21	0	0	0	\$ 412,508	\$ 412,508	\$ 674	\$ 145,572	\$ 145,572	\$ 238	\$ 558,080	\$ 558,080	\$ 912	\$ 180,769	67.6%
Mission Bay S. Block 9	Jan-22	-	-	-	\$ 415,828	\$ 415,828	\$ 591	\$ 110,629	\$ 110,629	\$ 157	\$ 526,457	\$ 526,457	\$ 749	\$ 163,660	68.9%
Casa de la Mision	Apr-21	71,667	71,667	480	\$ 378,884	\$ 378,884	\$ 616	\$ 9,463	\$ 9,463	\$ 15	\$ 460,014	\$ 460,014	\$ 748	\$ 29,193	93.7%
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%
53 Cotton (Plumbers Union DA)	Jun-22	1,789	1,789	22	\$ 363,496	\$ 363,496	\$ 727	\$ 174,180	\$ 174,180	\$ 349	\$ 539,465	\$ 539,465	\$ 1,080	\$ 28,646	94.7%
Under Construction:	Average:	63,707	45,709	362	\$ 470,857	\$ 381,736	\$ 589	\$ 151,051	\$ 121,262	\$ 188	\$ 664,379	\$ 533,471	\$ 824	\$ 217,221	69%

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
4840 Mission	Mar-21	103,429	61,077	221	\$ 595,545	\$ 351,679	\$ 675	\$ 174,679	\$ 103,151	\$ 198	\$ 873,653	\$ 515,907	\$ 990	\$ 376,748	56.9%
266 4th Street at 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%
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%
4200 Geary	Feb-22	107,143	107,143	627	\$ 620,888	\$ 620,888	\$ 711	\$ 200,461	\$ 200,461	\$ 230	\$ 928,491	\$ 928,491	\$ 1,064	\$ 359,711	61.3%
Laguna Honda Senior	Feb-24	75	74		\$ 488,750	\$ 479,167	\$ 434	\$ 101,112	\$ 99,130	\$ 90	\$ 589,937	\$ 578,370	\$ 524	\$ 236,362	59.9%
The Kelsey	Jul-22	92	84	1	\$ 605,381	\$ 553,639	\$ 739	\$ 217,859	\$ 199,239	\$ 266	\$ 823,332	\$ 752,962	\$ 1,005	\$ 121,495	85.2%
In Predevelopment	Average:	31,542	25,105	172	\$ 574,118	\$ 485,290	\$ 671	\$ 203,916	\$ 175,478	\$ 248	\$ 809,576	\$ 685,873	\$ 953	\$ 260,022	68%

Attachment H: Predevelopment Sources and Uses

Application Date:1/29/2021

Project Name:Transbay Block 2 West

Project Address:TBD Main Street

Project Sponsor:Chinatown CDC

Units:153

Bedrooms:

Beds:

LOSP Project

SOURCES	Total Sources						Comments
	3,500,000	-	-	-	-	-	3,500,000
Name of Sources: MOHCD/OCII							

USES

ACQUISITION

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

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab							0	Include FF&E
Commercial Shell Construction							0	
Demolition							0	
Environmental Remediation							0	
Onsight Improvements/Landscaping							0	Removing site fencing/clean up from temp use
Offsite Improvements							0	
Infrastructure Improvements							0	HOPE SF/OCII costs for streets etc.
Parking							0	
GC Bond Premium/GC Insurance/GC Taxes							0	
GC Overhead & Profit							0	
GC General Conditions							0	
Sub-total Construction Costs	0	0	0	0	0	0	0	
Design Contingency (remove at DD)							0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)							0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)							0	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency							0	5% new construction / 15% rehab
Sub-total Construction Contingencies	0	0	0	0	0	0	0	
TOTAL CONSTRUCTION COSTS	0	0	0	0	0	0	0	

Construction line item costs as a % of hard costs

SOFT COSTS

Architecture & Design

Architect design fees	1,354,000						1,354,000	See MOHCD A&E Fee Guidelines: http://slfmohod.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)	815,000						815,000	
Architect Construction Admin	0						0	
Reimbursables	20,318						20,318	
Additional Services	0					0	0	
Sub-total Architect Contract	2,189,318	0	0	0	0	0	2,189,318	
Other Third Party design consultants (not included under Architect contract)								Archeological \$15k, Green consulting \$15k, exterior building maintenance \$10k, joint trench \$5k, acoustics \$5k
	50,000						50,000	
Total Architecture & Design	2,239,318	0	0	0	0	0	2,239,318	

Engineering & Environmental Studies

Survey	12,500						12,500	Assume \$25k total
Geotechnical studies	40,000						40,000	Assume \$80k total
Phase I & II Reports	35,000						35,000	Assume \$70k total
CEQA / Environmental Review consultants	25,000						25,000	Assumes working within DCDG, some funds for archeological
NEPA / 105 Review	0						0	
CNA/PNA (rehab only)	0						0	
Other environmental consultants	0						0	Name consultants & contract amounts
Total Engineering & Environmental Studies	112,500	0	0	0	0	0	112,500	

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	
Sub-total Const. Financing Costs	0	0	0	0	0	0	0	

Permanent Financing Costs

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

Legal Costs

Borrower Legal fees	10,000						10,000	
Land Use / CEQA Attorney fees							0	
Tax Credit Counsel							0	
Bond Counsel							0	
Construction Lender Counsel							0	
Permanent Lender Counsel							0	
Other Legal (specify)							0	
Total Legal Costs	10,000	0	0	0	0	0	10,000	

Other Development Costs

Appraisal	10,000						10,000	
Market Study	15,000						15,000	
Insurance							0	
Property Taxes							0	
Accounting / Audit							0	
Organizational Costs							0	
Entitlement / Permit Fees	200,000						200,000	
Marketing / Rent-up							0	
Furnishings							0	\$2,000/unit; See MOHCD UIW Guidelines: http://slfmohod.org/documents-reports-and-forms
PGE / Utility Fees	25,000						25,000	
TCAC App / Alloc / Monitor Fees	10,000						10,000	
Financial Consultant fees	20,000						20,000	
Construction Management fees / Owner's Rep	40,000						40,000	assume projects share CM
Security during Construction							0	
Relocation							0	
Other (specify)							0	
Other (specify)							0	
Other (specify)							0	
Total Other Development Costs	320,000	0	0	0	0	0	320,000	

Total Soft Cost Contingency as % of Total Soft Costs 10.9%

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	268,182	0	0	0	0	0	268,182	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	2,950,000	0	0	0	0	0	2,950,000	

RESERVES

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

DEVELOPER COSTS

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

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	3,500,000	0	0	0	0	0	3,500,000	
Development Cost/Unit as % of TDC by Source	22.876	0	0	0	0	0	22.876	
	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	

Acquisition Cost/Unit by Source

	0	0	0	0	0	0	0	
Construction Cost (inc Const Contingency)/Unit By Source	0	0	0	0	0	0	0	
Construction Cost (inc Const Contingency)/SF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

*Possible non-eligible GO Bond/COP Amount:
City Subsidy/Unit

20,000
22,876

Tax Credit Equity Pricing:

0.95

Construction Bond Amount:

32,498,184

Construction Loan Term (in months):

30 months

Construction Loan Interest Rate (as %):

3.75%

Attachment I: Permanent Development Budget

Application Date:	1/29/2021	# Units:	153	
Project Name:	Transbay Block 2 West	# Bedrooms:	153	LOSP Project
Project Address:	TBD Main Street	# Beds:		
Project Sponsor:	Chinatown CDC			

