Citywide Affordable Housing Loan Committee

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

Granada Hotel
$71,125,575 Permanent Loan
Up to $69,797,236 in Construction Financing

Evaluation of Request for:	$71,125,575
Loan Committee Date:	April 19, 2024
Prepared By:	Sophie Rubin, Project Manager
MOHCD Asset Manager:	Carmen Otero
MOHCD Construction Rep:	Harry Wong
Sources and Amounts of New Funds Recommended:	$61,125,575 in Our City Our Home (OCOH) funds
Sources and Amounts of Previous City Funds Committed:	$10,000,000 in General Funds
NOFA/PROGRAM/RFP:	Homekey Acquisition and Rehabilitation
Applicant/Sponsor(s) Name:	Episcopal Community Services (ECS)

EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	Granada Hotel	Sponsor(s):	Episcopal Community Services (ECS)
Project Address (w/ cross St):	1000 Sutter Street (at Hyde)	Ultimate Borrower Entity:	1000 Sutter LLC

Project Summary:

Granada Hotel (the Granada), located in the Lower Nob Hill neighborhood, is one of the City's first Homekey projects, acquired in an effort led by the Department of Homelessness and Supportive Housing (HSH) with co-applicant Episcopal Community Services (ECS) as owner and service provider. ECS acquired the 214-room Single Room Occupancy hotel (SRO) in 2020 using a combination of Homekey Grant funds ($42.3M), City financing ($6.6M), and a loan from the San Francisco Housing Accelerator Fund (SFHAF) ($37.2M) and is currently in the middle of a significant rehabilitation to update the property and transform the site into 212 units of permanent supportive housing (plus two unrestricted staff units) for those experiencing homelessness (Project) which will be reserved for those with incomes at or below 50% of MOHCD Area Median Income.

The Sponsor received a soft commitment from the City and planned to convert to permanent financing with City funds once the rehabilitation was complete. However, the scope and cost of the rehabilitation have grown significantly since its acquisition in 2020, with the SFHAF loan increasing from the initial $37.2M to $63.2M. SFHAF is now requesting that the City provide takeout financing prior to the completion of the Project.

Even though the Project was acquired in partnership with HSH, it is being underwritten by--and will be monitored as an asset by--the Mayor's Office of Housing and Community Development (MOHCD). This is because HSH only manages assets it owns, and this Project was privately acquired by nonprofit developer ECS. The funding is being allocated by HSH through the Our City Our Home (OCOH) program, as well as General Funds, and Project operations are supported by the Local Operating Subsidy Program (LOSP) with a contract that was executed in November 2020, when the Project was acquired.

Total development cost for the Project is $113.5M. The requested City financing of $69.8M will be used first to assume the existing SFHAF loan, and the Project will undergo a permanent financing conversion after construction completion in late 2024 or early 2025 that would infuse an additional $1.3M, primarily to fund reserves, for a total of $71.1M.

Project Description:

Construction Type:	Type IB	Project Type:	Rehabilitation
Number of Stories:	10	Lot Size (acres and sf):	.21 acres / 9,104 sf
Number of Units:	214	Architect:	HKIT
Total Residential Area:	68,540 sf	General Contractor:	BBI
Total Commercial Area:	0 sf	Property Manager:	Caritas
Total Building Area:	84,460 sf	Supervisor and District:	Sup. Peskin D3
Current Land Owner:	Episcopal Community Services	Ultimate Land Owner:	1000 Sutter LLC
Total Development Cost (TDC):	$113,459,593	Total Acquisition Cost:	$46,000,000
TDC/unit:	$530,185	TDC less land cost/unit:	$315,232
Loan Amount Requested:	$71,125,575	Request Amount / unit:	$332,363
HOME Funds?	N	Parking?	N

PRINCIPAL DEVELOPMENT ISSUES

- **Significant increase in rehabilitation scope**: Due to the rapid acquisition timeline requirements of the Homekey program, only preliminary due diligence was possible before acquiring the building. Initially, only a modest rehabilitation was assumed, costing approximately $37M and providing for accessibility, habitability and seismic improvements. Post-acquisition, the scope was refined multiple times as unforeseen conditions were uncovered, primarily due to the age of the building, which added approximately $26M in cost. This request to assume the existing construction loan does not contemplate a further loan upsize from the previously approved upsize in May of 2023. No more funds will be available for this project. Details on the various scope increases can be found in **Section 4.2**.
- **Vacancies**: Mid-construction, HSH and ECS together decided to defer filling vacant units until rehabilitation is complete due to the level of disruption caused by the construction. There are currently 134 vacant units out of 214.This is affecting cashflow (**Section 7.5.4**), as the initial projections assumed the Project would be fully leased at this time, but the new timeline does not assume full lease-up until summer of 2025, as discussed in **Section 5.5.**
- **Ongoing timeline and cost containment issues**: The two most recent issues are (1) complex trenching modifications and PG&E's inability to confirm it can dedicate the appropriate transformer to the Project and (2) incorrect assumptions on development period cashflow due to relocations and vacancies, which will continue through the end of construction. These are the latest in a series of challenges for both construction/project management and asset management, which indicate that continuous and skilled oversight by MOHCD will be necessary through permanent conversion. Despite these issues, the current request is not an upsize over previously approved funds, and the Sponsor is aware that no additional funds will be made available to the Project. See **Sections 1.2.6, 2.5, 4.3, and 5.6.**
- **Risk of assuming an existing loan during construction:** The primary concern when assuming an existing loan is also assuming liability for mechanic's liens for work done to-date. Old Republic Title Company provided coverage options for both the creation of a new construction loan and the assumption of the existing loan. Assuming the existing loan offered more straightforward and advantageous protection against mechanic's lines, with a policy called an ALTA 10 Assignment Endorsement that would extend the existing lien protection coverage to the City as assignee. Getting the same coverage for a new loan would require indemnities and backup documentation for expenses already incurred. Given MOHCD's close relationship with the current lender (SFHAF), the already established and ongoing involvement of a MOHCD Construction Representative in overseeing the Project, and the fact that the full protections offered to SFHAF during construction through their lien protection policy could be extended to MOHCD under the existing loan, there is a clear path forward to take out the SFHAF without assuming unnecessary risk.

SOURCES AND USES SUMMARY

Acquisition/Rehabilitation Sources	Amount	Per Unit	Terms	Status
HSH/MOHCD	$6,606,165	$30,870	5 yrs @ 0% Def	Committed
HCD Homekey	$42,334,020	$197,823	grant	Committed
SFHAF*	$37,185,184	$173,763	27 mth @ 3.5%	Committed
SFHAF - 1st extension & modification*	$5,914,220	$27,637	9 mth @ 3.5%	Committed
SFHAF - 2nd extension & modification*	$20,091,667	$93,886	11 mth @ 5.5%	Committed
HSH/MOHCD- Perm Only (deferred)	$1,328,339	$6,207	55 yrs @ 0% Res Rec	This Request
Total	**$113,459,595**	**$530,185**		

***to be assumed by the City via this request**

Permanent Sources	Amount	Per Unit	Terms	Status
HSH/MOHCD	$71,125,575	$332,363	55 yrs @ 0% Res Rec	This request
HCD Homekey	$42,334,020	$197,823	grant	Committed
Total	**$113,459,595**	**$530,185**		

Permanent Uses	Amount	Per Unit	Per SF
Acquisition	$5,861,813	$27,392	$74.25
Hard Costs	$53,617,092	$250,547	$679.13
Soft Costs	$9,618,331	$44,945	$121.83
Reserves	$1,028,339	$4,805	$13.03
Developer Fee	$1,000,000	$4,673	$12.67
Total	**$71,125,575**	**$332,363**	**$900.89**

1. BACKGROUND

1.1. Project History Leading to This Request.

San Francisco applied for nearly $45M in response to the HCD Homekey NOFA issued on July 16, 2020 to acquire and rehabilitate the 214-room Granada Hotel to convert it to permanent supportive housing in support of Mayor Breed's and the City's goal to rapidly expand the availability of permanent supportive housing. The lead applicant was HSH in partnership with ECS as developer, owner and service provider, Caritas Management as property manager and the San Francisco Housing Accelerator Fund (SFHAF) as construction lender. The Project received the Homekey award of $44.8M on September 21, 2020, $42.3M of which was allocated for the acquisition, and the remainder for an operating subsidy. On October 6, 2020, the Board of Supervisors approved the proposed transaction including executing a Standard Agreement with HCD for the Homekey funding, and matching HSH funds of up to $23 million.

The original Project envisioned a modest rehabilitation scope, but requirements to meet code and minimum standards of habitability have necessitated multiple upsizes and extensions of the SFHAF loan. The Project began rehabilitation work in April 2022, and is currently projected to complete construction in late 2024 or early 2025. See Appendix I for financing details and section 4.1.3 for scope.

Due to the size of the loan and the rehabilitation taking three years longer than originally envisioned, the SFHAF has requested that the City provide its financing prior to the normal point of takeout financing, which is at conversion to permanent financing. Thus, MOHCD is evaluating the payoff of the SFHAF loan through an assignment and assumption, in addition to the permanent financing, at this time.

1.2. Applicable NOFA/RFQ/RFP.

ECS was selected as the development partner through a Request For Information (RFI) that HSH issued on July 24, 2020 (HSH's RFI #HSH2020-100: Potential Permanent Supportive Housing Sites).

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

1.3.1. Borrower. 1000 Sutter LLC
1.3.2. Joint Venture Partnership. N/A.
1.3.3. Demographics of Board of Directors, Staff and People Served.

	BOARD		STAFF	
Race & Ethnicity	#	%	#	%
African American or Black	3	17%	177	44%

Asian or Asian American	1	6%	35	9%
Hispanic or Latinx	2	6%	75	19%
American Indian or Alaska Native	2	11%	1	0%
Pacific Islander	1	6%	6	1%
White	0	0%	87	22%
2+ races			20	5%
Gender				
Male	10	56%	181	45%
Female	8	44%	214	53%
Non-binary			6	1%
Sexual Orientation				
Heterosexual or straight	16	89%		
Lesbian	2	11%		

See marketing and lease-up section below for portfolio demographics.

1.3.4. Racial Equity Vision. To directly address issues of Race and Ethnicity in affordable housing development, ECS has established a Director of Diversity, Equity, and Inclusion (DEI) position who is helping guide robust internal (visioning) and external (training) programs.
ECS is engaged in a three-year strategic planning process which includes drafting and implementing a formal DEI plan. Work and completion of the plan in FY24 will inform efforts to produce a race equity vision statement/plan by late FY24 to early FY25.

The three-person ECS Housing Development team is an all-women, all-POC group.

1.3.5. Relevant Experience. Currently overseeing a portfolio of 2,026 units of permanent supportive housing, the ECS team offers expertise in housing development, building operations, and service provision. The agency has successfully developed/renovated six permanent supportive housing (PSH) sites using an array of public and private funding sources, with one project currently under construction. ECS's portfolio includes a diverse array of sustainable building products and unit types, from midsize buildings serving homeless families (e.g. 47-unit Canon Barcus Community House), to larger buildings supporting homeless single adults (e.g. 256-units at 1064-66 Mission Street). ECS also has extensive operating experience, including buildings that they own as well as several master-leased hotels, as shown in Attachment D.

1.3.6. Project Management Capacity. Rebecca Gigi is the Development Project Manager. While the Director of Development recently departed ECS, three experienced consultants have been hired to assist as needed, including Michael Chao who is specifically helping with the Granada. See attached ECS Housing Development Staff and Consultant resumes in Attachment C.

1.3.7. Past Performance.

1.3.7.1. City audits/performance plans. There are no known open performance issues with ECS for fiscal compliance with MOHCD or other city funding departments, or performance issues for compliance with their current MOHCD service grant.

1.3.7.2. Marketing/lease-up/operations. ECS has not used DAHLIA as all units in their portfolio are referrals from HSH that have not required a marketing plan. Below is a chart of Sponsor-provided Real Estate Owned (REO) data disaggregated by race:

Number of Tenants in ECS REO, disaggregated by race and ethnicity		
Race	**Count**	**Percent**
American Indian, Alaska Native, or Indigenous	83	9.47%
Asian or Asian American	60	6.85%
Black, African American or African	301	34.36%
Native Hawaiian or Pacific Islander	39	4.45%
White	406	46.35%
Client Doesn't Know	1	0.11%
Client Refused	41	4.68%
Data Not Collected	17	1.94%
Ethnicity	**Count**	**Percent**
Non-Hispanic/Non-Latin(a)(o)(x)	598	68.26%
Hispanic or Latin(a)(o)(x)	225	25.68%
Client Doesn't Know	15	1.71%
Client Refused	30	3.42%
Data Not Collected	8	0.91%

Number of Tenants Evicted (5) in ECS REO, disaggregated by race	
Race	**Percent**
Black, African American or African	60%
Non-Hispanic	80%
Hispanic	20%
White	40%

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

Site Description	
Zoning:	RC-4 Residential-Commercial, High Density
Maximum units allowed by current zoning (N/A if rehab):	N/A
Number of units added or removed (rehab only, if applicable):	N/A
Seismic (if applicable):	Seismic Zone 4
Soil type:	N/A
Environmental Review:	Pursuant to AB 83, the following CEQA statutory exemption was added to Health and Safety Code Section 50675.1.2 for Homekey projects
Adjacent uses (North):	Retail (auto shops), hospital, residential
Adjacent uses (South):	Hotels, residential, church
Adjacent uses (East):	Residential and retail
Adjacent uses (West):	Residential, retail, parking lot
Neighborhood Amenities within 0.5 miles:	Grocery: Trader Joe's - .3 mi Healthcare: St Francis Memorial Hospital - .1 mi Pharmacy: Walgreens - .2 mi
Public Transportation within 0.5 miles:	Polk & Sutter Bus Stop - .2 mi
Article 34:	Exempt per Homekey guidelines Article 34 is "not applicable to development involving the acquisition, rehabilitation [etc, of] dwelling units using moneys received from the CRF established by the federal CARES Act (Public Law 116-136)."
Article 38:	Exempt
Accessibility:	17 (8%) of units accessible (Mobility featured, Hearing and Visual Aid featured); No adaptable units
Green Building:	N/A
Recycled Water:	Exempt
Storm Water Management:	N/A

2.1. Description. Granada Hotel is a 10 story plus basement Single Room Occupancy (SRO) Hotel located at the corner of Sutter and Hyde Streets that was constructed around 1908. 212 out of 214 rooms will become permanent supportive housing units at turnover, after refurbishment. Existing tenants, who should not be displaced but who do not necessarily qualify for homeless housing through HSH, include very low-income senior residents who are at-risk of homelessness and displacement due to their limited household income and the unrestricted rents. The rooms average 200 square feet in size, and approximately half contain a full private bathroom. Those that do not have a sink with a vanity and are served by common bathrooms on each floor. All units are equipped with a mini refrigerator.

2.2. Zoning. N/A

2.3. Probable Maximum Loss. N/A

2.4. Local/Federal Environmental Review. Assembly Bill No. 83 (2019-2020 Reg. Sess.) created the statutory basis for Homekey by adding section 50675.1.1 to the Health and Safety Code and exempted certain Homekey Projects from the California Environmental Quality Act (CEQA) by adding section 50675.1.2 to the Health and Safety Code. Granada Hotel meets those requirements.

2.5. Environmental Issues.

Phase I/II Site Assessment Status and Results.

Phase I: The Assessment from ACC Environmental Consultants, completed in November 2020, identified several Recognized Environmental Conditions (RECs) requiring significant follow-up/remediation activities. This includes a leaking Underground Storage Tank (UST), multiple off-site dry-cleaning facilities, and the building being subject to the Maher Ordinance because of the scale of the site's soil disturbance.

Details of all findings and follow-up activities are in **Appendix J**.

Phase II: Also detailed further in **Appendix J**, determined that indoor air data indicate that VOC impacts are below the level of concern.

The original budget allocated $100,000 for environmental remediation, and the Project has now spent $341,000. Additional testing will be required to monitor concentrations, and a final project report will need to be produced after all construction/earth disturbance has ceased. Sponsor is expecting all expenses can be covered out of the soft cost reserve.

Potential/Known Hazards: as laid out above and in Appendix J.

2.6. Adjacent uses and neighborhood amenities. The Granada is in Lower Nob Hill in a high-density area served by transit, grocery stores, St Francis Memorial Hospital, and other shopping including a pharmacy. Located half a mile from Union Square, primary uses include cafes and restaurants, shopping, hotels, and music venues.

2.7. Green Building. N/A - no green building upgrades projected. Some measures like replacing all windows were taken shortly before ECS acquired the building.

3. COMMUNITY SUPPORT

3.1. Prior Outreach. ECS engaged in the following outreach to neighborhood groups upon and after acquisition.

- Union Square Business Improvement District & Hotel Council (Joint meeting on both the Granada and the Diva): November 18 and December 20, 2020; July 27 and November 9, 2021
- Lower Polk Neighbors & Lower Polks CBD (Joint meeting) on Feb 10, 2021
- Grace Cathedral: January 13, 2021

3.2. Future Outreach. ECS has been in regular contact with Supervisor Peskin to provide construction updates that affect both residents and the neighborhood. With upcoming site work related to the PG&E transformer and switchgear installations, ECS issued a letter the week of April 1st to neighbors letting them know of the increase in construction activity and noise for the next 4 months.

3.3. 1998 Proposition I Citizens' Right-To-Know. N/A – use is not changing.

4. DEVELOPMENT PLAN

4.1. Site Control.

4.1.1. Proposed Property Ownership Structure: 1000 Sutter LLC, an affiliate of ECS, owns the land and improvements. The site was purchased on November 13, 2020.

4.1.2. Securing City Interest: The City will encumber the property with a Deed of Trust, recorded at loan execution along with a Declaration of Restrictions (DOR) in first lien position, and an Option to Purchase (Option). The Option secures the City's right to purchase the property under any conditions that could require a sale during the life of the Project.

4.2. Proposed Design. (Construction underway) The 214-unit SRO will receive rehabilitated units with upgraded fixtures, rehabilitated common area bathrooms, and several new community spaces. The new office configuration includes a 9-office suite in the lobby for Services and 2-office suite for Property Management staff to meet privately with clients, which is being built out currently and is expected to be completed and operational in late April. Adjacent to the offices is a 2,163 sf Dining Room that will be used for coffee hour, daily meal distribution through a contract with the San Francisco Department of Disability and Aging Services (DAS) for those who qualify, and other site-specific programming for residents. A 721-sf community kitchen and food pantry are also being built out for Resident and Support Services use. Additionally, the basement has over 1,000 sf of new spaces for resident use, including 182 sf laundry room with 7 washers and 8 dryers, 628 sf community room, and 312 sf conference room.

Initial rehab scope at acquisition in November 2020: Essentially none – purchase only.

Rehab scope increase in September 2021: seismic improvements with new micropiles, pile caps and new concrete shear walls in the basement and ground floors, as well as Fiber Reinforced Polymer (FRP) reinforcement throughout the height of the building. Renovation of individual SRO units, renovated shared bathrooms on all floors, limited rehabilitation of SRO units' interior finishes including new vanities where needed, light fixtures, paint and flooring, as well as repair or replacement of radiators, and improvements to the common areas at the ground floor and basement. The cost estimate for the above original scope was $35.2M, with $6.5M value-engineered to reach a target construction budget of $28.7M. The value-engineered items were primarily in reducing the Seismic/FRP scope to the minimum Code requirements as well as omitting new bathroom vanities in all SRO units and combining the corresponding reductions in General Contractors' Fee, Bond, Tax and Insurance.

Rehab scope increase in May 2023: Typical for rehabilitation of older buildings, dry rot in the framing, as well as inadequate, aging and/or non-Code compliant infrastructure (framing, electrical, radiator heating and plumbing systems) required replacement and/or correction via change orders added to the Contract Sum, which have depleted all contingencies in the Project budget. Originally constructed in 1908, the existing galvanized plumbing system is past the end of its useful life. While the 2021 scope of work included $300,000 to repair plumbing stacks as needed, the entire plumbing system (supply, drain/waste line, vent and stack lines) shows signs of deterioration that have recently led to multiple failure/leaks and ensuing damage to interior finishes (ceiling, wall and flooring) as well as residents' belongings. Currently, the cost to address these plumbing issues totals approximately $12,000,000. Supply lines will be replaced with copper, and waste lines with cast iron. The scope of work began in November 2023.

4.3. <u>Construction Supervisor/Construction Representative's Evaluation:</u> The below is a summary of current construction activities:

- Existing galvanized piping is being replaced in groupings of residential units in vertical stacks, which is combined with renovating their bathrooms, kitchens and other specified improvements.
- Plumbing/renovation work is proceeding as scheduled. ECS has been able to vacate several vertical stacks of residential units to facilitate the renovation work. Once the renovations for these units have been completed, tenants occupying the remaining vertical stacks are relocated to the newly renovated units. No offsite relocation will occur.
- Renovation of common areas (community bathrooms, corridors, ground floor lobby, basement and kitchen improvements).
- The Granada Hotel's scope of work included upgrading the existing electrical service in order to have sufficient power to serve all the newly

renovated units and spaces. The current construction challenge is related to implementing the PG&E electrical upgrade, which includes new main electrical panels/switchgear and sidewalk underground transformer vaults.

- Since the Sutter/Hyde Street intersection has high automobile traffic, establishing the traffic control plans with SFMTA and SF Muni has required numerous revisions before being accepted by SFMTA and SF Muni, which in turn, had delayed proceeding with the trench work for the underground sidewalk vaults.
- Concurrent with the above, PG&E has notified the Project team that due to supply chain issues and/or manufacturers' backlog, PG&E has only a limited number of transformers available and cannot dedicate the required transformer to the Granada Hotel until the following has been achieved:
  - Completion of the trenching
  - Vault placement
  - Conduit runs – Underground to Electrical Room
  - Electrical work/panels/equipment have been deemed safe for energization by SFDBI
    - If this cannot be achieved in a timely manner, PG&E could decide to dedicate the transformer to another project. Should this happen, the completion of the electrical work at the Granada Hotel will be subsequently dependent on transformer availability, which is expected to be six to nine months later.
  - When the trench work occurred, a large existing underground oil tank and abandoned PG&E gas line were encountered and needed to be tested and coordinated with local authorities having jurisdiction prior to removal.
  - Given the above conditions, the anticipated date for green tag is early May 2024, two months later than what PG&E had expected when trenching work had started.
  - Project team has kept PG&E informed of the delay and have asked PG&E to confirm that the transformer will still be available for the Granada Hotel. PG&E has not confirmed as of April 4, 2024.
- The Granada Hotel's current schedule has Substantial Completion on 12/31/24 and final completion in early 2025.

4.4. Commercial Space. N/A - no commercial space

5. Service Space. The new office configuration includes a 9-office suite in the lobby for Services and 2-office suite for Property Management staff to meet privately with clients, which was built out during the rehabilitation. The dining room and other community spaces are adjacent to the offices.

5.1. Interim Use. N/A

5.2. Infrastructure. N/A

5.3. Communications Wiring and Internet Access. Because MOHCD did not finance the rehabilitation, upgrades to the existing communication wiring and internet access do not follow MOHCD Communications Systems standards. However, internet was already modernized at the site prior to acquisition. Wi-Fi is available to residents for free, via the use of Wireless Access Points. Cable to the residential units can be used by more than one carrier/Internet Service Provider (ISP).

5.4. Public Art Component. N/A

5.5. Marketing, Occupancy, and Lease-Up: All tenants are referred to available units through HSH's Coordinated Entry System. The Project is expected to be 100% occupied by Summer 2025, or 4-6 months after construction completion. As of the date of this loan request, the building is 37% occupied and 134 units are vacant. ECS does not plan on moving in new residents until construction is complete in early 2025 due to the galvanized pipe scope and relocation plan, as well as the impact construction noise has had on the current tenant population. This decision was made in conjunction with HSH.

5.6. Relocation.

- The laws, regulations and statutes applicable to the relocation of the Households at the Property are the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. 4601 et seq. (Uniform Act), CFR 49, Part 24; HUD Handbook 1378; California Relocation Assistance Law – Government Code 7260 aka CRAL; and California Relocation Assistance Guidelines – Code of Regulations Title 26, Chapter 6 aka the Guidelines
- 79 residents will need to be relocated, some twice. All moving materials are provided to the residents at no cost, and movers are hired to physically move residents' furniture and belongings. Residents are given a $100 gift card to Safeway to incentivize participation in relocation. HCD reviewed and approved the relocation plan as part of the Homekey application.
- At acquisition, the projected relocation budget for the Project was $300,000 and the Project has now spent $359,000, with 9 months of construction remaining and an additional expected relocation expense of $250,000. All relocation is on site. The initial budget included the cost of the relocation consultant and moving expenses (movers, boxes, etc), but did not account for the extended construction schedule or the inclusion of the galvanized pipe scope, additional coordination and meeting time with residents, on-site staff, and providing incentives for residents to move. The additional relocation costs can be handled within the soft cost contingency.
- All relocation because of the galvanized pipe scope can happen on-site, as the plumbing is vertically stacked and each stack can be

addressed individually, although it does result in some residents needing to move twice.

- The initial relocation consultant left the Project as it has gone well past the original schedule. The original consultant was instrumental in onboarding the new relocation consultant, and there have been no issues with the transition.

6. DEVELOPMENT TEAM

Development Team			
Consultant Type	**Name**	**SBE/LBE**	**Outstanding Procurement Issues**
Project Management	Michael Chao	N	N
Architect	Youngwoo Son, HKIT	N	N
General Contractor	Tom Lemire, BBI	N	N
Owner's Rep/Construction Manager	Supriya Shrestha, Marx Okubo	N	N
Other Consultant	Raj Virk, AutoTemp (Relocation)	N	N
Legal	Thomas Webber, Goldfarb & Lipman	N	N
Property Manager	Andrew Lambert, Caritas Management Corporation	N	N

6.1. Procurement Plan. N/A - the City is providing funding mid-construction and all contracts are in place. Any new scope would be added via a change order to an existing contract. Note BBI is the general contractor and they are compliant with prevailing wage.

6.2. Opportunities for BIPOC-Led Organizations. None known.

7. FINANCING PLAN (See Attachment K for Sources and Uses)

7.1. Prior MOHCD/OCII Funding - N/A - none

7.2. Disbursement Status. – MOHCD disbursed $6,606,165 as predevelopment financing, out of a $10,000,000 loan. The remaining funds from that predevelopment loan would be re-committed and available as a component of the total construction/permanent financing, and the full $10,000,000 would remain in the project during permanent financing.

7.3. Fulfillment of Loan Conditions. N/A no prior MOHCD funding

7.4. Proposed Predevelopment Financing – N/A – Project is currently mid-construction

7.5. Proposed Permanent Financing

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

- MOHCD Loan (up to $71,125,575): 0% residual receipts, 55 years (up to $69,797,236 of which is available as Construction Financing until construction completion and perm conversion) Expenses at perm conversion include funding reserves and paying the remaining (at-risk) developer fee.
- HCD Homekey Grant ($42,334,020): As a grant, there are no repayment terms

7.5.2. HOME Funds Narrative: N/A

7.5.3. Commercial Space Sources and Uses Narrative: N/A – no commercial space

7.5.4. Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	**Meets Standard? (Y/N)**	**Notes**
Hard Cost per unit is within standards	Y	Rehabilitation of $252k/unit
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	Hard Cost Contingency was adjusted to 27% of construction cost at upsize approved in May 2023; sized due to extreme cost increases during first portion of Project construction $5.9M of the $11.5M contingency remains as of April 12, 2024 (just over 50%)
Architecture and Engineering Fees are within standards	Y	Architecture $1.75M ($8k/unit; 1.5% of total project costs); Engineering $177k
Construction Management Fees are within standards	Y	$330k paid over 3 years
Developer Fee is within standards, see also disbursement chart below	Y	Total developer fee of $1M, see chart below for breakdown
Consultant and legal fees are reasonable	Y	Legal $125k
Entitlement fees are accurately estimated	Y	Entitlements complete
Construction Loan interest is appropriately sized	Y	Original HAF loan with fixed interest rate at 3.5% through November 2023, with $20M galvanized pipe upsize at 5.5% calculated through maturity in October 2024. Takeout of the HAF in July would result in approximately $800,000 of interest savings.
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

Capitalized Replacement Reserves are a minimum of $1,000 per unit (Rehab only)	Y	$1,080 per unit
Vacancy reserve is sufficient	N	Vacancy reserve was expected to cover scope as determined in 2021. In 2023, ECS and HSH made the decision to leave vacancies until construction was complete. The last requested upsize in 2023 did not account for the additional loss of revenue due to the vacancies. Pending approval by MOHCD, the cost of those will come out of the LOSP operating reserve until Project stabilization in 2025. The cost of vacancies projected in 2024 is $396k over budget and in 2025 is projected to be $160k over budget. Paying for these vacancies is part of the LOSP resize request discussed in Section 8.1 below.
Lease up reserve is sufficient	N	Was not budgeted for. Expected to cost $128k, will be paid for out of soft cost contingency.

7.5.5. Developer Fee Evaluation: The milestones for the payment of the developer fee to the sponsor were negotiated when predevelopment financing was approved and are specified below:

Total Developer Fee:	$1,000,000
Project Management Fee Paid to Date:	$700,000
Amount of Fee at Risk (the "At Risk Fee"):	$300,000
Amount of Fee Deferred (the "Deferred Fee"):	$0

8. PROJECT OPERATIONS (See Attachments L and M for Operating Budget and Proforma)

8.1. Annual Operating Budget.

- The initial LOSP contract for the Project was approved in November 2020, when the Project was acquired.
- PUPA operating expense is currently at $14,500, but the upcoming LOSP request is expected to increase this up to 15%, to $16,675. This is in line with averages across similar projects, escalated to 2024.
- Sponsor's upcoming modification request to the LOSP budget will be considered outside of this loan evaluation, since it will not modify the overall contract amount, and therefore does not need Loan Committee approval. The request includes increases to line items related to security and staffing, an increase on the escalation factor on utilities and insurance and increases to the operating reserves to cover vacancy losses from 2024 and 2025 while the Project remains under

construction (see vacancy reserve note above). LOSP modification request should be completed within 90 days of closing the HSH/MOHCD construction loan.

- Office salaries, insurance, utilities, and janitorial contracts are all significant but in line with what is expected with permanent supportive housing.
- Replacement reserves are sized at $350/unit/year as was negotiated though the LOSP contract. It is low given the age of the building and the population but may be reasonable given the scale of the building at 214 units, as well as the extensive rehab underway. Replacement reserves may be re-negotiated after a new Property Needs Assessment (PNA) is completed.