SOURCES	Total Sources							Comments
	30,593,175	-	20,000,000	1,200,000	3,000,000	35,024,963	7,000,000	
			HCD - MHP Loan	FHLB - AHP Loan	GP Equity	LP Equity	IIG - Sponsor Loan	Willing to add perm debt and higher AEMs if City deems appropriate.
USES	Name of Sources: MOHCD/OCII							

ACQUISITION

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

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab	28,359,473		20,000,000	1,200,000		428,364	3,997,792	53,985,628	Include FF&E
Commercial Shell Construction						2,699,183		2,699,183	
Demolition	300,000							300,000	
Environmental Remediation								0	
Onsight Improvements/Landscaping							2,500,000	2,500,000	
Offsite Improvements							502,208	502,208	
Infrastructure Improvements								0	incl in hard cost
Parking								0	
GC Bond Premium/GC Insurance/GC Taxes						977,850		977,850	1.6%
GC Overhead & Profit						2,120,845		2,120,845	3.5%
CG General Conditions						3,511,068		3,511,068	5.9%
Sub-total Construction Costs	28,659,473	0	20,000,000	1,200,000	0	9,737,310	7,000,000	66,596,783	
Design Contingency (remove at DD)						2,994,407		2,994,407	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)						2,994,407		2,994,407	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)	0					2,994,407		2,994,407	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency	0					2,994,407		2,994,407	5% new construction / 15% rehab
Sub-total Construction Contingencies	0	0	0	0	0	11,977,628	0	11,977,628	
TOTAL CONSTRUCTION COSTS	28,659,473	0	20,000,000	1,200,000	0	21,714,938	7,000,000	78,574,411	

SOFT COSTS

Architecture & Design									
Architect design fees	834,707					1,294,093		2,128,800	See MOHCD A/E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)	573,045					573,745		1,146,790	
Architect Construction Admin								0	
Reimbursables	10,159					10,159		20,318	
Additional Services	0							0	
Sub-total Architect Contract	1,417,911	0	0	0	0	1,877,997	0	3,295,908	
Other Third Party design consultants (not included under Architect contract)	175,000					225,000		400,000	Consultants not covered under architect contract; name consultant type and contract amount
Total Architecture & Design	1,592,911	0	0	0	0	2,102,997	0	3,695,908	
Engineering & Environmental Studies									
Survey						12,500		12,500	
Geotechnical studies						50,000		50,000	
Phase I & II Reports						35,000		35,000	
CEQA / Environmental Review consultants						25,000		25,000	
NEPA / 106 Review	0							0	
CNA/PNA (rehab only)	0							0	
Other environmental consultants	0							0	Name consultants & contract amounts
Total Engineering & Environmental Studies	0	0	0	0	0	122,500	0	122,500	
Financing Costs									
Construction Financing Costs									
Construction Loan Origination Fee						450,000		450,000	Includes construction lender expenses and counsel
Construction Loan Interest						2,149,422		2,149,422	
Title & Recording	100,000							100,000	
CDLAC & CDIAC fees						20,064		20,064	
Bond Issuer Fees						251,067		251,067	
Other Bond Cost of Issuance	40,000					40,000		80,000	Includes Trustee Fee
COI Contingency						15,000		15,000	
Sub-total Const. Financing Costs	140,000	0	0	0	0	2,925,553	0	3,065,553	
Permanent Financing Costs									
Permanent Loan Origination Fee								0	
Credit Enhance. & Appl. Fee								0	
Title & Recording								0	
Sub-total Perm. Financing Costs	0	0	0	0	0	0	0	0	
Total Financing Costs	140,000	0	0	0	0	2,925,553	0	3,065,553	
Legal Costs									
Borrower Legal fees						67,250		67,250	
Land Use / CEQA Attorney fees								0	
Tax Credit Counsel						90,000		90,000	Includes Syndicator due diligence
Bond Counsel						87,500		87,500	
Construction Lender Counsel						75,000		75,000	
Permanent Lender Counsel								0	Included above
OCII Counsel & Financial Advisor						120,000		120,000	
Total Legal Costs	0	0	0	0	0	439,750	0	439,750	
Other Development Costs									
Appraisal	10,000							10,000	
Market Study	15,000							15,000	
Insurance						1,120,000		1,120,000	
Property Taxes								0	
Accounting / Audit						40,000		40,000	
Organizational Costs						100,000		100,000	partnership and syndication legal
Entitlement / Permit Fees						1,264,111		1,264,111	
Marketing / Rent-up						360,200		360,200	
Furnishings						267,700		267,700	\$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms
PGE / Utility Fees						400,000		400,000	
TCAC App / Alloc / Monitor Fees						104,447		104,447	
Financial Consultant fees						65,000		65,000	
Construction Management fees / Owner's Rep						150,000		150,000	
Security during Construction						100,000		100,000	
Relocation								0	
								0	
								0	
								0	
Total Other Development Costs	25,000	0	0	0	0	3,971,458	0	3,996,458	
Soft Cost Contingency									
Contingency (Arch, Eng, Fin, Legal & Other Dev)	175,791	0	0	0	0	956,226	0	1,132,017	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	1,933,702	0	0	0	0	10,518,484	0	12,452,186	

RESERVES

* Operating Reserves						415,541		415,541	
* Replacement Reserves								0	
* Tenant Improvements Reserves						176,000		176,000	
Other (specify)								0	
Other (specify)								0	
Other (specify)								0	
TOTAL RESERVES	0	0	0	0	0	591,541	0	591,541	

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)					3,000,000			3,000,000	
Developer Fee - Deferred (also show as source)								0	
Development Consultant Fees								0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)								0	
TOTAL DEVELOPER COSTS	0	0	0	0	3,000,000	2,200,000	0	5,200,000	

TOTAL DEVELOPMENT COST	30,593,175	0	20,000,000	1,200,000	3,000,000	35,024,963	7,000,000	96,818,138	
Development Cost/Unit by Source	199,955	0	130,719	7,843	19,608	228,921	45,752	632,798	
Development Cost/Unit as % of TDC by Source	31.6%	0.0%	20.7%	1.2%	3.1%	36.2%	7.2%	100.0%	

Acquisition Cost/Unit by Source	0	0	0	0	0	0	0	0	
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Construction Cost (inc Const Contingency)/Unit By Source	187,317	0	130,719	7,843	0	141,928	45,752	513,558	
Construction Cost (inc Const Contingency)/SF	246.89	0.00	172.29	10.34	0.00	187.06	60.30	676.88	

*Possible non-eligible GO Bond/COP Amount:	28,659,473
City Subsidy/Unit	199,955

Tax Credit Equity Pricing:	0.900
Construction Bond Amount:	58,888,275
Construction Loan Term (in months):	30 months
Construction Loan Interest Rate (as %):	3.65%

Attachment J: First Year Operating Budget

Application Date:1/29/2021

Total # Units:153

First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):2025

LOSP Units

Non-LOSP Units

LOSP/non-LOSP Allocation

20%

80%

Project Name:Transbay Block 2 West

Project Address:TBD Main Street

Project Sponsor:Chinatown CDC

Correct errors noted in Col N!