8.2. Annual Operating Expenses Evaluation.

Operating Proforma		
Underwriting Standard	**Meets Standard? (Y/N)**	**Notes**
Debt Service Coverage Ratio is minimum 1.1:1 in Year 1 and stays above 1:1 through Year 17	N/A	No debt. All units are supportive and LOSP-funded
Vacancy rate is based on project's historical actuals	N/A	Vacancy rate will be set at 5%. All units will be filled through HSH's Coordinated Entry System.
Annual Income Growth is increased at 2.5% per year or 1% for LOSP tenant rents	Y	LOSP tenant rents are increasing by 1% annually.
Annual Operating Expense escalation is based on project's historical actuals	N	No historical actuals available for full occupancy. Expenses escalation factor is the standard 3.5%, with an exception for utilities escalating at 5%. LOSP budget to be re-evaluated separately later in 2024.
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are $14,500 per unit per year, which is low compared to comps, as shown in the table below. LOSP modification request is expected to increase operating expenses 10-15%/year, which would bring the project in line with the average across similar projects.
Property Management Fee is at allowable HUD Maximum	N	Total Property Management Fee is below maximum allowable at $180,960 or $71 PUPM
Property Management staffing level is reasonable per comparables	Y	Proposed staffing: 2 FTE Senior Property Manager (PM) 4.2 FTE Front Desk Coverage .4 FTE Janitor Significant additional janitorial ($750k annual) provided via contracts, including 3 FTE handypersons and

		attention to onsite work orders as needed
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is $22,670/yr which is below the maximum. No PM fee as it is not a tax credit deal
Replacement Reserve Deposits meet project needs based on CNA	N	Replacement Reserves are currently $350 per unit per year as negotiated in LOSP contract in 2020, with the understanding that a new PNA would be ordered after rehabilitation is complete, and which could be used to determine an updated replacement reserve.
Limited Partnership Asset Management Fee meets standards	N/A	No LP

Cost comps tool comparison of similar properties (large sites with LOSP):

INCOME AND EXPENSES ESCALATED TO 2024									AVERAGES
$15,035	$17,725	$15,860	$16,489	$13,607	$19,647	$13,913	$23,054	$17,062	$16,932
Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7	Comp 8	Comp 9	
Arlington Hotel	Plaza Apartments	Hotel Essex	Arnett Watson Apartments	Community House	Kelly Cullen Community	Apartments (Parcel G)	Bayview Hill Gardens	Apts (Transbay Block 11A)	
154	106	84	83	135	174	120	73	120	

8.3. Property Needs Assessment & Replacement Reserve Analysis.

Property Needs Assessment completed in November 2020 by Basis Architecture and Consulting indicated Project was in excellent to good condition. This has not proved correct, given the need to update non-Code compliant infrastructure (framing, electrical, radiator heating and plumbing systems) discovered after rehabilitation commenced in March of 2022. Immediate needs were identified as costing $600k, with 15-year needs at $2.3M (or $2.7M inflated). The largest expense items in the CNA were seismic retrofitting, life safety systems, plumbing, electrical and elevator upgrades, bathroom figure and finish updates, and in-unit mobility feature upgrades.

The replacement reserves required by the $2.7M inflated 15-year needs from the PNA completed in November 2020 is $850/unit/year. Due to the scope of the rehabilitation, however, an interim replacement reserve of $350/unit/year was negotiated in the initial LOSP contract, with the understanding that a new PNA would be completed post-rehabilitation, with which the Sponsor could then re-apply for a modified replacement reserve requirement.

A new PNA will also be required every 5 years, per MOHCD policy.

8.4. Income Restrictions for All Sources & MOHCD restrictions. Homekey restrictions identify the Target Population as individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined in Part 578.3 of Title 24 of the Code of Federal Regulations, and who are impacted by the COVID 19 pandemic. The City restrictions will be set at 50% MOHCD AMI. The chart below will be incorporated into Exhibit A of the MOHCD Loan Agreement and into the MOHCD Declaration of Restrictions.

Unit Size	No. of Units	Maximum Income Level	Rental Subsidy
Single Room Occupancy (SRO)	212	50% of Median Income	LOSP
SRO – staff units	2		
Total units	214		

9. SUPPORT SERVICES

9.1. Services Plan.

- Provider/s name: Episcopal Community Services of San Francisco
- Staffing: 212 of 214 units are LOSP. Support Services ratio is 1:25.

A 5-year plan was created by ECS and approved by HSH in November 2020. It includes on-site services with three specific goals: achieve housing stability to increase quality of life, foster self-sufficiency, and maintain housing. There are clinical services including referrals to DPH's Permanent Housing Advanced Clinical Services (PHACS) team, intensive case management, and collaborations with IHSS and HomeBridge. The staffing plan includes a total of 10 Full-time Equivalent (FTE) staff, including one Support Services manager, an Assistant Support Services Manager, and eight Case Managers, two of whom are bilingual.

9.2. Services Budget. The budget for Fiscal Year (FY) 2023-2024 was $1,194,143 or $5,633/unit/year. While this is more than enough during the building's partial occupancy, overall operating costs are demonstrating to be 10-15% higher than initially anticipated, and upward adjustments to insurance, utilities, and security line-items will be the primary components of the upcoming request for LOSP budget modification.

9.3. HSH Assessment of Service Plan and Budget. HSH has a signed services agreement with ECS, made as of November 13, 2020, which includes a scope of services and budget.

10. STAFF RECOMMENDATIONS

10.1. Proposed Loan/Grant Terms

Financial Description of Proposed PERMANENT Loan

Loan Amount:	Up to $71,125,575
Loan Term:	55 years
Loan Maturity Date:	2078
Loan Repayment Type:	Residual Receipts
Loan Interest Rate:	0%
Date Loan Committee approves prior expenses can be paid:	6/1/2020
Financial Description of Proposed Construction Loan	
Loan Amount:	$69,797,236
Loan Term:	2 years
Loan Maturity Date:	2026
Loan Repayment Type:	Rollover to permanent City financing
Loan Interest Rate:	0%
Date Loan Committee approves prior expenses can be paid:	6/1/2020

10.2. Recommended Loan Conditions

1. Sponsor must provide MOHCD with monthly construction updates.
2. Sponsor must work with MOHCD staff and Project's General Contractor to keep construction on schedule and on budget.
3. Sponsor must provide updated lease-up plan within 60 days of loan closing with dates for expected completion and 100% lease-up and provide a monthly post-closing report until Certificate of Completion is received.
4. Sponsor must provide written, quarterly updates to MOHCD on relocation plan implementation and plan modifications until Project is fully leased.
5. Sponsor to work with MOHCD and HSH to update the LOSP budget and income restrictions for the referrals from Coordinated Entry within 90 days of loan closing.
6. Sponsor must order a new PNA upon project completion.
7. If Notice of Completion is projected to be delayed beyond March of 2025, Sponsor must determine whether Project qualifies for AHP financing, and if so, must apply.

11. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

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

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

______________________________________ Date: ____________________

Daniel Adams, Director
Mayor's Office of Housing

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

______________________________________ Date: ____________________

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

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

______________________________________ Date: ____________________

Thor Kaslofsky, Executive Director
Office of Community Investment and Infrastructure

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

______________________________________ Date: ____________________

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

Attachments:
A. Project Milestones/Schedule
B. Borrower Org Chart
C. Developer Resumes
D. Asset Management Analysis of Sponsor
E. Threshold Eligibility Requirements and Ranking Criteria -N/A
F. Site Map with amenities
G. Elevations and Floor Plans
H. List of San Francisco Homekey Projects
I. Upsize Requests/Budget Modifications
J. Further Detail on Environmental Site Assessment, Underground Storage Tank, and Business Environmental Risk
K. Development Budget
L. 1st Year Operating Budget
M. 20-year Operating Pro Forma

FW: Re: REQUEST FOR PERMANENT FINANCING AND CONSTRUCTION FINANCING FOR GRANADA HOTEL

Adams, Dan (MYR) <Dan.Adams@sfgov.org>

Sun 4/21/2024 12:28 PM

To:Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

I also vote yes for the above referenced request.

Daniel Adams
Director
Mayor's Office of Housing and Community Development
City and County of San Francisco

From: Trivedi, Vishal (CON) <vishal.trivedi@sfgov.org>
Sent: Friday, April 19, 2024 11:54 AM
To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>
Cc: Adams, Dan (MYR) <Dan.Adams@sfgov.org>
Subject: Re: REQUEST FOR PERMANENT FINANCING AND CONSTRUCTION FINANCING FOR GRANADA HOTEL

I vote yes.

Vishal Trivedi | Financial Analyst
Office of Public Finance | City & County of San Francisco
Email | vishal.trivedi@sfgov.org

Granada Hotel

Menjivar, Salvador (HOM) <salvador.menjivar1@sfgov.org>

Fri 4/19/2024 1:51 PM

To:Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

I support Episcopal Community Services request of up to $69,797,236 in construction financing and an additional $1,328,339 in permanent financing, for a total of $71,125,575, to take out the San Francisco Housing Accelerator Fund's (SFHAF) acquisition/rehabilitation loan on the Granada Hotel. The building is one of the first two Homekey acquisitions in the city, and, once rehabilitation is complete, it will provide 212 SRO units for those experiencing homelessness, plus two staff units.

Best,

salvador

Request for Permanent Financing and Construction Financing

Slutzkin, Marc (CII) <marc.slutzkin@sfgov.org>
Fri 4/19/2024 12:12 PM
To:Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>
Cc:Ely, Lydia (MYR) <lydia.ely@sfgov.org>;Kaslofsky, Thor (CII) <Thor.Kaslofsky@sfgov.org>;Colomello, Elizabeth (CII) <elizabeth.colomello@sfgov.org>;Adams, Dan (MYR) <Dan.Adams@sfgov.org>

Hi Vanessa,

I approve the above request on behalf of OCII.

Thanks

Marc

OCII office of COMMUNITY INVESTMENT and INFRASTRUCTURE

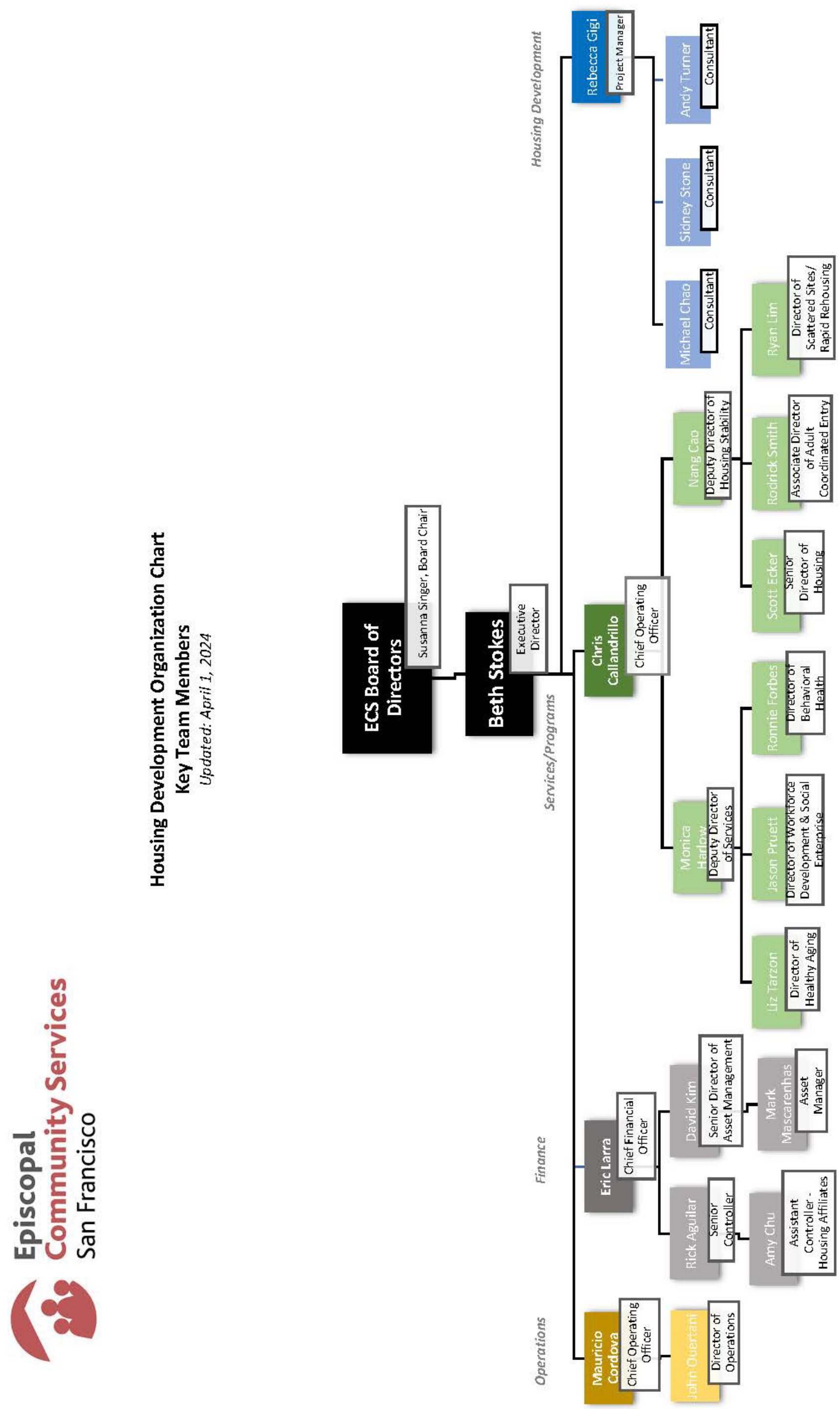
Marc Slutzkin
Deputy Director

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

Attachment A: Project Milestones and Schedule

No.	Performance Milestone	Estimated or Actual Date	Notes
A	Prop I Noticing (if applicable)	N/A	
1	Acquisition/Predev Financing Commitment	11/9/2020	
2.	Site Acquisition	11/13/2020	
3.	Development Team Selection		
a.	Architect	8/25/2020	
b.	General Contractor	8/25/2020	
c.	Owner’s Representative	3/20/2023	
d.	Property Manager	8/1/2020	
e.	Service Provider	8/1/2020	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	10/16/2020	
b.	Submittal of Design Development & Cost Estimate	06/01/2021	
c.	Submittal of 50% CD Set & Cost Estimate		
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)		
5.	Commercial Space	N/A	
a.	Commercial Space Plan Submission	N/A	
b.	LOI/s Executed	N/A	
6.	Environ Review/Land-Use Entitlements		
a.	SB 35 Application Submission	N/A	
b.	CEQA Environ Review Submission	N/A	
c.	NEPA Environ Review Submission	N/A	
d.	CUP/PUD/Variances Submission	N/A	
7.	PUC/PG&E		
a.	Temp Power Application Submission	N/A	
b.	Perm Power Application Submission	9/14/2022	
8.	Permits		
a.	Building / Site Permit Application Submitted	9/10/2021	
b.	Addendum #1 Submitted	10/22/2021	
c.	Addendum #2 Submitted	10/29/2021	
9.	Request for Bids Issued	10/22/2021	
10.	Service Plan Submission		
a.	Preliminary	N/A	
b.	Final	11/13/2020	
11.	Additional City Financing		
a.	Preliminary Gap Financing Application	N/A	
b.	Gap Financing Application	N/A	
12.	Other Financing		

a.	HCD Application	8/7/2020	
b.	Construction Financing RFP	N/A	
c.	AHP Application	N/A	
d.	CDLAC Application	N/A	
e.	TCAC Application	N/A	
f.	Other Financing Application	N/A	
g.	LOSP Funding Request	1/18/2021	
13.	Closing		
a.	Construction Loan Closing	11/13/2020	
b.	Conversion of Construction Loan to Permanent Financing	TBD; 6/30/2024	
14.	Construction		
a.	Notice to Proceed	3/11/2022	
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	12/31/2024	
15.	Marketing/Rent-up		
a.	Marketing Plan Submission	N/A	
b.	Commence Marketing	6/1/2024	
c.	95% Occupancy	Fall 2025	
16.	Cost Certification/8609	N/A	
17.	Close Out MOH/OCII Loan(s)		


Episcopal Community Services San Francisco
Housing Development Organization Chart
Key Team Members
Updated: April 1, 2024
ECS Board of Directors
Susanna Singer, Board Chair
Beth Stokes
Executive Director
Operations
Mauricio Cordova
Chief Operating Officer
John Querrani
Director of Operations
Finance
Eric Larra
Chief Financial Officer
Rick Aguilar
Senior Controller
Amy Chu
Assistant Controller - Housing Affiliates
David Kim
Senior Director of Asset Management
Mark Mascarenhas
Asset Manager
Services/Programs
Chris Callandrillo
Chief Operating Officer
Monica Harley
Deputy Director of Services
Liz Tarzon
Director of Healthy Aging
Jason Pruett
Director of Workforce Development & Social Enterprise
Ronnie Forbes
Director of Behavioral Health
Nang Cao
Deputy Director of Housing Stability
Scott Ecker
Senior Director of Housing
Rodrick Smith
Associate Director of Adult Coordinated Entry
Ryan Lim
Director of Scattered Sites/ Rapid Rehousing
Housing Development
Rebecca Gigi
Project Manager
Michael Chao
Consultant
Sidney Stone
Consultant
Andy Turner
Consultant

Attachment C: Development Staff Resumes

Rebecca Gigi
Housing Development Project Manager

Rebecca serves as the Housing Development Project Manager at Episcopal Community Services ("ECS"). She is responsible for managing ECS's active development projects.

Rebecca joined ECS in 2017 and launched her career in housing development working on San Francisco's largest permanent supportive housing development at 1064-1068 Mission Street. The project was a joint collaborative effort with co-developer, Mercy Housing; the Mayor's Office of Housing and Community Development; and the U.S. Department of Health & Human Services. Rebecca played an integral role as ECS's project manager on the team and saw the entire development from predevelopment to its construction completion in November 2022, which spanned five years in total from start to finish.

Rebecca also facilitated ECS's application process in the highly competitive Project Homekey 1.0 funding made available in the summer of 2020 during the COVID-19 pandemic, in partnership with the City and County of San Francisco's Department of Homelessness and Supportive Housing ("HSH"). Through the efforts of both ECS and HSH, the City and County of San Francisco was awarded not one, but two Homekey grants to acquire the Granada and the Diva in November and December 2020, respectively, to rehabilitate and maintain as permanent supportive housing. Both projects are currently undergoing construction.

Andrew B. Turner, consultant

City of Oakland, Oakland Unified School District (OUSD), Lifting TAY: Career Technical Education (CTE) and Transitional Aged Youth (TAY) HUB. Representing Development Partners, City, OUSD and Lifting TAY, a 501(c)3 recently formed from a coalition of educators and youth advocates to develop a hub for at risk and intuitionally affected young people in Oakland. Located at the historic OUSD admin headquarters on 2nd avenue.
Project HomeKey: MPI Homes, Bay Area Community Services (BACS), Housing Consortium of the East Bay (HCEB), Insight Housing, Contra Costa County, Novin Development: Project HomeKey hotel acquisitions and conversions to permanent supportive housing. Project Manager for six successful awarded projects and multiple acquisition rehabs including: Golden Bear Inn and Rodeway inn in Berkeley, Piedmont Place and Imperial Inn in Oakland and El Portal in Contra Costa County, Project Reclamation Scattered Site Homes in Alameda County and Salinas.
Community Land Trust Development Consulting: Financial consulting, project management and development strategy support for Richmond
LAND and Oakland Community Land Trust related to public funding applications and new development plans for low-income family housing and permanent supportive housing.
Additional consulting for:
• BRIDGE Housing Corporation
• McCormack Baron Salazar, Oakland & The World Enterprises, Inc.
• RIAZ Capital, Affordable by Design (ABD)

Sidney Stone, consultant

VP of Real Estate Development, CCH Senior Housing

Attachment D: Asset Management Evaluation of Project Sponsor

- **Current asset management staffing:**
  - David Kim, Senior Director of Asset Management – oversight of all 1,635 units below
  - Mark Mascarenhas, Asset Manager, 1 FTE – 882 units
  - Kamika Singleton, Asset Manager, 1 FTE – 753 units

- **Scope and range of duties of sponsor's asset management team:** to analyze, maintain, assess, and translate physical, financial, compliance, and long term needs of properties

- **Coordination between asset management and other functional teams, including property management, accounting, compliance, facilities management, etc**: Asset Management collaborates with all departments within ECS, as well as outside agencies such as 3rd party Property Management, City of SF, HCD, TCAC, etc

- **Budget for asset management team**: $639,779

- **# of projects expected to be in AM portfolio in 5 years:** 17

Attachment E: Threshold Eligibility Requirements and Ranking Criteria

N/A

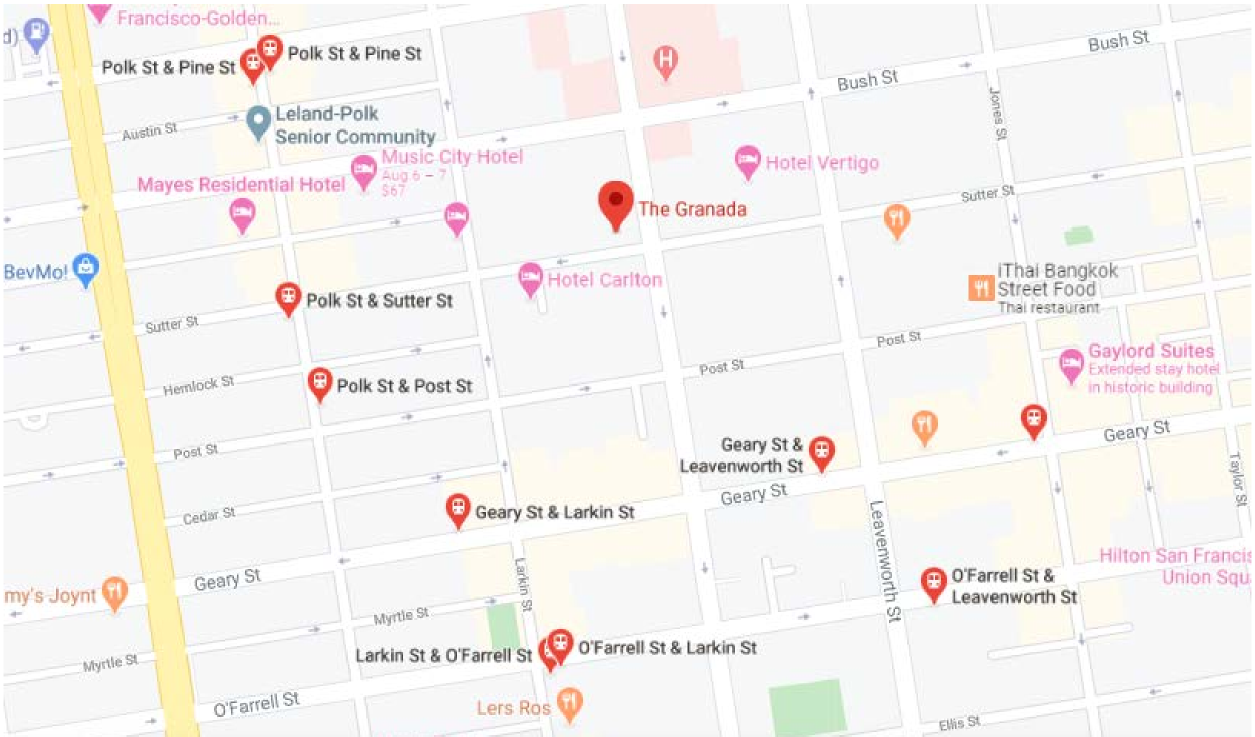
Attachment F: Site Map with amenities

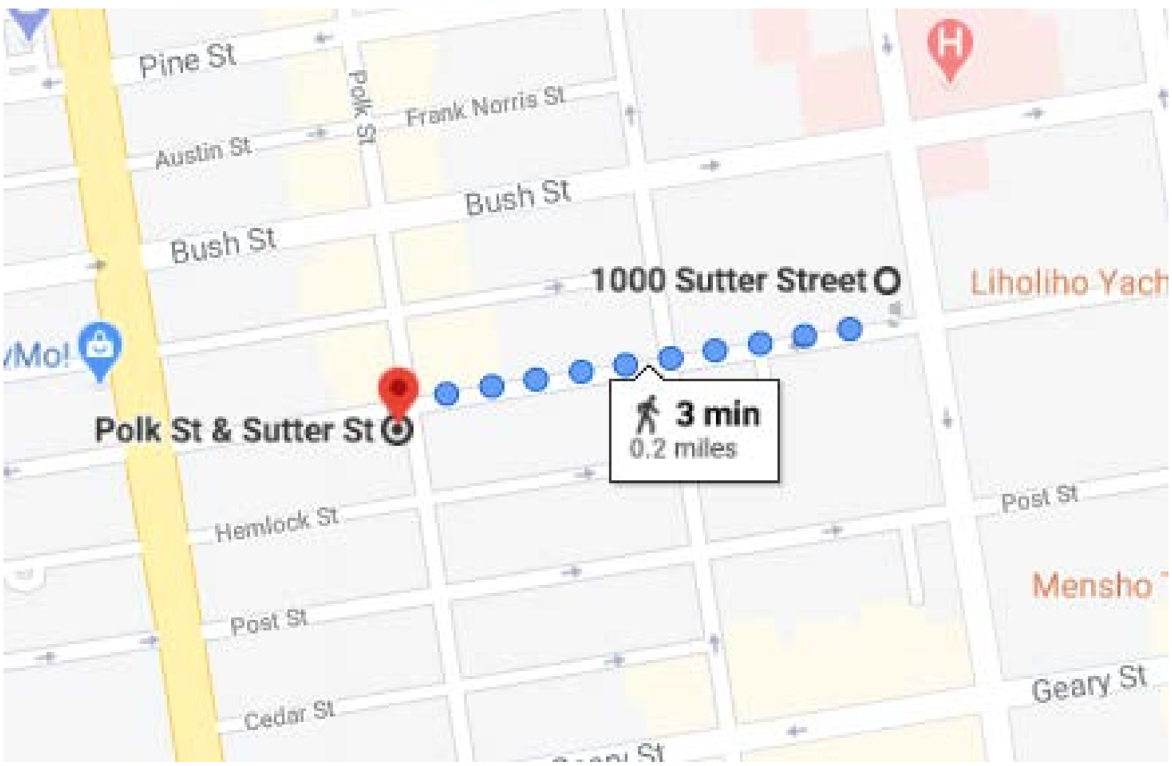
see following page

<u>Property Location:</u>
1000 Sutter Street (Currently “The Granada Hotel”)
San Francisco, CA 94109

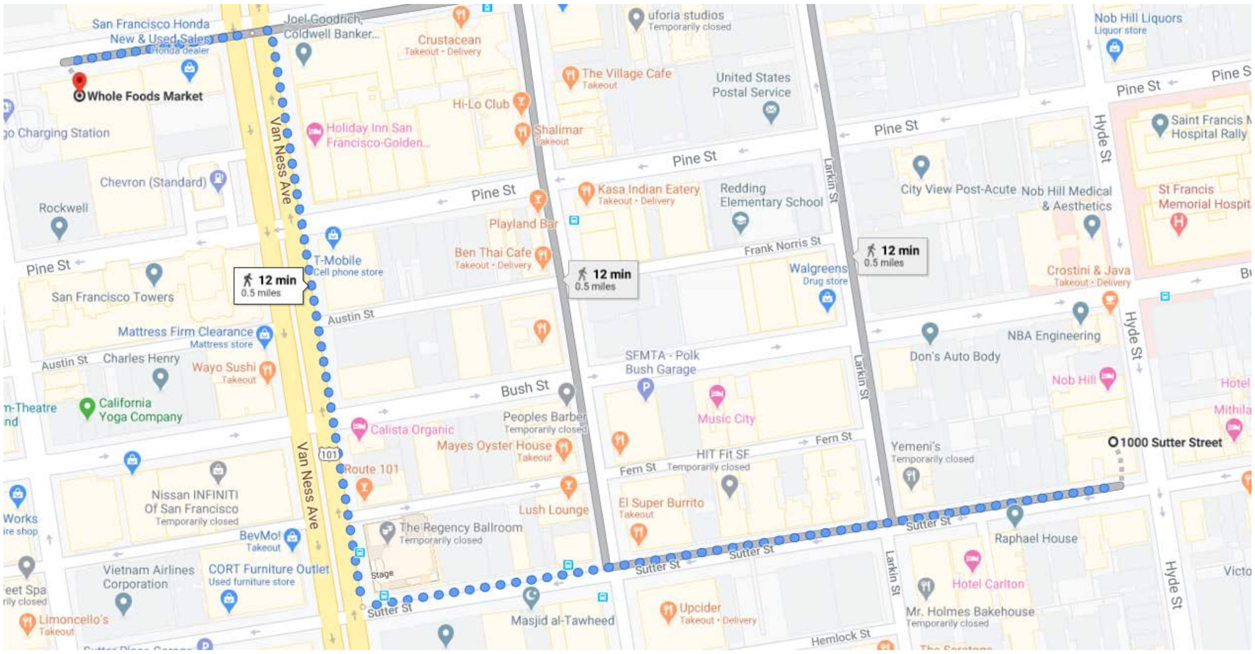
Amenity	**Distance to Closest**
Transit Stop	**.2 miles**
<u>Bus Stop:</u> Polk & Sutter	.2 miles
<u>Light Rail Stop:</u> Powell Street Station	.8 miles
Grocery Store	**.3 miles**
Trader Joe's, 1095 Hyde St, San Francisco, CA 94109	.3 miles
Whole Foods Market, 1765 California St, San Francisco, CA 94109	.5 miles
Health Facility	**.5 miles**
St. Francis Memorial Hospital 900 Hyde St, San Francisco, CA 94109	.1 miles
St. Anthony's Medical Clinic, 150 Golden Gate Ave 2nd floor, San Francisco, CA 94102	.6 miles
Book-Lending Public Library	**.6 miles**
San Francisco Public Library, 100 Larkin St, San Francisco, CA 94102	.6 miles
Pharmacy	**.2 miles**
Walgreens Pharmacy, 1300 Bush St, San Francisco, CA 94109	.2 miles