INCOME	LOSP	non-LOSP	Total	Comments
Residential - Tenant Rents	108,000	1,776,564	1,884,564	Links from 'New Proj - Rent & Unit Mix' Worksheet
Residential - Tenant Assistance Payments (Non-LOSP)	0	0	0	Links from 'New Proj - Rent & Unit Mix' Worksheet
Residential - LOSP Tenant Assistance Payments	240,947		240,947	Used \$300/unit Tenant portion, per RFP
Commercial Space			0	Master Lease to cover commercial expenses
Residential Parking	0	0	0	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Rent Income	0	0	0	Links from 'Utilities & Other Income' Worksheet
Supportive Services Income	0	0		Assuming separate HSH contract for LOSP Case Mgmt
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet
Laundry and Vending	1,989	7,956	9,945	Links from 'Utilities & Other Income' Worksheet
Tenant Charges	0	0	0	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income' Worksheet
Other Commercial Income			0	Links from 'Commercial Op. Budget' Worksheet
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0		
Gross Potential Income	350,936	1,784,520	2,135,456	
Vacancy Loss - Residential - Tenant Rents	5,400	(88,828)	(94,228)	Vacancy loss is 5% of Tenant Rents.
Vacancy Loss - Residential - Tenant Assistance Payments	0	0	0	FDIV/0!
Vacancy Loss - Commercial			0	Links from 'Commercial Op. Budget' Worksheet
EFFECTIVE GROSS INCOME	356,336	1,695,692	2,041,228	PUPA: 13,341

OPERATING EXPENSES

Management

Management Fee	23,868	95,472	119,340	1st Year to be set according to HUD schedule.
Asset Management Fee	4,380	17,520	21,900	
Sub-total Management Expenses	28,248	112,992	141,240	PUPA: 923

Salaries/Benefits

Office Salaries	38,659	154,636	193,295	includes after hours front desk/security staffing
Manager's Salary	16,000	64,000	80,000	
Health Insurance and Other Benefits	28,598	114,391	142,989	
Other Salaries/Benefits	0	0		
Administrative Rent-Free Unit	0	0		
Sub-total Salaries/Benefits	83,257	333,027	416,284	PUPA: 2,721

Administration

Advertising and Marketing	1,020	4,080	5,100	
Office Expenses	7,850	31,400	39,250	
Office Rent	0	0	0	
Legal Expense - Property	500	2,000	2,500	
Audit Expense	2,142	8,568	10,710	
Bookkeeping/Accounting Services	3,507	14,027	17,534	\$9.50 PUPM
Bad Debts	120	480	600	
Miscellaneous	2,938	11,750	14,688	
Sub-total Administration Expenses	18,076	72,305	90,382	PUPA: 591

Utilities

Electricity	10,000	40,000	50,000	
Water	8,000	32,000	40,000	
Gas	0	0		
Sewer	15,000	60,000	75,000	
Sub-total Utilities	33,000	132,000	165,000	PUPA: 1,078

Taxes and Licenses

Real Estate Taxes	400	1,600	2,000	
Payroll Taxes	7,906	31,623	39,529	7.65% of total payroll
Miscellaneous Taxes, Licenses and Permits	3,090	12,362	15,452	local fees
Sub-total Taxes and Licenses	11,396	45,585	56,981	PUPA: 372

Insurance

Property and Liability Insurance	24,000	96,000	120,000	
Fidelity Bond Insurance	0	0		
Worker's Compensation	6,201	24,802	31,003	
Director's & Officers' Liability Insurance	0	0		
Sub-total Insurance	30,201	120,802	151,003	PUPA: 987

Maintenance & Repair

Payroll	40,370	161,480	201,850	
Supplies	4,070	16,279	20,349	
Contracts	11,592	46,368	57,960	
Garbage and Trash Removal	14,000	56,000	70,000	
Security Payroll/Contract	0	0		
HVAC Repairs and Maintenance	10,600	42,400	53,000	
Vehicle and Maintenance Equipment Operation and Repairs	0	0		
Miscellaneous Operating and Maintenance Expenses	31,048	124,193	155,241	
Sub-total Maintenance & Repair Expenses	111,680	446,720	558,400	PUPA: 3,650

Supportive Services	0	82,875	82,875	1.0 FTE RSC + fringe+10% supervision+15%admin, per HCD regs. Remaining-HSH
Commercial Expenses			0	Links from 'Commercial Op. Budget' Worksheet

TOTAL OPERATING EXPENSES

315,8581,346,3071,662,165PUPA: 10,864

Reserves/Ground Lease Base Rent/Bond Fees

Ground Lease Base Rent	3,000	12,000	15,000	Ground lease with MOHCD	Provide additional comments here, if needed.
Bond Monitoring Fee	0	0			
Replacement Reserve Deposit	15,300	61,200	76,500	\$500/unit/yr	
Operating Reserve Deposit	0	0			
Other Required Reserve 1 Deposit	0	0			
Other Required Reserve 2 Deposit	0	0			
Required Reserve Deposits, Commercial			0	Links from 'Commercial Op. Budget' Worksheet	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	18,300	73,200	91,500	PUPA: 598	

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

334,1581,419,5071,753,665PUPA: 11,462

NET OPERATING INCOME (INCOME minus OP EXPENSES)

22,178276,185287,563PUPA: 1,879

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

Hard Debt - First Lender	0	0	0		Willing to add perm debt/higher AMI units if necessary
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	16,800	67,200	84,000	HCD - MHP Loan	Provide additional comments here, if needed.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0		Provide additional comments here, if needed.
Hard Debt - Fourth Lender	0	0	0		Provide additional comments here, if needed.
Commercial Hard Debt Service			0	Links from 'Commercial Op. Budget' Worksheet	
TOTAL HARD DEBT SERVICE	16,800	67,200	84,000	PUPA: 549	

CASH FLOW (NOI minus DEBT SERVICE)

5,378208,985203,563

Commercial Only Cash Flow

0

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

0

AVAILABLE CASH FLOW

5,378208,985203,563

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

3.42

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0	0		
Partnership Management Fee (see policy for limits)	4,378	17,512	21,890	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	1,000	4,000	5,000	
Other Payments	0	0		
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	0	0		Provide additional comments here, if needed.
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	0	0		Provide additional comments here, if needed.
Deferred Developer Fee (Enter amt <= Max Fee from call 1130)	0	0		Def. Develop. Fee split: 0%

TOTAL PAYMENTS PRECEDING MOHCD

5,37821,51226,890PUPA: 176

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

0187,473176,673

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?

Yes

Will Project Defer Developer Fee?

No

Project has MOHCD ground lease?

Yes

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

33%

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

67%

Soft Debt Lenders with Residual Receipts Obligations	(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans
MOHCD/OCII - Soft Debt Loans	All MOHCD/OCII Loans payable from res. rects	\$29,184,178	59.16%
MOHCD/OCII - Ground Lease Value or Land Acq Cost	Ground Lease Value	\$150,000	0.30%
HCD (soft debt loan) - Lender 3	HCD - MHP Loan	\$20,000,000	40.54%
Other Soft Debt Lender - Lender 4			0.00%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due	70,033	70,033	167% of residual receipts, multiplied by 59.46% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	70,033	70,033	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repaymt.