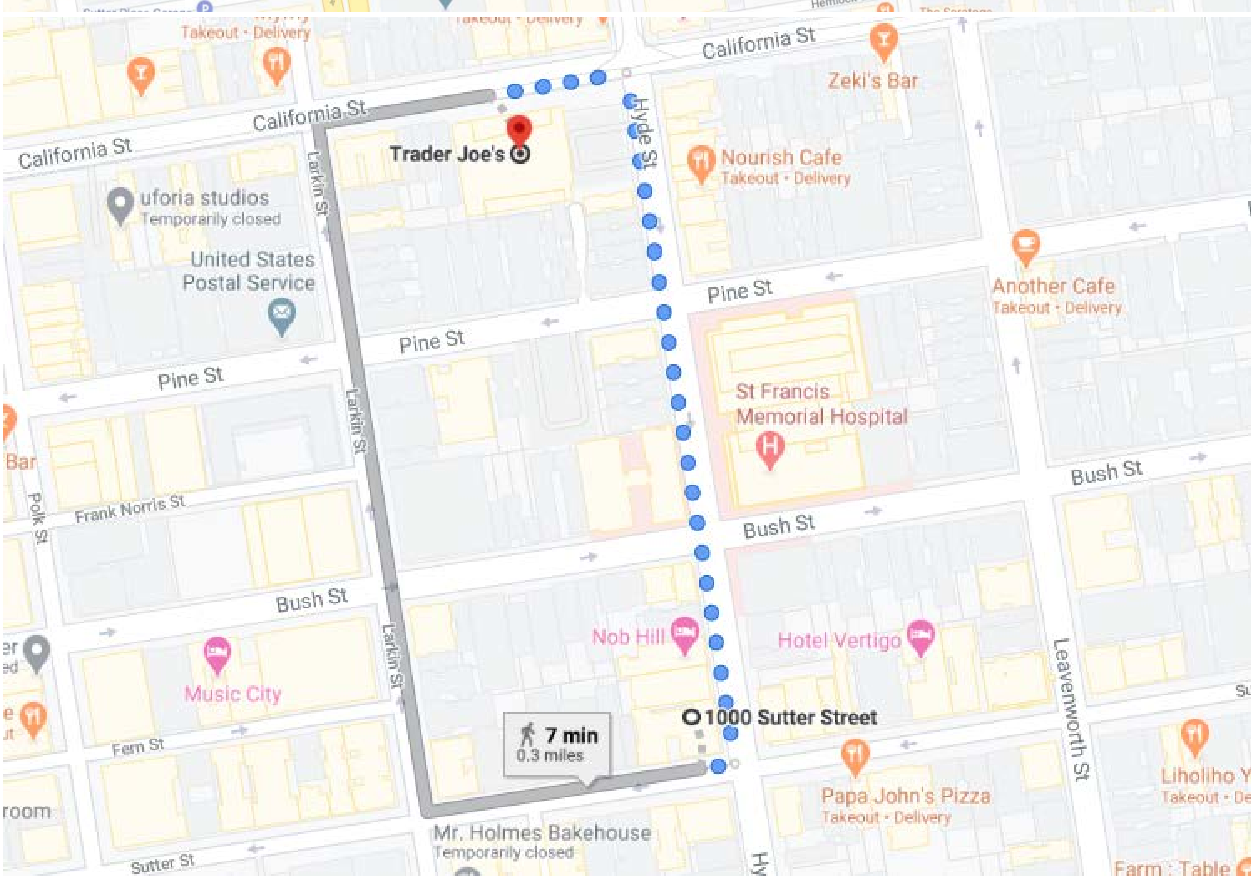
Transit Stops - Bus Stops



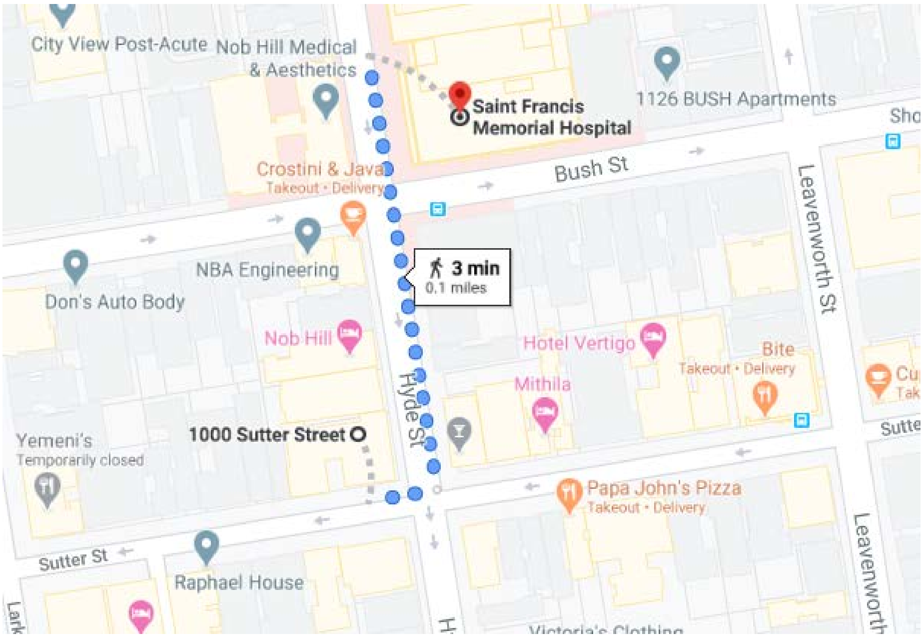


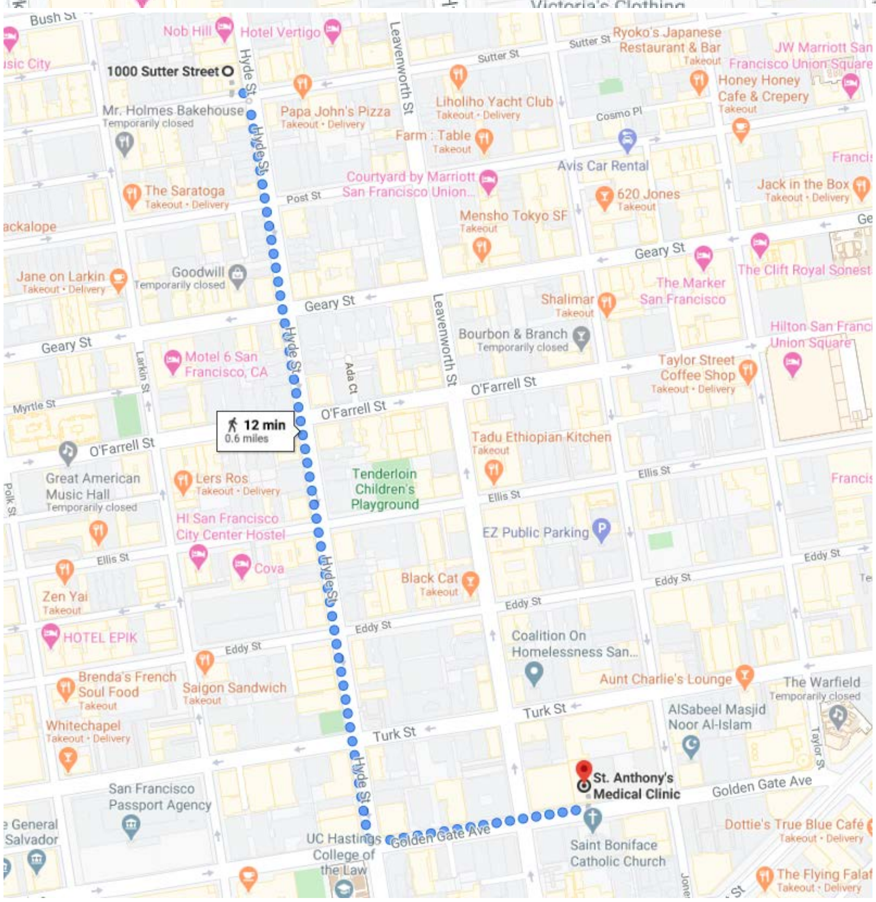
Grocery Stores



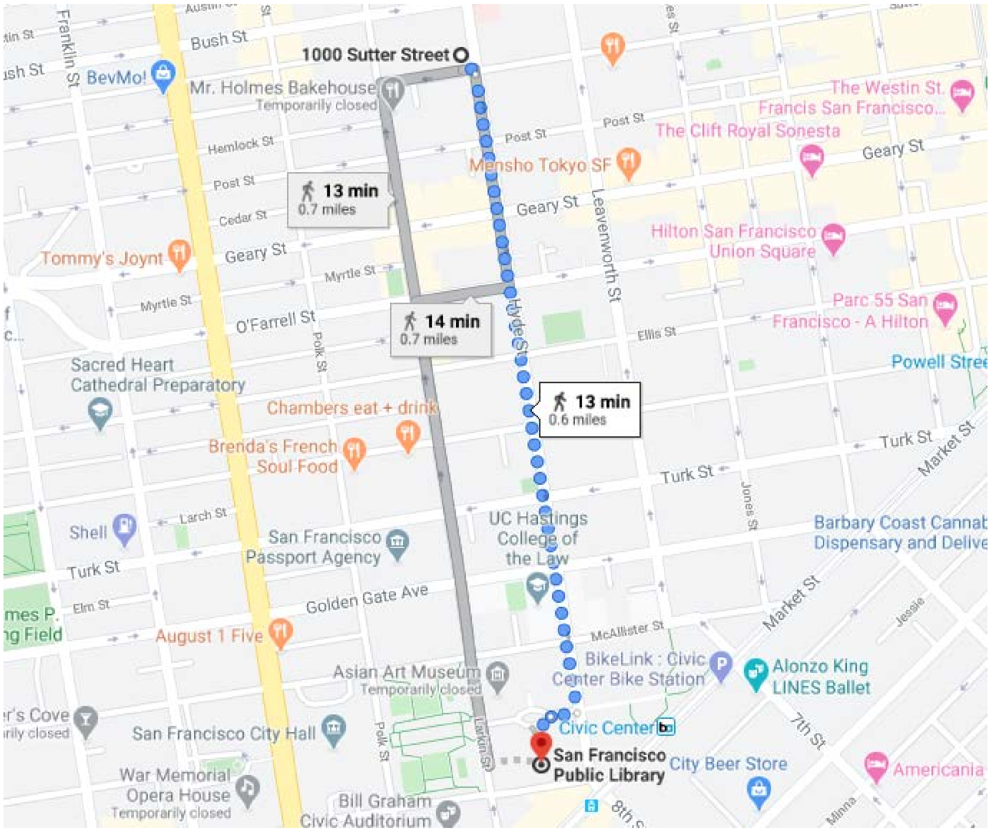


Health Facilities

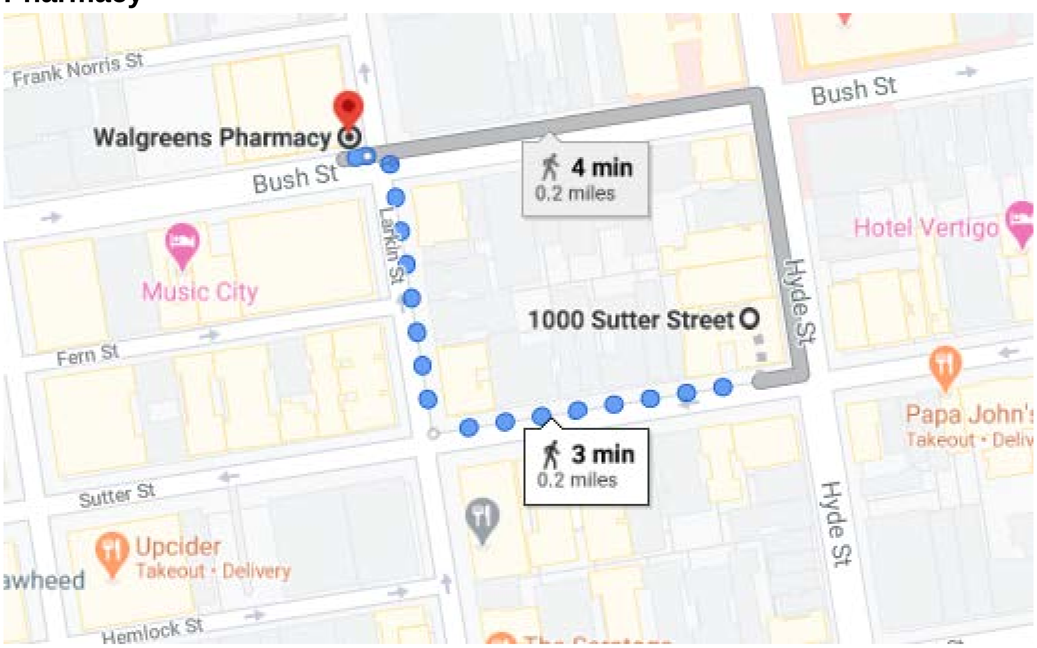




Public Library



Pharmacy

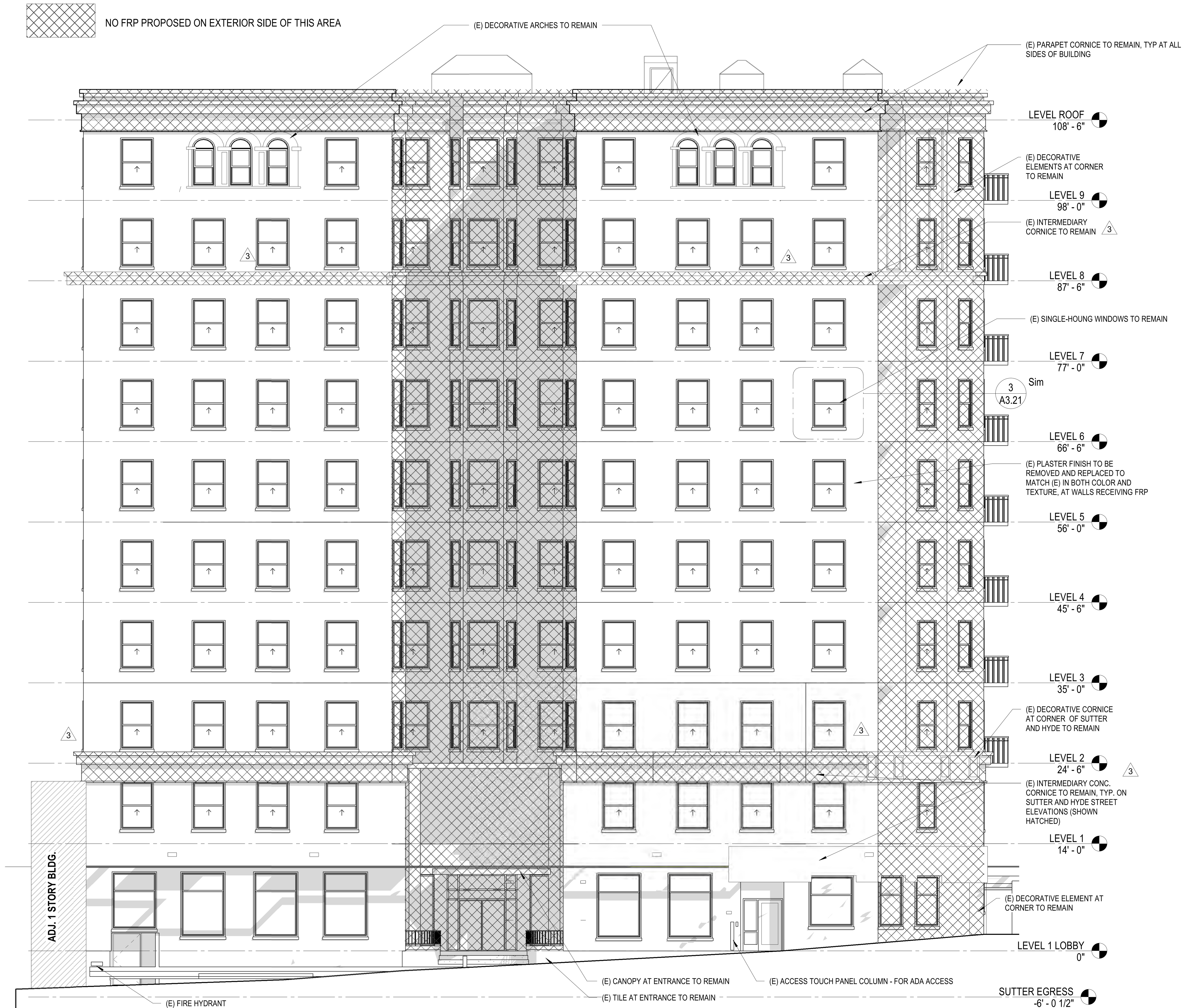


Attachment G: Elevations and Floor Plans

See following pages

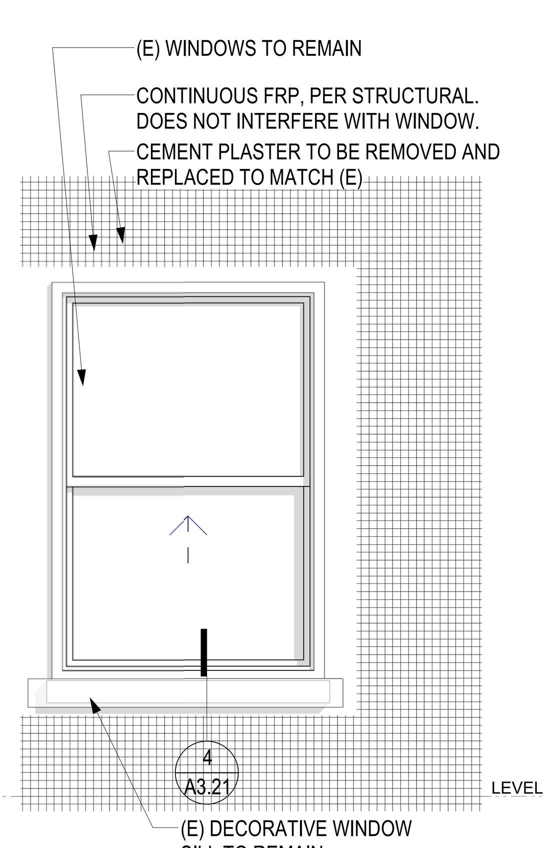
LEGEND - FRP

NO FRP PROPOSED ON EXTERIOR SIDE OF THIS AREA

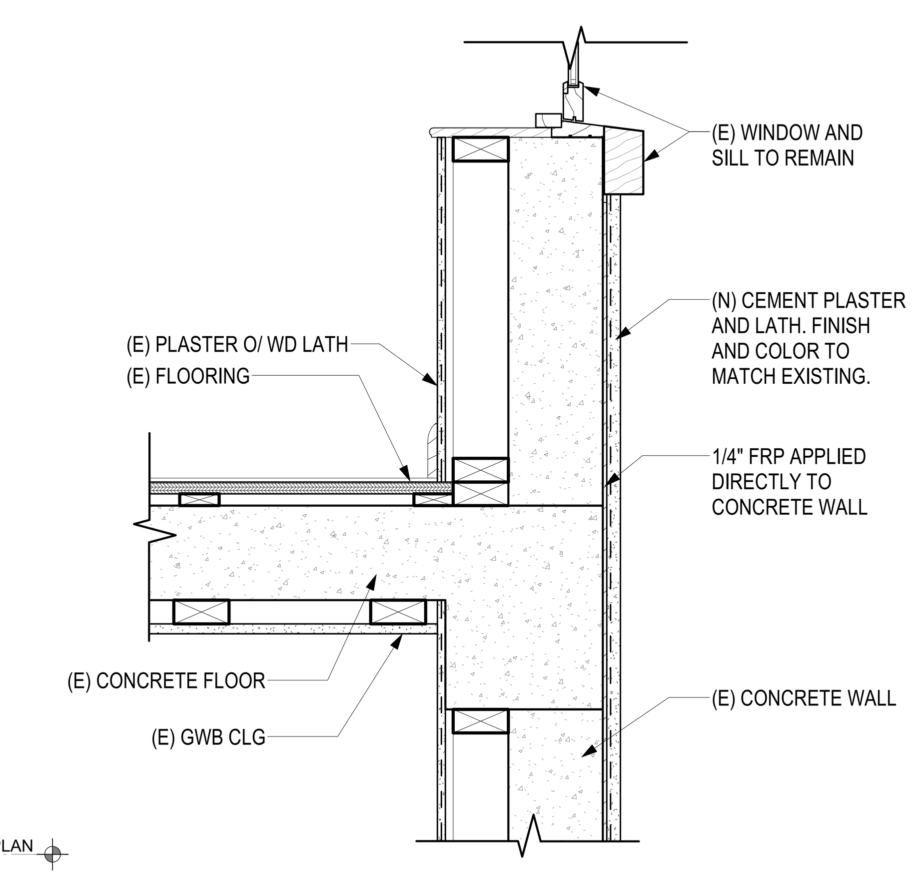


1 SOUTH (SUTTER ST) ELEVATION - NEW CONSTRUCTION
1/8" = 1'-0"

2 EAST (HYDE ST) ELEVATION - NEW CONSTRUCTION
1/8" = 1'-0"



3 TYPICAL WINDOW AT FRP
1/2" = 1'-0"



4 EXTERIOR WALL SECTION
1 1/2" = 1'-0"

PARAPET CORNICE AND DECORATIVE ELEMENTS AT WINDOWS TO REMAIN

PARAPET / TOP OF BUILDING

INTERMEDIATE CORNICE MAY NEED TO BE REMOVED AND REPLACED IN KIND, IF FRP GOES TO THAT HEIGHT ON THE BUILDING.

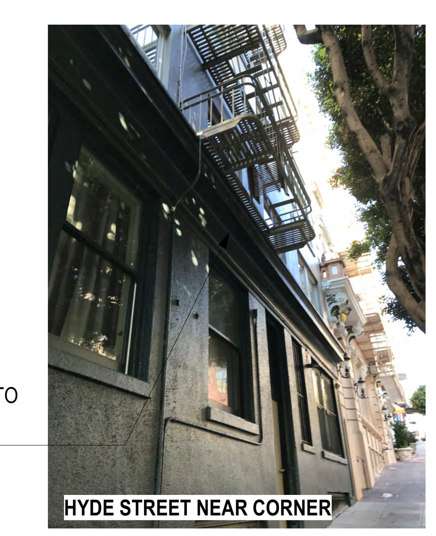
CENTRAL LIGHT WELL

WINDOW SILL ELEMENTS TO REMAIN, TYP

SUTTER & HYDE CORNER

DECORATIVE CORNICE AND FLUTING AT CORNER TO REMAIN.

INTERMEDIARY CORNICE TO BE REMOVED AND REPLACED IN KIND.



HYDE STREET NEAR CORNER

5 EXISTING ARCHITECTURAL DETAILS
12" = 1'-0"

HKIT ARCHITECTS
538 NINTH STREET SUITE 240 • OAKLAND, CA 94607
T 510 625 9800 • F 510 625 9801 • WWW.HKIT.COM

LICENSED ARCHITECT CHRISTOPHE SCOTT LAVERNE No. C 30046 REN. 6-30-23 STATE OF CALIFORNIA

1000 SUTTER St.

1000 SUTTER ST, SAN FRANCISCO, CA 94109, UNITED STATES

JOB NO.	20356
DRAWN	BM
CHECKED	BM
JOB CAPTAIN	YS

ISSUE

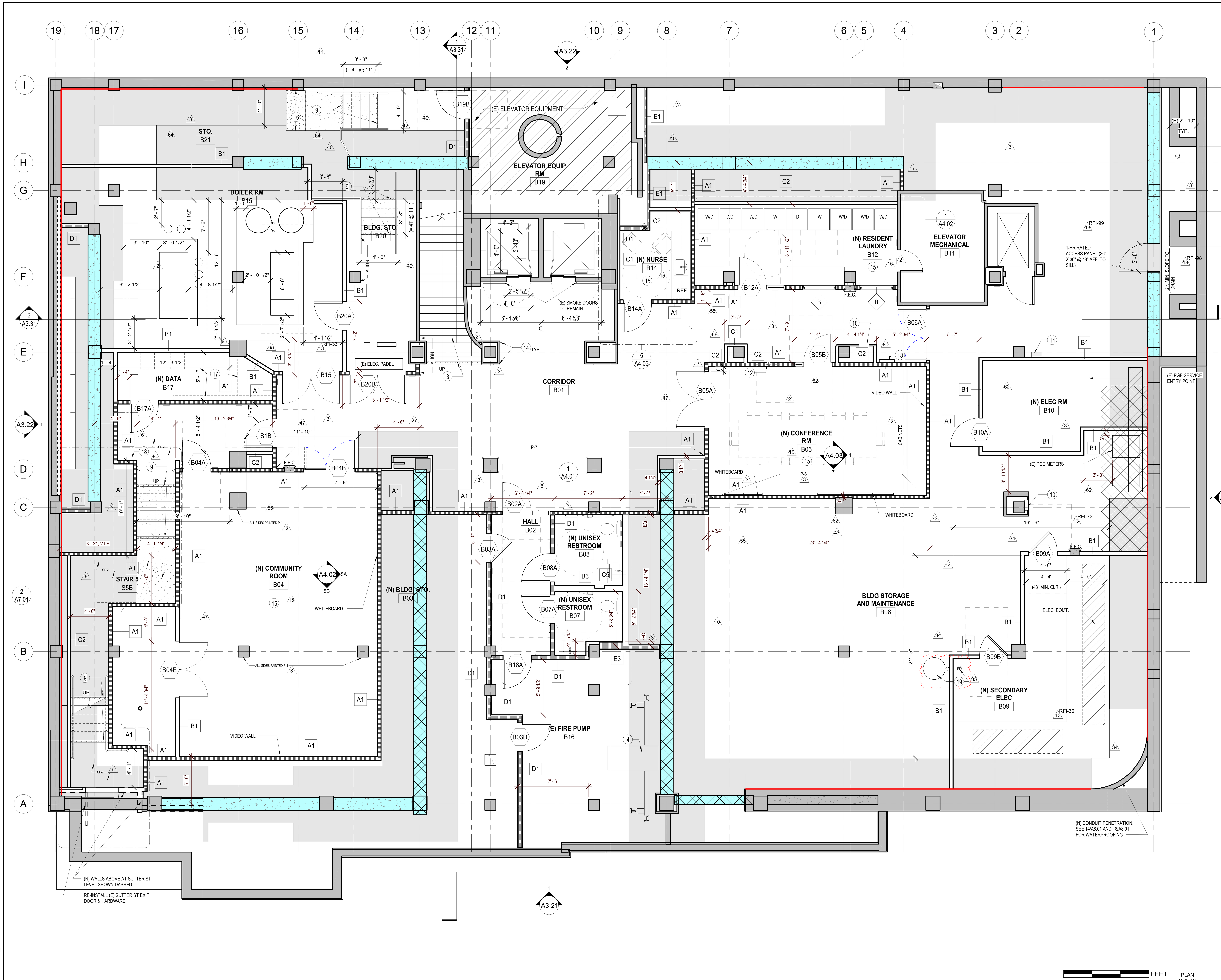
△	DATE	DESCRIPTION
	09/10/21	PERMIT
3	10/29/21	Constructability 1

DRAWING TITLE

EXTERIOR ELEVATIONS SOUTH & EAST - NEW CONSTRUCTION

SCALE As indicated

A3.21



1 LEVEL BASEMENT - NEW CONSTRUCTION PLAN
1/4" = 1'-0"

GENERAL NOTES

FOR ADDITIONAL ARCH. SYMBOLS, SEE G0.01

A. SEE CIVIL, STRUCTURAL, ELECTRICAL, PLUMBING, MECHANICAL DRAWINGS FOR COMPLETE SCOPE OF WORK AND ADDITIONAL INFORMATION
B. FOR WALL TYPES, SEE SHT. A8.01. REFER ALSO TO ENLARGED PLANS.
C. REFER TO DOOR, WINDOW, AND FINISH SCHEDULES FOR ADDITIONAL INFORMATION.
D. SEE SHT. G1.01 FOR EGRESS, EMERGENCY SIGNAGE, AND FIRE EXTINGUISHER LOCATIONS
E. FIELD VERIFY ALL EXISTING CONDITIONS PRIOR TO FABRICATION.
F. ALL (N) PLUMBING FIXTURES TO BE ACCESSIBLE.
G. SEE A8.01 TO A9.03 SHEETS FOR ARCHITECTURAL DETAILS NOT SHOWN ON PLAN.