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

106,640

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due	47,749	67% of residual receipts, multiplied by 40.54% -- HCD - MHP Loan's pro rata share of all soft debt
Lender 4 Residual Receipts Due	0	
Lender 5 Residual Receipts Due	0	
Total Non-MOHCD Residual Receipts Debt Service	47,749	

REMAINDER (Should be zero unless there are distributions below)

58,891

Owner Distributions/Incentive Management Fee

58,891

100% of Borrower share of 33% of residual receipts

0

Other Distributions/Uses

0

Final Balance (should be zero)

0

Attachment K: 20-Year Operating Pro Forma

Transbay Block 2 West

Total # Units:		LOSP Units		Non-LOSP Units		Year 1			Year 2			Year 3			Year 4	
		153	30.4	123		2025			2026			2027			2028	
			20.00%	80.00%												
			% annual inc LOSP	% annual increase		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP
INCOME																
Residential - Tenant Rents			1.0%	2.5%		108,000	1,776,564	1,884,564	109,080	1,820,978	1,930,058	110,171	1,866,503	1,976,673	111,273	1,913,165
Residential - Tenant Assistance Payments (Non-LOSP)			n/a	n/a		-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payment:			n/a	n/a		240,947	-	240,947	256,348	-	256,348	266,703	-	266,703	277,447	-
Commercial Space			n/a	2.5%		-	-	-	-	-	-	-	-	-	-	-
Other Income						-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income						350,936	1,784,620	2,135,456	367,467	1,829,133	2,196,600	378,963	1,874,861	2,253,825	390,861	1,921,733
Vacancy Loss - Residential - Tenant Rents			n/a	n/a		5,400	(88,828)	(94,228)	(5,454)	(91,049)	(96,503)	(5,509)	(93,325)	(98,834)	(5,564)	(95,658)
Vacancy Loss - Residential - Tenant Assistance Payment:			n/a	n/a		-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial			n/a	n/a		-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME						356,336	1,695,692	2,041,228	362,013	1,738,084	2,100,097	373,455	1,781,536	2,154,991	385,297	1,826,075
OPERATING EXPENSES																
Management			3.5%	3.5%		28,248	112,992	141,240	29,237	116,947	146,183	30,260	121,040	151,300	31,319	125,276
Salaries/Benefits			3.5%	3.5%		83,257	333,027	416,284	86,171	344,683	430,854	89,187	356,747	445,934	92,308	369,233
Administration			3.5%	3.5%		18,076	72,305	90,382	18,709	74,836	93,545	19,364	77,455	96,819	20,042	80,166
Utilities			3.5%	3.5%		33,000	132,000	165,000	34,155	136,620	170,775	35,350	141,402	176,752	36,588	148,351
Taxes and Licenses			3.5%	3.5%		11,398	45,585	56,981	11,795	47,180	58,975	12,208	48,832	61,039	12,635	50,541
Insurance			3.5%	3.5%		30,201	120,802	151,003	31,258	125,030	156,288	32,352	129,407	161,758	33,484	133,936
Maintenance & Repair			3.5%	3.5%		111,680	446,720	558,400	115,589	462,355	577,944	119,634	478,538	598,172	123,822	495,286
Supportive Services			3.5%	3.5%		-	82,875	82,875	-	85,776	85,776	-	88,778	88,778	-	91,885
Commercial Expenses						-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES						315,858	1,346,307	1,662,165	326,913	1,393,428	1,720,341	338,355	1,442,198	1,780,552	350,197	1,492,674
PUPA (w/o Reserves/GL Base Rent/Bond Fees)						10,864										
Reserves/Ground Lease Base Rent/Bond Fees																
Ground Lease Base Rent						3000	12000	15,000	3000	12000	15,000	3000	12000	15,000	3000	12000
Bond Monitoring Fee						0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Deposit						15300	61200	76,500	15300	61200	76,500	15300	61200	76,500	15300	61200
Operating Reserve Deposit						0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit						0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit						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
Sub-total Reserves/Ground Lease Base Rent/Bond Fees						18,300	73,200	91,500	18,300	73,200	91,500	18,300	73,200	91,500	18,300	73,200
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)						334,158	1,419,507	1,753,665	345,213	1,466,628	1,811,841	356,655	1,515,398	1,872,052	368,497	1,565,874
PUPA (w/ Reserves/GL Base Rent/Bond Fees)																
NET OPERATING INCOME (INCOME minus OP EXPENSES)						22,178	276,185	287,563	16,800	271,457	288,257	16,800	266,139	282,939	16,800	260,200
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																
Hard Debt - First Lender						-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt. or other 2nd Lender)						16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)						-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender						-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE						16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200
CASH FLOW (NOI minus DEBT SERVICE)						5,378	208,985	203,563	(0)	204,257	204,257	-	198,939	198,939	(0)	193,000
USES OF CASH FLOW BELOW (This row also shows DSCR.)						DSCR:										
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																
Deferred Developer Fee (Enter amt <= Max Fee from row 131)						-	-	-	-	-	-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)			3.5%	3.5%		4,378	17,512	21,890	-	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)						1,000	4,000	5,000	-	-	-	-	-	-	-	-
Other Payments						-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1						-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2						-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD						5,378	21,512	26,890	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						-	187,473	176,673	(0)	204,257	204,257	-	198,939	198,939	(0)	193,000
Does Project have a MOHCD Residual Receipt Obligation: Will Project Defer Developer Fee? Residual Receipts split for all years. - Lender/Ownr																
MOHCD RESIDUAL RECEIPTS DEBT SERVICE																
MOHCD Residual Receipts Amount Due																
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease																
Proposed MOHCD Residual Receipts Amount to Replacement Reserve																
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE																
						106,640			123,289			120,079				
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE																
HCD Residual Receipts Amount Due																
Lender 4 Residual Receipts Due						47,749			55,204			53,766				
Lender 5 Residual Receipts Due						-			-			-				
Total Non-MOHCD Residual Receipts Debt Service																
						47,749			55,204			53,766				
REMAINDER (Should be zero unless there are distributions below)						58,891			68,086			66,313				
Owner Distributions/Incentive Management Fee						58,891			68,086			66,313				
Other Distributions/Uses						-			-			-				
Final Balance (should be zero)						-			-			-				
RR Running Balance						76,500			153,000			229,500				
OR Running Balance						-			-			-				
Other Required Reserve 1 Running Balance						-			-			-				
Other Required Reserve 2 Running Balance						-			-			-				
DEFERRED DEVELOPER FEE - RUNNING BALANCE																
Developer Fee Starting Balance						-			-			-				
Deferred Developer Fee Earned in Year						-			-			-				
Developer Fee Remaining Balance						-			-			-				