H. SEE STRUCTUAL DRAWINGS FOR FRP LOCATIONS
I. SEMI RECESSED FIRE EXTINGUISHER CABINET, LARSEN MODEL NO. 2409-R3, VERTICAL DUO WITH LARSEN-LOC, MP-5 EXTINGUISHER & ROLLED EDGE (NON RATED WALLS). FIRE RATED SEMI RECESSED FIRE EXTINGUISHER CABINET, LARSEN MODEL NO. FS2409-R3, VERTICAL DUO WITH LARSEN-LOC, MP-5 EXTINGUISHER & ROLLED EDGE (RATED WALLS). MOUNT TOP @64" A.F.F. VERIFY QUANTITIES AND LOCATIONS WITH LOCAL FIRE DEPT. FIRE EXITING. MIN. RATING = 2A. TRAVEL DISTANCE FROM ANY POINT IN THE BUILDING TO A FIRE EXITING. DOES NOT EXCEED 75 FEET.

SHEET NOTES

1. (N) PLUMBING FIXTURES, SEE P-FIX SCHEDULE
2. (N) FLOORING, SEE FINISH SCHEDULE
3. (N) RUBBER STAIR TREAD W/ 70% CONTRASTING COLOR ABRASIVE PAINTED OR MECHANICALLY ATTACHED STRIPS AT TOP AND BOTTOM TREAD
4. (E) FIRE PUMP TO REMAIN
5. (N) ELEC. PANEL, S.E.D.
6. (N) STAIR & HANDRAILS
7. (N) FRONT LOAD WASHERS (NIC), SEE MEP DWGS
8. (N) FRONT LOAD DRYERS (NIC), SEE MEP DWGS
9. (N) MTL. STAIR W/ CONC. FILLED MTL. PAN TREADS,& LANDING, PROVIDE 70% CONTRASTING COLOR ABRASIVE PTD. OR MECHANICALLY ATTACHED STRIPS AT TOP & BOTTOM OF TREAD
10. (E) ELEC. PANEL TO REMAIN, S.E.D
11. ELECTRICAL PANEL TO BE REPLACED BY NEW LIKE PANEL IN NEAREST WALL. S.E.D
12. PROVIDE MOBILE ASSISTIVE LISTENING DEVICE AND SIGN, S.E.D., SEE
13. (N) SST. CORNERGUARDS, TYP.
14. (E) DC EQUIPEMENT TO REMAIN
15. COAT WITH EPOXY VAPOR BARRIER PER FLOORING MANUFACTURER'S RECOMMENDATIONS, PROVIDE MOISTURE VAPOR EMISSION TESTING & REMEDIATION PER FLOORING MANUFACTURER'S RECOMMENDATION AND PREPARE THE EXISTING SLAB, AS RECOMMENDED BY FLOORING MANUFACTURER AND THE ACCEPTABLE VAPOR RETARDER COATING MANUFACTURERS BELOW:
    1. KOESTER: KOESTER VAP 1 2000 ZERO VOC
    2. AQUAFIN: VAPORTIGHT COAT-SG3
    FIELD VERIFY:
    CORE-CUT SLAB AND LABORATORY ANALYSIS, IF REQUIRED BY FLOORING MANUFACTURER:
    PREPARE (E) CONCRETE FLOOR SURFACE PER FLOORING MANUF.
16. (N) INFILL FLOOR
17. (N) LOW VOLTAGE RUNWAYS
18. (N) FIRE HOSE CABINET
19. (N) SUMP PUMP AND DRAIN, SPD.

LEGEND

- EXISTING WALL/COL. TO REMAIN
- (N) 1 HOUR RATED ASSEMBLY
- (N) 2 HOUR RATED ASSEMBLY
- (N) FRAMED WALL, SEE WALL TYPES
- (N) CONCRETE SHEAR WALL, SSD
- FRP AT FACE OF WALL, SSD
- EXISTING FIXTURE TO REMAIN
- EXISTING TO REMAIN
- UNOCCUPIED / NEEDS RENOVATION
- OCCUPIED / NEEDS RENOVATION
- OCCUPIED / PREVIOUSLY RENOVATED
- (N)F.E.C. F.E.C. FIRE EXTINGUISHER CABINET

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1000 SUTTER St.