Transbay Block 2 West

Total # Units:					LOSP Units		Non-LOSP Units						Year 5 2029			Year 6 2030			Year 7 2031					
153					30.4		123																	
					20.00%		80.00%																	
					% annual inc LOSP		% annual increase		Total		LOSP		non-LOSP		Total		LOSP		non-LOSP		Total		LOSP	
INCOME					1.0%		2.5%		2,024,438		112,385		1,960,994		2,073,379		113,509		2,010,019		2,123,528		114,644	
Residential - Tenant Rents					n/a		n/a		-		-		-		-		-		-		-		-	
Residential - Tenant Assistance Payments (Non-LOSP)					n/a		n/a		-		-		-		-		-		-		-		-	
Residential - LOSP Tenant Assistance Payment:					n/a		n/a		277,447		288,593		-		288,593		300,156		-		300,156		312,151	
Commercial Space					n/a		2.5%		-		-		-		-		-		-		-		-	
Other Income									-		-		-		-		-		-		-		-	
Gross Potential Income									2,312,594		403,174		1,969,776		2,372,950		415,916		2,019,021		2,434,936		429,102	
Vacancy Loss - Residential - Tenant Rents					n/a		n/a		(101,222)		(5,619)		(98,050)		(103,669)		(5,675)		(100,501)		(106,176)		(5,732)	
Vacancy Loss - Residential - Tenant Assistance Payment:					n/a		n/a		-		-		-		-		-		-		-		-	
Vacancy Loss - Commercial					n/a		n/a		-		-		-		-		-		-		-		-	
EFFECTIVE GROSS INCOME									2,211,372		397,554		1,871,726		2,269,281		410,240		1,918,520		2,328,760		423,370	
OPERATING EXPENSES																								
Management					3.5%		3.5%		156,595		32,415		129,661		162,076		33,550		134,199		167,749		34,724	
Salaries/Benefits					3.5%		3.5%		461,542		95,539		382,156		477,695		98,883		395,532		494,415		102,344	
Administration					3.5%		3.5%		100,208		20,743		82,972		103,715		21,469		85,876		107,345		22,220	
Utilities					3.5%		3.5%		182,938		37,868		151,473		189,341		39,194		156,775		195,968		40,565	
Taxes and Licenses					3.5%		3.5%		63,176		13,077		52,310		65,387		13,535		54,140		67,676		14,009	
Insurance					3.5%		3.5%		167,420		34,656		138,624		173,279		35,869		143,475		179,344		37,124	
Maintenance & Repair					3.5%		3.5%		619,108		128,155		512,621		640,777		132,641		530,563		663,204		137,283	
Supportive Services					3.5%		3.5%		91,885		-		95,101		95,101		-		98,430		98,430		-	
Commercial Expenses									-		-		-		-		-		-		-		-	
TOTAL OPERATING EXPENSES									1,842,872		362,454		1,544,918		1,907,372		375,140		1,598,990		1,974,130		388,270	
PUPA (w/o Reserves/GL Base Rent/Bond Fees)																								
Reserves/Ground Lease Base Rent/Bond Fees																								
Ground Lease Base Rent									15,000		3000		12000		15,000		3000		12000		15,000		3000	
Bond Monitoring Fee									0		0		0		0		0		0		0		0	
Replacement Reserve Deposit									76,500		15300		61200		76,500		15300		61200		76,500		15300	
Operating Reserve Deposit									0		0		0		0		0		0		0		0	
Other Required Reserve 1 Deposit									0		0		0		0		0		0		0		0	
Other Required Reserve 2 Deposit									0		0		0		0		0		0		0		0	
Required Reserve Deposit/s, Commercial									0		0		0		0		0		0		0		0	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees									91,500		18,300		73,200		91,500		18,300		73,200		91,500		18,300	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)									1,934,372		380,754		1,618,118		1,998,872		393,440		1,672,190		2,065,630		406,570	
PUPA (w/ Reserves/GL Base Rent/Bond Fees)																								
NET OPERATING INCOME (INCOME minus OP EXPENSES)									277,000		16,800		253,608		270,408		16,800		246,329		263,129		16,800	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																								
Hard Debt - First Lender									-		-		-		-		-		-		-		-	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)									84,000		16,800		67,200		84,000		16,800		67,200		84,000		16,800	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)									-		-		-		-		-		-		-		-	
Hard Debt - Fourth Lender									-		-		-		-		-		-		-		-	
Commercial Hard Debt Service									-		-		-		-		-		-		-		-	
TOTAL HARD DEBT SERVICE									84,000		16,800		67,200		84,000		16,800		67,200		84,000		16,800	
CASH FLOW (NOI minus DEBT SERVICE)									193,000		-		186,408		186,408		0		179,129		179,129		-	
USES OF CASH FLOW BELOW (This row also shows DSCR.)																								
DSCR:									3.3				3.22						3.13				3.04	
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																								
Deferred Developer Fee (Enter amt <= Max Fee from row 131)									-		-		-		-		-		-		-		-	
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)					3.5%		3.5%		-		-		-		-		-		-		-		-	
Partnership Management Fee (see policy for limits)					3.5%		3.5%		-		-		-		-		-		-		-		-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)									-		-		-		-		-		-		-		-	
Other Payments									-		-		-		-		-		-		-		-	
Non-amortizing Loan Pmnt - Lender 1									-		-		-		-		-		-		-		-	
Non-amortizing Loan Pmnt - Lender 2									-		-		-		-		-		-		-		-	
TOTAL PAYMENTS PRECEDING MOHCD									-		-		-		-		-		-		-		-	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)									193,000		-		186,408		186,408		0		179,129		179,129		-	
Does Project have a MOHCD Residual Receipt Obligation?							Yes																	
Will Project Defer Developer Fee?							No																	
Residual Receipts split for all years. - Lender/Ownr							67% / 33%																	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE							Dist. Soft																	
MOHCD Residual Receipts Amount Due							59.46%		76,505				73,892				71,007				67,835			
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									116,495				112,516				108,122				103,293			
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE																								
HCD Residual Receipts Amount Due							40.54%		52,161				50,380				48,413				46,250			
Lender 4 Residual Receipts Due							0.00%		-				-				-				-			
Lender 5 Residual Receipts Due							0.00%		-				-				-				-			
Total Non-MOHCD Residual Receipts Debt Service									52,161				50,380				48,413				46,250			
REMAINDER (Should be zero unless there are distributions below)									64,333				62,136				59,710				57,043			
Owner Distributions/Incentive Management Fee									64,333				62,136				59,710				57,043			
Other Distributions/Uses									-				-				-				-			
Final Balance (should be zero)									-				-				-				-			
RR Running Balance									306,000				382,500				459,000				535,500			
OR Running Balance									-				-				-				-			
Other Required Reserve 1 Running Balance									-				-				-				-			
Other Required Reserve 2 Running Balance									-				-				-				-			
DEFERRED DEVELOPER FEE - RUNNING BALANCE																								
Developer Fee Starting Balance									-				-				-				-			
Deferred Developer Fee Earned in Year									-				-				-				-			
Developer Fee Remaining Balance									-				-				-				-			

Transbay Block 2 West

Total # Units:				LOSP Units		Non-LOSP Units		Year 8			Year 9			Year 10			Year 11		
153				30.4	123	2032		2033			2034			2035					
				20.00%	80.00%														
				% annual inc LOSP	% annual increase	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total			
INCOME																			
Residential - Tenant Rents				1.0%	2.5%	2,111,776	2,227,567	116,949	2,164,571	2,281,519	118,118	2,218,685	2,336,803	119,299	2,274,152	2,393,451			
Residential - Tenant Assistance Payments (Non-LOSP)				n/a	n/a	-	-	-	-	-	-	-	-	-	-	-			
Residential - LOSP Tenant Assistance Payment:				n/a	n/a	-	324,594	337,500	-	337,500	350,886	-	350,886	364,769	-	364,769			
Commercial Space				n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-			
Other Income						-	-	-	-	-	-	-	-	-	-	-			
Gross Potential Income						2,121,234	2,563,983	456,872	2,174,264	2,631,136	471,488	2,228,621	2,700,109	486,614	2,284,336	2,770,950			
Vacancy Loss - Residential - Tenant Rents				n/a	n/a	(105,589)	(111,378)	(5,847)	(108,229)	(114,076)	(5,906)	(110,934)	(116,840)	(5,965)	(113,708)	(119,673)			
Vacancy Loss - Residential - Tenant Assistance Payment:				n/a	n/a	-	-	-	-	-	-	-	-	-	-	-			
Vacancy Loss - Commercial				n/a	n/a	-	-	-	-	-	-	-	-	-	-	-			
EFFECTIVE GROSS INCOME						2,015,645	2,452,604	451,025	2,066,036	2,517,060	465,582	2,117,687	2,583,269	480,649	2,170,629	2,651,278			
OPERATING EXPENSES																			
Management				3.5%	3.5%	143,757	179,697	37,197	148,789	185,986	38,499	153,996	192,496	39,847	159,386	199,233			
Salaries/Benefits				3.5%	3.5%	423,704	529,630	109,633	438,533	548,167	113,470	453,882	567,352	117,442	469,768	587,210			
Administration				3.5%	3.5%	91,993	114,991	23,803	95,212	119,016	24,636	98,545	123,181	25,498	101,994	127,492			
Utilities				3.5%	3.5%	167,941	209,926	43,455	173,819	217,273	44,976	179,902	224,878	46,550	186,199	232,749			
Taxes and Licenses				3.5%	3.5%	57,997	72,496	15,007	60,026	75,033	15,532	62,127	77,659	16,075	64,302	80,377			
Insurance				3.5%	3.5%	153,694	192,118	39,768	159,074	198,842	41,160	164,841	205,802	42,601	170,404	213,005			
Maintenance & Repair				3.5%	3.5%	568,353	710,441	147,061	588,245	735,306	152,208	608,834	761,042	157,536	630,143	787,678			
Supportive Services				3.5%	3.5%	105,440	105,440	-	109,131	109,131	-	112,950	112,950	-	116,903	116,903			
Commercial Expenses						-	-	-	-	-	-	-	-	-	-	-			
TOTAL OPERATING EXPENSES																			
PUPA (w/o Reserves/GL Base Rent/Bond Fees)						1,712,878	2,114,738	415,925	1,772,829	2,188,754	430,482	1,834,878	2,265,360	445,549	1,899,099	2,344,648			
Reserves/Ground Lease Base Rent/Bond Fees																			
Ground Lease Base Rent						12000	15,000	3000	12000	15,000	3000	12000	15,000	3000	12000	15,000			
Bond Monitoring Fee						0	0	0	0	0	0	0	0	0	0	0			
Replacement Reserve Deposit						61200	76,500	15300	61200	76,500	15300	61200	76,500	15300	61200	76,500			
Operating Reserve Deposit						0	0	0	0	0	0	0	0	0	0	0			
Other Required Reserve 1 Deposit						0	0	0	0	0	0	0	0	0	0	0			
Other Required Reserve 2 Deposit						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			
Sub-total Reserves/Ground Lease Base Rent/Bond Fees						73,200	91,500	18,300	73,200	91,500	18,300	73,200	91,500	18,300	73,200	91,500			
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)						1,786,078	2,206,238	434,225	1,846,029	2,280,254	448,782	1,908,078	2,356,860	463,849	1,972,299	2,436,148			
PUPA (w/ Reserves/GL Base Rent/Bond Fees)																			
NET OPERATING INCOME (INCOME minus OP EXPENSES)						229,566	246,366	16,800	220,007	236,807	16,800	209,609	226,409	16,800	198,330	215,130			
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																			
Hard Debt - First Lender						-	-	-	-	-	-	-	-	-	-	-			
Hard Debt - Second Lender (HCD Program 0.42% pymt. or other 2nd Lender)						67,200	84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	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						67,200	84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	84,000			
CASH FLOW (NOI minus DEBT SERVICE)						162,366	162,366	-	152,807	152,807	-	142,409	142,409	-	131,130	131,130			
USES OF CASH FLOW BELOW (This row also shows DSCR.)																			
DSCR:						2.93			2.82			2.7			2.56				
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																			
Deferred Developer Fee (Enter amt <= Max Fee from row 131)						-	-	-	-	-	-	-	-	-	-	-			
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)				3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-			
Partnership Management Fee (see policy for limits)				3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)						-	-	-	-	-	-	-	-	-	-	-			
Other Payments						-	-	-	-	-	-	-	-	-	-	-			
Non-amortizing Loan Pmnt - Lender 1						-	-	-	-	-	-	-	-	-	-	-			
Non-amortizing Loan Pmnt - Lender 2						-	-	-	-	-	-	-	-	-	-	-			
TOTAL PAYMENTS PRECEDING MOHCD						-	-	-	-	-	-	-	-	-	-	-			
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						162,366	162,366	-	152,807	152,807	-	142,409	142,409	-	131,130	131,130			
Does Project have a MOHCD Residual Receipt Obligation?					Yes														
Will Project Defer Developer Fee?					No														
Residual Receipts split for all years. - Lender/Ownr					67% / 33%														
MOHCD RESIDUAL RECEIPTS DEBT SERVICE					[Dist. Soft] Debt Loans														
MOHCD Residual Receipts Amount Due					59.46%	64,362			60,573			56,451			51,980				
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						98,004			92,234			85,958			79,150				
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE																			
HCD Residual Receipts Amount Due					40.54%	43,882			41,298			38,488			35,440				
Lender 4 Residual Receipts Due					0.00%	-			-			-			-				
Lender 5 Residual Receipts Due					0.00%	-			-			-			-				
Total Non-MOHCD Residual Receipts Debt Service						43,882			41,298			38,488			35,440				
REMAINDER (Should be zero unless there are distributions below)						54,122			50,936			47,470			43,710				
Owner Distributions/Incentive Management Fee						54,122			50,936			47,470			43,710				
Other Distributions/Uses						-			-			-			-				
Final Balance (should be zero)						-			-			-			-				
RR Running Balance						612,000			688,500			765,000			841,500				
OR Running Balance						-			-			-			-				
Other Required Reserve 1 Running Balance						-			-			-			-				
Other Required Reserve 2 Running Balance						-			-			-			-				
DEFERRED DEVELOPER FEE - RUNNING BALANCE																			
Developer Fee Starting Balance						-			-			-			-				
Deferred Developer Fee Earned in Year						-			-			-			-				
Developer Fee Remaining Balance						-			-			-			-				