1000 SUTTER ST, SAN FRANCISCO, CA 94109, UNITED STATES

JOB NO.	20356
DRAWN	BM
CHECKED	BM
JOB CAPTAIN	YS

ISSUE

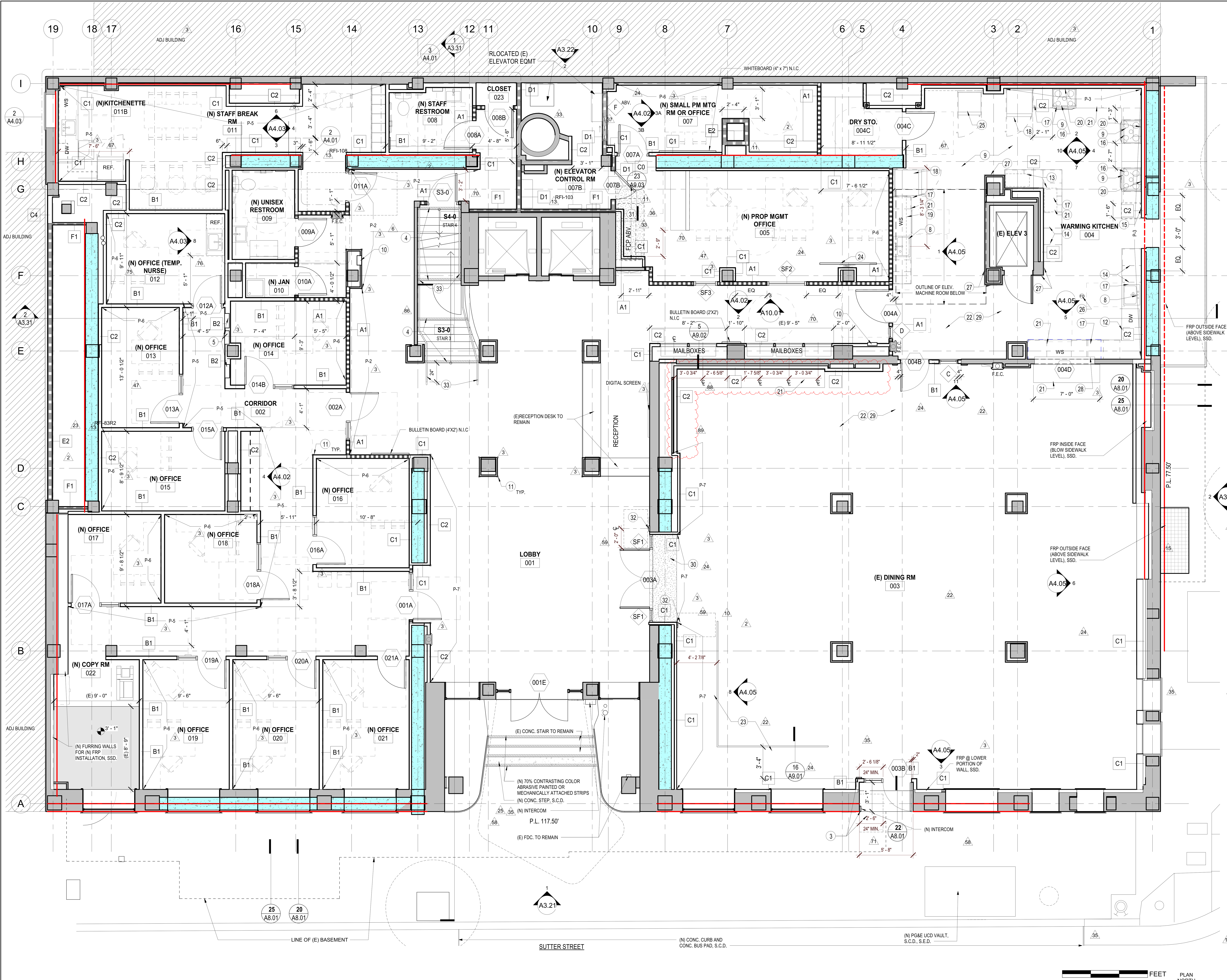
△	DATE	DESCRIPTION
	09/10/21	PERMIT
2	10/29/21	DBI PC 1
3	10/29/21	Constructability 1
5	11/05/21	DBI PC 2
6	11/10/21	Constructability 2
10	02/04/22	ASI 03
11	02/14/22	ASI 04
13	2022	RFI
14	06/01/22	ASI 05
15	07/27/22	ASI 06
27	12/22/22	RFI 211
34	02/21/23	RFI 252
36	02/28/23	RFI 118
40	04/06/23	RFI 269, 273
42	05/18/23	RFI 289
47	07/07/23	ASI 13
55	08/18/23	RFI 334, 335, 337
60	08/31/23	RFI 349
62	09/05/23	RFI 356, 357
64	09/15/23	RFI 369
65	09/18/23	RFI 370
66	10/03/23	RFI 373
73	10/20/23	RFI 380
80	12/19/23	RFI 368
85	2/6/24	RFI 460

DRAWING TITLE

LEVEL BASEMENT - NEW CONSTRUCTION PLAN

SCALE 1/4" = 1'-0"

A2.2B



1 LEVEL LOBBY - NEW CONSTRUCTION PLAN
1/4" = 1'-0"

GENERAL NOTES

FOR ADDITIONAL ARCH. SYMBOLS, SEE G0.01

A. SEE CIVIL, STRUCTURAL, ELECTRICAL, PLUMBING, MECHANICAL DRAWINGS FOR COMPLETE SCOPE OF WORK AND ADDITIONAL INFORMATION
B. FOR WALL TYPES, SEE SHT. A8.01. REFER ALSO TO ENLARGED PLANS.
C. REFER TO DOOR, WINDOW, AND FINISH SCHEDULES FOR ADDITIONAL INFORMATION.
D. SEE SHT. G1.01 FOR EGRESS, EMERGENCY SIGNAGE, AND FIRE EXTINGUISHER LOCATIONS
E. FIELD VERIFY ALL EXISTING CONDITIONS PRIOR TO FABRICATION.
F. ALL (N) PLUMBING FIXTURES TO BE ACCESSIBLE.
G. SEE A8.01 TO A9.03 SHEETS FOR ARCHITECTURAL DETAILS NOT SHOWN ON PLAN.
H. SEE STRUCTURAL DRAWINGS FOR FRP LOCATIONS
I. SEMI RECESSED FIRE EXTINGUISHER CABINET, LARSEN MODEL NO. 2409-R3, VERTICAL DUO WITH LARSEN-LOC, MP-5 EXTINGUISHER & ROLLED EDGE (NON RATED WALLS). FIRE RATED SEMI RECESSED FIRE EXTINGUISHER CABINET, LARSEN MODEL NO. FS2409-R3, VERTICAL DUO WITH LARSEN-LOC, MP-5 EXTINGUISHER & ROLLED EDGE (RATED WALLS). MOUNT TOP @64" A.F.F. VERIFY QUANTITIES AND LOCATIONS WITH LOCAL FIRE DEPT. FIRE EXITING. MIN. RATING = 2A. TRAVEL DISTANCE FROM ANY POINT IN THE BUILDING TO A FIRE EXITING. DOES NOT EXCEED 75 FEET.

SHEET NOTES

1. (N) PLUMBING FIXTURES. SEE P-FIX SCHEDULE
2. (E) FIRE HOSE STATION TO REMAIN
3. (E) VERT. HIGH/LOW ACTUATOR FOR POWERED DOOR OPERATOR & (E) 1.8% MAX SLOPE LEVEL LANDING, V.I.F.
4. (N) ONE PIECE RUBBER STAIR TREAD & RISER W/ 70% CONTRASTING COLOR ABRASIVE PAINTED OR MECHANICALLY ATTACHED STRIPS AT TOP AND BOTTOM TREAD
5. (N) ELEC. PANEL, S.E.D.
6. (N) FLOORING. SEE FINISH SCHEDULE
7. (N) CONC. INFILL WALL, SSD.
8. (N) ACCESSIBLE SINK W/ GARBAGE DISPOSAL & FAUCET, OFF SET DRAIN FOR G.D., S.P.D
9. (N) RESIDENTIAL GRADE ELEC. FRON CONTROL DROP IN GLASS TOP RANGE
10. (E) ELEC. PANEL TO REMAIN, SED.
11. (N) SCHEDULED CORNERGUARD AT ALL OUTSIDE CORNERS IN COMMON AREAS, TYP.
12. (N) DISHWASHER
13. (N) COUNTER TOP MICROWAVE
14. (N) TRASH TRAY(S), ALUMINUM BOTTOM MOUNT WASTE CONTAINER W/SOFT-CLOSE
15. (N) POWER FOR FUTURE HANDY LINE HEATED HOLDING CABINET
16. (N) HOOD, 30 INCHES WIDE, ENERGY STAR, WITH 200-600 CFM INTERNAL BLOWER
17. (N) BASE LOCKABLE CABINETS W/ ADJ. SHELVING & DRAWERS BELOW
18. (N) TOP FREEZER REFRIGERATOR, 50% OF THE FREEZER SPACE AT OR BELOW 54” AFF AND REFRIGERATOR CONTROLS AT 48” AFF.
19. (N) LOCKABLE 15" DEEP UPPER CABINETS W/ ADJ. SHELVING
20. (N) 30" SST. BACKSPLASH HEIGHT.
21. (N) SOLID SURFACE COUNTER TOP (+33 1/2" AFF.) WITH BACKSPLASH AND SIDEWALL SPLASHES
22. (N) RESILIANT SHEET (MANNINGTON ASSURANCE DAPPLE GREY 16341) W/ COVE BASE
23. (N) 1 1/2" DIA. PTD. GUARDRAIL (+26" AFF.) W/ 1 1/2" DIA. POST @ 5' - 0" O.C. MAX.
24. (N) POWER, DATA & BACKING PLATE FOR SCURITY SCREEN.
25. (N) FREEZER
26. (N) FLOOR DRAIN, S.P.D.
27. (E) S.S. PANELS TO REMAIN
28. (N) MOTORIZED ROLL-DOWN COUNTER DOOR, S.E.D.
29. PROVIDE LEVELING PATCHING & REPAIR TO ALLOW FOR INSTALLATION OF FINISH FLOORS
30. (N) MOSAIC TILE , DALTILE, SUEDE-GRAY STRAIGHT JOINT, 1X1, D182, MATT FINISH
31. (N) INFILL FLOOR/CLNG. ASSEMBLY, S.S.D.
32. (N) VERT. HIGH/LOW ACTUATOR FOR POWERED DOOR OPERATOR, 1.8% MAX SLOPE LEVEL LANDING
33. (N) 1 1/2" DIA. PAINTED MET. HANDRAIL, SEE 14/A9.02 & 10/A10.51

LEGEND

- EXISTING WALL/COL. TO REMAIN
- (N) 1 HOUR RATED ASSEMBLY
- (N) 2 HOUR RATED ASSEMBLY
- (N) FRAMED WALL, SEE WALL TYPES
- (N) CONCRETE SHEAR WALL, SSD
- FRP AT FACE OF WALL, SSD
- EXISTING FIXTURE TO REMAIN
- EXISTING TO REMAIN
- UNOCCUPIED / NEEDS RENOVATION
- OCCUPIED / NEEDS RENOVATION
- OCCUPIED / PREVIOUSLY RENOVATED
- (N)F.E.C. F.E.C. FIRE EXTINGUISHER CABINET

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LICENSED ARCHITECT
CHRISTOPHE SCOTT LAVERNE
No. C 30046
STATE OF CALIFORNIA

1000 SUTTER St.

1000 SUTTER ST, SAN FRANCISCO, CA 94109, UNITED STATES

JOB NO.	20356
DRAWN	BM
CHECKED	BM
JOB CAPTAIN	YS

ISSUE

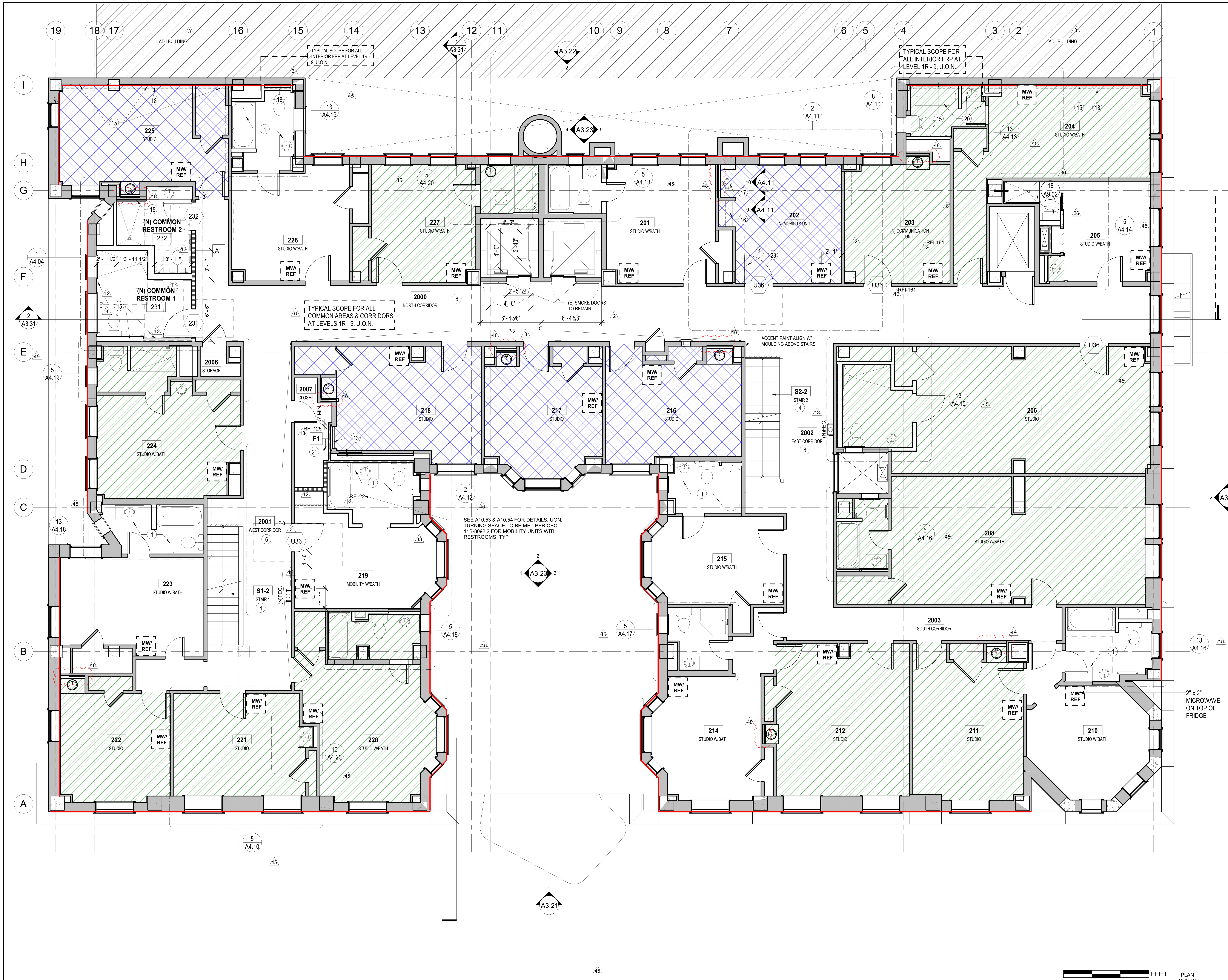
△	DATE	DESCRIPTION
3	10/29/21	Constructability 1
6	11/10/21	Constructability 2
10	02/04/22	ASI 03
11	02/14/22	ASI 04
13	2022	RFI
15	07/27/22	ASI 06
22	11/01/22	ASI 09
23	12/05/22	RFI 202
24	12/10/22	ASI 10
25	12/16/22	DPW PC 4
29	02/02/23	RFI 229
33	03/08/23	RFI 251
35	06/27/23	DPW PC 5
36	02/28/23	RFI 118
37	03/10/23	RFI 249
47	07/07/23	ASI 13
58	08/29/23	ASI 11 - DPW PC
59	08/29/23	ASI 17
67	10/03/23	RFI 388
70	10/11/23	RFI 396, 401, 402
71	10/11/23	RFI 383
75	11/16/23	RFI 415
76	11/30/23	RFI 414
86	2/20/24	RFI 472
88	2/20/24	RFI 470
89	2/20/24	RFI 467

DRAWING TITLE

LEVEL 1 LOBBY - NEW CONSTRUCTION PLAN

SCALE 1/4" = 1'-0"

A2.20



1 LEVEL 2 - NEW CONSTRUCTION PLAN
1/4" = 1'-0"

TYP. FOR RESIDENTIAL UNIT BATH AND VANITY, U.O.N.