Transbay Block 2 West

Total # Units:					LOSP Units		Non-LOSP Units		Year 12			Year 13			Year 14			Year 15	
					153	30.4	123	2036			2037			2038			2039		
						20.00%	80.00%												
						% annual inc LOSP	% annual increase	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	
INCOME																			
Residential - Tenant Rents						1.0%	2.5%	120,492	2,331,006	2,451,498	121,697	2,389,281	2,510,978	122,914	2,449,013	2,571,927	124,143	2,510,238	
Residential - Tenant Assistance Payments (Non-LOSP)						n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	
Residential - LOSP Tenant Assistance Payment:						n/a	n/a	379,166	-	379,166	394,096	-	394,096	409,578	-	409,578	425,631	-	
Commercial Space						n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	
Other Income								-	-	-	-	-	-	-	-	-	-	-	
Gross Potential Income								502,268	2,341,445	2,843,713	518,468	2,399,981	2,918,449	535,234	2,459,981	2,995,214	552,585	2,521,480	
Vacancy Loss - Residential - Tenant Rents						n/a	n/a	(6,025)	(116,550)	(122,575)	(6,085)	(119,464)	(125,549)	(6,146)	(122,451)	(128,596)	(6,207)	(125,512)	
Vacancy Loss - Residential - Tenant Assistance Payment:						n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	
Vacancy Loss - Commercial						n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	
EFFECTIVE GROSS INCOME								496,243	2,224,895	2,721,138	512,383	2,280,517	2,792,900	529,088	2,337,530	2,866,618	546,378	2,395,968	
OPERATING EXPENSES																			
Management						3.5%	3.5%	41,241	164,965	206,206	42,685	170,739	213,423	44,179	176,715	220,893	45,725	182,900	
Salaries/Benefits						3.5%	3.5%	121,552	486,210	607,762	125,807	503,227	629,034	130,210	520,840	651,050	134,767	539,069	
Administration						3.5%	3.5%	26,391	105,564	131,955	27,315	109,258	136,573	28,271	113,083	141,353	29,260	117,040	
Utilities						3.5%	3.5%	48,179	192,716	240,895	49,865	199,461	249,326	51,611	206,442	258,053	53,417	213,668	
Taxes and Licenses						3.5%	3.5%	16,638	66,552	83,191	17,220	68,862	86,102	17,823	71,293	89,116	18,447	73,788	
Insurance						3.5%	3.5%	44,092	176,368	220,460	45,635	182,641	228,176	47,232	188,930	236,162	48,886	195,542	
Maintenance & Repair						3.5%	3.5%	163,049	652,198	815,247	168,756	675,025	843,781	174,663	698,650	873,313	180,776	723,103	
Supportive Services						3.5%	3.5%	-	120,995	120,995	-	125,230	125,230	-	129,613	129,613	-	134,149	
Commercial Expenses								-	-	-	-	-	-	-	-	-	-	-	
TOTAL OPERATING EXPENSES								461,143	1,965,567	2,426,710	477,283	2,034,362	2,511,645	493,988	2,105,565	2,599,553	511,278	2,179,260	
PUPA (w/o Reserves/GL Base Rent/Bond Fees)																			
Reserves/Ground Lease Base Rent/Bond Fees																			
Ground Lease Base Rent								3000	12000	15,000	3000	12000	15,000	3000	12000	15,000	3000	12000	
Bond Monitoring Fee								0	0	0	0	0	0	0	0	0	0	0	
Replacement Reserve Deposit								15300	61200	76,500	15300	61200	76,500	15300	61200	76,500	15300	61200	
Operating Reserve Deposit								0	0	0	0	0	0	0	0	0	0	0	
Other Required Reserve 1 Deposit								0	0	0	0	0	0	0	0	0	0	0	
Other Required Reserve 2 Deposit								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	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees								18,300	73,200	91,500	18,300	73,200	91,500	18,300	73,200	91,500	18,300	73,200	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)								479,443	2,038,767	2,518,210	495,583	2,107,562	2,603,145	512,288	2,178,765	2,691,053	529,578	2,252,460	
PUPA (w/ Reserves/GL Base Rent/Bond Fees)																			
NET OPERATING INCOME (INCOME minus OP EXPENSES)								16,800	186,127	202,927	16,800	172,955	189,755	16,800	158,765	175,565	16,800	143,509	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																			
Hard Debt - First Lender								-	-	-	-	-	-	-	-	-	-	-	
Hard Debt - Second Lender (HCD Program 0.42% pymt. or other 2nd Lender)								16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)								-	-	-	-	-	-	-	-	-	-	-	
Hard Debt - Fourth Lender								-	-	-	-	-	-	-	-	-	-	-	
Commercial Hard Debt Service								-	-	-	-	-	-	-	-	-	-	-	
TOTAL HARD DEBT SERVICE								16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	
CASH FLOW (NOI minus DEBT SERVICE)								0	118,927	118,927	0	105,755	105,755	(0)	91,565	91,565	-	76,309	
USES OF CASH FLOW BELOW (This row also shows DSCR.)								DSCR:											
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL								2.42 2.26 2.09											
Deferred Developer Fee (Enter amt <= Max Fee from row 131)								-	-	-	-	-	-	-	-	-	-	-	
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)								3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)								3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)								-	-	-	-	-	-	-	-	-	-	-	
Other Payments								-	-	-	-	-	-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 1								-	-	-	-	-	-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 2								-	-	-	-	-	-	-	-	-	-	-	
TOTAL PAYMENTS PRECEDING MOHCD								-	-	-	-	-	-	-	-	-	-	-	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)								0	118,927	118,927	0	105,755	105,755	(0)	91,565	91,565	-	76,309	
Does Project have a MOHCD Residual Receipt Obligation?																			
Will Project Defer Developer Fee?																			
Residual Receipts split for all years. - Lender/Ownr																			
67% / 33%																			
Dist. Soft Debt Loans																			
MOHCD RESIDUAL RECEIPTS DEBT SERVICE																			
MOHCD Residual Receipts Amount Due								59.46%	47,143			41,921			36,297				
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								-	71,784			63,834			55,269				
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE																			
HCD Residual Receipts Amount Due								40.54%	32,142			28,582			24,747				
Lender 4 Residual Receipts Due								0.00%	-			-			-				
Lender 5 Residual Receipts Due								0.00%	-			-			-				
Total Non-MOHCD Residual Receipts Debt Service								-	32,142			28,582			24,747				
REMAINDER (Should be zero unless there are distributions below)																			
Owner Distributions/Incentive Management Fee								-	39,642			35,252			30,522				
Other Distributions/Uses								-	39,642			35,252			30,522				
Final Balance (should be zero)								-	-			-			-				
RR Running Balance																			
OR Running Balance								-	918,000			994,500			1,071,000				
Other Required Reserve 1 Running Balance								-	-			-			-				
Other Required Reserve 2 Running Balance								-	-			-			-				
DEFERRED DEVELOPER FEE - RUNNING BALANCE																			
Developer Fee Starting Balance								-	-			-			-				
Deferred Developer Fee Earned in Year								-	-			-			-				
Developer Fee Remaining Balance								-	-			-			-				

Transbay Block 2 West

Total # Units:		LOSP Units		Non-LOSP Units													
		153		123													
		30.4		80.00%													
		% annual inc LOSP		% annual increase		Year 16 2040				Year 17 2041				Year 18 2042			
INCOME						Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	LOSP
Residential - Tenant Rents		1.0%	2.5%			2,634,382	125,385	2,572,994	2,698,379	126,638	2,637,319	2,763,958	127,905	2,703,252	2,831,157	129,184	
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a			-	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payment:		n/a	n/a			425,631	442,276	-	442,276	459,534	-	459,534	477,426	-	477,426	495,976	
Commercial Space		n/a	2.5%			-	-	-	-	-	-	-	-	-	-	-	-
Other Income						-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income						3,074,065	570,541	2,584,517	3,155,059	589,125	2,649,130	3,238,255	608,358	2,715,358	3,323,716	628,262	
Vacancy Loss - Residential - Tenant Rents		n/a	n/a			(131,719)	(6,269)	(128,650)	(134,919)	(6,332)	(131,866)	(138,198)	(6,395)	(135,163)	(141,558)	(6,459)	
Vacancy Loss - Residential - Tenant Assistance Payment:		n/a	n/a			-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial		n/a	n/a			-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME						2,942,346	564,272	2,455,867	3,020,140	582,793	2,517,264	3,100,057	601,963	2,580,196	3,182,158	621,803	
OPERATING EXPENSES																	
Management		3.5%	3.5%			228,624	47,325	189,301	236,626	48,982	195,927	244,908	50,696	202,784	253,480	52,470	
Salaries/Benefits		3.5%	3.5%			673,837	139,484	557,937	697,421	144,366	577,465	721,831	149,419	597,676	747,095	154,649	
Administration		3.5%	3.5%			146,301	30,284	121,137	151,421	31,344	125,377	156,721	32,441	129,765	162,206	33,577	
Utilities		3.5%	3.5%			267,085	55,287	221,146	276,433	57,222	228,886	286,108	59,224	236,897	296,121	61,297	
Taxes and Licenses		3.5%	3.5%			92,235	19,093	76,370	95,463	19,761	79,043	98,904	20,452	81,810	102,262	21,168	
Insurance		3.5%	3.5%			244,428	50,597	202,366	252,983	52,367	209,470	261,837	54,200	216,801	271,001	56,097	
Maintenance & Repair		3.5%	3.5%			903,879	187,103	748,412	935,515	193,652	774,606	968,258	200,429	801,717	1,002,147	207,444	
Supportive Services		3.5%	3.5%			134,149	-	138,845	138,845	-	143,704	143,704	-	148,734	148,734	-	
Commercial Expenses						-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES						2,690,537	529,172	2,255,534	2,784,706	547,693	2,334,477	2,882,171	566,863	2,416,184	2,983,047	586,703	
Reserves/Ground Lease Base Rent/Bond Fees		PUPA (w/o Reserves/GL Base Rent/Bond Fees)															
Ground Lease Base Rent						15,000	3000	12000	15,000	3000	12000	15,000	3000	12000	15,000	3000	
Bond Monitoring Fee						0	0	0	0	0	0	0	0	0	0	0	
Replacement Reserve Deposit						76,500	15300	61200	76,500	15300	61200	76,500	15300	61200	76,500	15300	
Operating Reserve Deposit						0	0	0	0	0	0	0	0	0	0	0	
Other Required Reserve 1 Deposit						0	0	0	0	0	0	0	0	0	0	0	
Other Required Reserve 2 Deposit						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	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees						91,500	18,300	73,200	91,500	18,300	73,200	91,500	18,300	73,200	91,500	18,300	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)						2,782,037	547,472	2,328,734	2,876,206	565,993	2,407,677	2,973,671	585,163	2,489,384	3,074,547	605,003	
NET OPERATING INCOME (INCOME minus OP EXPENSES)						160,309	16,800	127,134	143,934	16,800	109,587	126,387	16,800	90,812	107,612	16,800	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																	
Hard Debt - First Lender						-	-	-	-	-	-	-	-	-	-	-	
Hard Debt - Second Lender (HCD Program 0.42% pymt. or other 2nd Lender)						84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)						-	-	-	-	-	-	-	-	-	-	-	
Hard Debt - Fourth Lender						-	-	-	-	-	-	-	-	-	-	-	
Commercial Hard Debt Service						-	-	-	-	-	-	-	-	-	-	-	
TOTAL HARD DEBT SERVICE						84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	67,200	84,000	16,800	
CASH FLOW (NOI minus DEBT SERVICE)						76,309	-	59,934	59,934	-	42,387	42,387	-	23,612	23,612	-	
USES OF CASH FLOW BELOW (This row also shows DSCR.)																	
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)						-	-	-	-	-	-	-	-	-	-	-	
Below-the-line Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%			-	-	-	-	-	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)		3.5%	3.5%			-	-	-	-	-	-	-	-	-	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)						-	-	-	-	-	-	-	-	-	-	-	
Other Payments						-	-	-	-	-	-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 1						-	-	-	-	-	-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 2						-	-	-	-	-	-	-	-	-	-	-	
TOTAL PAYMENTS PRECEDING MOHCD						-	-	-	-	-	-	-	-	-	-	-	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)						76,309	-	59,934	59,934	-	42,387	42,387	-	23,612	23,612	-	
Does Project have a MOHCD Residual Receipt Obligation?																	
Will Project Defer Developer Fee?																	
Residual Receipts split for all years. - Lender/Ownr																	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE																	
MOHCD Residual Receipts Amount Due																	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease																	
Proposed MOHCD Residual Receipts Amount to Replacement Reserve																	
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE																	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE																	
HCD Residual Receipts Amount Due																	
Lender 4 Residual Receipts Due																	
Lender 5 Residual Receipts Due																	
Total Non-MOHCD Residual Receipts Debt Service																	
REMAINDER (Should be zero unless there are distributions below)																	
Owner Distributions/Incentive Management Fee																	
Other Distributions/Uses																	
Final Balance (should be zero)																	
RR Running Balance						1,147,500		1,224,000		1,300,500				1,377,000			
OR Running Balance						-		-		-				-			
Other Required Reserve 1 Running Balance						-		-		-				-			
Other Required Reserve 2 Running Balance						-		-		-				-			
DEFERRED DEVELOPER FEE - RUNNING BALANCE																	
Developer Fee Starting Balance						-		-		-				-			
Deferred Developer Fee Earned in Year						-		-		-				-			
Developer Fee Remaining Balance						-		-		-				-			

Transbay Block 2 West

Total # Units:	LOSP Units		Non-LOSP Units		Year 19		Year 20		
	153	30.4	123		2043		2044		
		% annual inc LOSP	% annual increase		non-LOSP	Total	LOSP	non-LOSP	Total
INCOME									
Residential - Tenant Rents		1.0%	2.5%		2,770,834	2,900,017	130,476	2,840,104	2,970,580
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a		-	-	-	-	-
Residential - LOSP Tenant Assistance Payment:		n/a	n/a		-	495,976	515,206	-	515,206
Commercial Space		n/a	2.5%		-	-	-	-	-
Other Income									
Gross Potential Income					2,783,242	3,411,504	648,861	2,852,823	3,501,684
Vacancy Loss - Residential - Tenant Rents		n/a	n/a		(138,542)	(145,001)	(6,524)	(142,005)	(148,529)
Vacancy Loss - Residential - Tenant Assistance Payment:		n/a	n/a		-	-	-	-	-
Vacancy Loss - Commercial		n/a	n/a		-	-	-	-	-
EFFECTIVE GROSS INCOME					2,644,700	3,266,503	642,337	2,710,818	3,353,155
OPERATING EXPENSES									
Management		3.5%	3.5%		209,881	262,352	54,307	217,227	271,534
Salaries/Benefits		3.5%	3.5%		618,594	773,243	160,061	640,245	800,307
Administration		3.5%	3.5%		134,307	167,883	34,752	139,007	173,759
Utilities		3.5%	3.5%		245,189	306,486	63,443	253,770	317,213
Taxes and Licenses		3.5%	3.5%		84,673	105,842	21,909	87,637	109,546
Insurance		3.5%	3.5%		224,389	280,486	58,061	232,243	290,303
Maintenance & Repair		3.5%	3.5%		829,778	1,037,222	214,705	858,820	1,073,525
Supportive Services		3.5%	3.5%		153,939	153,939	-	159,327	159,327
Commercial Expenses					-	-	-	-	-
TOTAL OPERATING EXPENSES					2,500,750	3,087,453	607,237	2,588,277	3,195,514
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent					12000	15,000	3000	12000	15,000
Bond Monitoring Fee					0	0	0	0	0
Replacement Reserve Deposit					61200	76,500	15300	61200	76,500
Operating Reserve Deposit					0	0	0	0	0
Other Required Reserve 1 Deposit					0	0	0	0	0
Other Required Reserve 2 Deposit					0	0	0	0	0
Required Reserve Deposit/s, Commercial					0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					73,200	91,500	18,300	73,200	91,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					2,573,950	3,178,953	625,537	2,661,477	3,287,014
NET OPERATING INCOME (INCOME minus OP EXPENSES)					70,750	87,550	16,800	49,341	66,141
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)									
Hard Debt - First Lender					-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt. or other 2nd Lender)					67,200	84,000	16,800	67,200	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					67,200	84,000	16,800	67,200	84,000
CASH FLOW (NOI minus DEBT SERVICE)					3,550	3,550	0	(17,859)	(17,859)
USES OF CASH FLOW BELOW (This row also shows DSCR.)									
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL									
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%		-	-	-	-	-
Partnership Management Fee (see policy for limits)		3.5%	3.5%		-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)					-	-	-	-	-
Other Payments					-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1					-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2					-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD					-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					3,550	3,550	0	(17,859)	(17,859)
Does Project have a MOHCD Residual Receipt Obligation?									
Will Project Defer Developer Fee?									
Residual Receipts split for all years. - Lender/Ownr									
MOHCD RESIDUAL RECEIPTS DEBT SERVICE									
MOHCD Residual Receipts Amount Due									
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease									
Proposed MOHCD Residual Receipts Amount to Replacement Reserve									
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE									
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE									
HCD Residual Receipts Amount Due									
Lender 4 Residual Receipts Due									
Lender 5 Residual Receipts Due									
Total Non-MOHCD Residual Receipts Debt Service									
REMAINDER (Should be zero unless there are distributions below)									
Owner Distributions/Incentive Management Fee									
Other Distributions/Uses									
Final Balance (should be zero)									
RR Running Balance					1,453,500		1,530,000		
OR Running Balance					-		-		
Other Required Reserve 1 Running Balance					-		-		
Other Required Reserve 2 Running Balance					-		-		
DEFERRED DEVELOPER FEE - RUNNING BALANCE									
Developer Fee Starting Balance					-		-		
Deferred Developer Fee Earned in Year					-		-		
Developer Fee Remaining Balance					-		-		