GENERAL NOTES

FOR ADDITIONAL ARCH. SYMBOLS, SEE G0.01

A. SEE SHT. A4.10 THRU A4.20 FOR TYP. UNIT SCOPE OF WORK, UON.
B. FOR WALL TYPES, SEE SHT. A8.01. REFER ALSO TO ENLARGED PLANS.
C. REFER TO DOOR, WINDOW, AND FINISH SCHEDULES FOR ADDITIONAL INFORMATION.
D. SEE SHT. G1.01 FOR EGRESS, EMERGENCY SIGNAGE, AND FIRE EXTINGUISHER LOCATIONS
E. FIELD VERIFY ALL EXISTING CONDITIONS PRIOR TO FABRICATION.
F. ALL (N) PLUMBING FIXTURES TO BE ACCESSIBLE.
G. SEE A8.01 TO A9.03 SHEETS FOR ARCHITECTURAL DETAILS NOT SHOWN ON PLAN.
H. SEE STRUCTUAL DRAWINGS FOR FRP LOCATIONS
I. SEE A2.22 FOR UNIT TYPICAL BATH AND VANITY REFERENCE CALL OUTS , U.O.N

SHEET NOTES

1. PROVIDE (N) BATHROOM FIXTURES & FINISHES. SEE A4.10 THRU A4.20 FOR MORE INFO. SEE P-FIX & FINISH SCHEDULES
2. (N) DOOR W/ ACCESSIBLE HDWE. SEE DOOR SCHEDULE
3. (N) POWER FOR MICROWAVE & REFRIGERATOR AT ALL UNITS, SED
4. (N) RUBBER STAIR TREAD W/ 70% CONTRASTING COLOR ABRASIVE PAINTED OR MECHANICALLY ATTACHED STRIPS AT TOP AND BOTTOM TREAD
5. (E) ELEC. PANEL TO REMAIN, SED
6. PROVIDE (N) FLOORING. SEE FINISH SCHEDULE
7. (E) FIRE HOSE STATION TO REMAIN
8. (E) FIRE ESCAPE TO REMAIN
9. (E) SPRINKLER STAND PIPE TO REMAIN
10. (E) F.E.C. TO REMAIN
11. (N) 1-HR RATED PARTITION, SEE ENLARGED PLAN FOR SCOPE, A4.03
12. (N) SINK & FAUCET W/ VANITY (+34" MAX. AFF.), INSULAT TRAP & PIPE, SEE 2/A10.53 FOR REQUIREMENTS, SPD.
13. (E) DOOR(S) TO REMAIN
14. (N) MIRROR
15. (N) FURRING WALLS
16. (N) ACCESSIBLE SHELF AND ROD 10 / A4.11
17. (N) ACCESSIBLE VANITY W/REMOVABLE BASE, SEE P-FIX SCEDULE, SPD
18. (N) FLOORING W/SUBSTRATE (6" WIDE TYP) & (N) CEILING (6" WIDE TYPE UNO)
19. (N) FURRING WALL & FRP AT LOWER PORTION OF WALL, SSD
20. PROVIDE (N) PLUMBING FIXTURES AND RE-INSTALL (E) ACCESSORIES
21. (N) ELEC. PANEL, S.E.D.
22. (N) MECH DUCT, S.M.D.
23. (N) ENTRY DOOR W/ACCESSIBLE HARDWARE AT (N) OPENING W/32" CLR. OPENING)
24. (N) ACCESSIBLE RADIATOR CONTROL
25. (N) ROOFING OVER SLOPED RIGID INSUL. OVER ROOF SHTG., S.S.D.
26. (N) ROOF/ OVERFLOW DRAING, SEE 1/A8.02

LEGEND

EXISTING WALL/COL. TO REMAIN
(N) 1 HOUR RATED ASSEMBLY
(N) 2 HOUR RATED ASSEMBLY
(N) FRAMED WALL, SEE WALL TYPES
(N) CONCRETE SHEAR WALL, SSD
FRP AT FACE OF WALL, SSD
EXISTING FIXTURE TO REMAIN
EXISTING TO REMAIN
UNOCCUPIED / NEEDS RENOVATION
OCCUPIED / NEEDS RENOVATION
OCCUPIED / PREVIOUSLY RENOVATED
(N)F.E.C. F.E.C. FIRE EXTINGUISHER CABINET

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1000 SUTTER ST, SAN FRANCISCO, CA 94109, UNITED STATES

JOB NO. 20356
DRAWN BM
CHECKED BM
JOB CAPTAIN YS

ISSUE

△	DATE	DESCRIPTION
	09/10/21	PERMIT
2	10/29/21	DBI PC 1
3	10/29/21	Constructability 1
6	11/10/21	Constructability 2
8	12/03/21	ASI 01
12	02/15/22	COMFORMED
13	2022	RFI
26	12/05/22	RFI 201
30	02/02/23	RFI 201 R
33	03/08/23	RFI 251
45	06/19/23	REV. TO PERMIT (ASI-14)
48	07/07/23	ASI 15

DRAWING TITLE
LEVEL 2 - NEW CONSTRUCTION PLAN

SCALE 1/4" = 1'-0"

A2.22

Attachment H: List of San Francisco Homekey Projects

San Francisco has received Homekey awards to help acquire six (6) buildings to date:

Acquired by ECS in partnership with HSH:
Granada – 214
Diva – 122

Acquired directly by the San Francisco Department for Homeless and Supportive Housing (HSH) and master-leased to operators of Permanent Supportive Housing:
Eula Hotel (Casa Esperanza) – 25
1321 Mission (The Margot) – 160
Mission Inn – 52
City Gardens – 200

These units will provide permanent housing to over 1,500 people, including TAY, adults, seniors and families with children, and represent significant progress in fulfilling the Homelessness Recovery Plan (HRP) to leverage State funds and ensure no one sheltered during COVID became unsheltered.

Attachment I: Upsize Requests/Budget Modifications

Permanent budget total sources

SOURCES	ORIGINAL BUDGET	SFHAF Upsize Sept 2021	SFHAF Upsize May 2023	PROPOSED REVISED BUDGET May 2023	*Variance from Original*
CCSF - HSH GF Acquisition Loan	6,606,165			6,606,165	-
CCSF - orig HAF Take-out	37,185,184			37,185,184	-
CCSF - Perm Only	1,328,339			1,328,339	-
CCSF - HAF Upsize - September 2021		5,914,220		5,914,220	*5,914,220*
CCSF - HAF Upsize Request - CURRENT			20,091,667	20,091,667	*20,091,667*
Total City Sources	**45,119,688**	**5,914,220**	**20,091,667**	**71,125,575**	***26,005,887***
Non-City Sources					
Homekey	42,334,020			42,334,020	-
Total Non-City Sources	**42,334,020**			**42,334,020**	-
TOTAL SOURCES	**87,453,708**	**5,914,220**	**20,091,667**	**113,459,595**	***26,005,887***

Uses May 2023

USES	ORIGINAL BUDGET	SFHAF Upsize Sept 2021	SFHAF Upsize May 2023	PROPOSED REVISED BUDGET May 2023	Variance from Original
Acquisition	46,000,000			46,000,000	-
Construction	24,945,058	5,351,945	12,184,799	42,481,802	17,536,744
Construction Contingency	5,642,367	195,982	5,696,941	11,535,290	5,892,923
Architecture and Design	1,403,675		351,921	1,755,596	351,921
Engineering & Environmental Studies	177,515			177,515	-
Construction Loan Origination Fee	371,852	123,206	198,927	693,985	322,133
Construction Loan Interest	1,358,057	243,087	803,115	2,404,259	1,046,202
Legal Costs	125,000			125,000	-
Title and Recording; taxes	1,517,232			1,517,232	-
Insurance	1,628,156			1,628,156	-
Furnishings	484,000			484,000	-
PGE / Utility Fees	166,713			166,713	-
Relocation	341,400			341,400	-
Permit Fees	315,257			315,257	-
Materials Testing and Eng	186,998			186,998	-
DD, start up costs, precon	238,207			238,207	-
Construction management	329,000			329,000	-
Appraisal	12,500			12,500	-
Soft cost contingency	182,382		855,964	1,038,346	855,964
Operating reserve	796,339			796,339	-
Replacement reserve	232,000			232,000	-
Developer fee	1,000,000			1,000,000	-
TOTAL USES	**87,453,708**	**5,914,220**	**20,091,667**	**113,459,595**	**26,005,887**

Attachment I: Upsize Requests/Budget Modifications (continued)

Cost increase narrative:

The primary areas of cost increase since the acquisition Loan Committee review are the following:

- August 2021 – The structural condition of the building was evaluated, and the construction rough order of magnitude estimate for structural FRP strengthening was reviewed by MOHCD and HSH.
- September 2021 – ECS made a request to HSH and MOHCD for additional funding for FRP structural reinforcement and financing costs, and received an HSH commitment of additional $5.9 million, bringing the total City commitment for take-out to $49,705,570, which allowed SFHAF to increase their loan.
- July 2022 – Change Order for FRP scope for Levels 2-9 came in at $10.7 million.
- September 2022 – Project team determined it is infeasible to do the entire FRP scope given the cost; the team is proposing to adjust it to cover code required floors only, which consist of the Basement, Ground Floor, and First Floor of the building.
- April 2023 – Request for additional funds to cover existing building condition of galvanized pipeline replacement, which has become a top priority. The useful lifespan of galvanized piping is typically 50 – 60 years, whereas the building is over 110 years old. During the occupied rehabilitation, there have been continued water leaks and pipe bursts at various locations of the building, which have caused damage to the units and new finishes. There is a risk of mold due to excess water trapped in walls and floors. Replacement will require extended water shut-offs for pipe replacement, and the pipe issues have resulted in additional tenant relocation costs and replacement of damaged tenant belongings.
- May 2023 – Request for funds to cover galvanized pipeline replacement and associated costs:

  BBI provided revised schedules and cost estimates in mid-February 2023. ECS requested that BBI review and submit all back up documentation, per line item of the proposed cost estimates of the galvanized piping replacement scope. In addition, ECS coordinated with BBI, HKIT, Randall Lamb, and the Plumbing Subcontractor to evaluate the full galvanized piping replacement scope and evaluate any design and construction issues that may arise. The final change order for the galvanized piping work was produced November 2023 after the construction drawings are complete and final bids were received from subcontractors. The general conditions mark up and extended general conditions were adjusted to $2,900,463.

Concurrently, ECS reviewed all aspects of the Project's architecture, design, engineering, and construction scope, to ensure value engineering measures and cost saving alternatives are thoroughly evaluated, without affecting the integrity of the work or impact the residents' life safety and quality of life. ECS ordered 3D scans of selected areas of the buildings (13 units/bathrooms), to actively identify the costs of evaluating the building condition behind the walls early, and provide the evaluation to the architect and engineer, without relying on BBI's exploratory demolition of the units to understand the condition behind the walls, to be funded by GC hard cost contingency. The projected cost for full galvanized pipe replacement is $20,091,667.

Attachment J: Further Detail on Environmental Site Assessment, Underground Storage Tank, and Business Environmental Risk

Phase I Environmental Site Assessment (ESA) Report (ACC Environmental Consultants, November 5, 2020)

The Phase I assessment revealed evidence of the following two Recognized Environmental Conditions (RECs) at the Subject Property:

REC #1 – Leaking Underground Storage Tank**:** One 1500-gallon heating oil Underground Storage Tank (UST) was closed in place at the Site under the sidewalk near the southeast corner of the building in June 2020, following previous inspection of the tank condition in September 2019. The tank inspection indicated that the UST was in poor condition with at least one hole in the tank and obvious evidence of fuel oil contamination in soil beneath the tank. Data from the subsequent subsurface investigation report prepared by Wheeler Group Environmental LLC (WGE) and dated August 26, 2020, confirmed that residual fuel oil contaminated soil is located below the tank at a depth of 12 feet beneath sidewalk grade, and elevated concentrations of residual fuel oil in soil are located beneath the sidewalk and parking lane of Sutter Street, utility infrastructure soil

, and the building basement and foundation. The Site is currently an open Leaking Underground Storage Tank (LUST) case (Geotracker ID: T10000013693), under San Francisco Bay Regional Water Quality Control Board (SFBRWQCB) oversight. Further information regarding the LUST case, is discussed below, under the "SFBRWQCB LUST Case, Geotracker ID T10000013693" heading.

REC #2 - Off-Site Dry-Cleaning Facilities: Adjacent properties including the west adjacent property (1006 Sutter Street), east adjacent property (818 Hyde Street), and northeast adjacent property (832 Hyde Street) were historically occupied by dry cleaning facilities from at least 1930 to 1993. Historical dry cleaning operations are indicative of potential tetrachloroethene (PCE) storage and use. In addition, a soil vapor sample collected in the basement of the Subject Property building detected PCE at a concentration exceeding Regional Water Quality Control Board (RWQCB) Human Health Risk Levels (HHRLs) for vapor intrusion to commercial and residential properties. In the Phase I ESA, ACC recommended additional assessment to assess the lateral extent of PCE in soil vapor at the Site, and indoor air sampling to determine if sub-surface volatile organic compounds (VOCs) are migrating to indoor air. Completion of these activities were completed in the Phase II ESA Report (ACC Environmental Consultants, November 2020), further detailed below.

Business Environmental Risk

The Phase I ESA assessment revealed evidence of a Business Environmental Risk at the Subject Property. The property is located within San Francisco's designated Maher Zone. The Maher Program requires that for projects where building permits are required or if 50 or more cubic yards of soil are to be disturbed, then the San Francisco Department of Public Health (SFDPH) must be notified, the project will be subject to the San Francisco Health Code Article 22A (Maher Ordinance), and subsurface sampling will be required by SFDPH. Recent Maher-related activities associated with the property that have occurred since the Phase I ESA report was issued is provided below, under the "Maher Program Activities" heading.

Phase II ESA Report (ACC Environmental Consultants, November 24, 2020): In response to the Phase I ESA, soil vapor and indoor air sampling occurred at the property to evaluate the potential for vapor intrusion concerns. Soil vapor samples were collected from five sub-slab vapor probes and indoor air samples were collected from nine locations. Soil vapor data indicated that soil vapor beneath the building contains low concentrations of VOCs including PCE and benzene. The report concluded that:

Chemical concentrations reported in soil vapor and indoor air are negligible;

The source of benzene reported in soil vapor is unknown however attributed to an offsite source;

The source of PCE in reported soil vapor is unknown and attributed to off-site sources including the west-adjacent former dry cleaner (1006 Sutter Street); and

Data do not indicate significant impacts to indoor air in the residential units on the second floor as a result of VOCs detected in soil vapor or in indoor air within the basement and ground floor levels.

ACC recommended that additional indoor air sampling be performed to account for seasonal variability and to verify that chemical concentrations are not increasing over time.

SFBRWQCB LUST Case, Geotracker ID T10000013693

A 1,500-gallon UST located beneath the sidewalk on the Sutter Street frontage near the southeast corner of the building was installed circa 1908 to store fuel oil for a heating system boiler in the basement utility room. The bottom of the UST was discovered to be 15 feet below sidewalk grade against the building foundation and was abandoned in-place in June 2020 under SFDPH Certified Unified Programs Agency (CUPA) oversight. Approximately 21.5 tons of total petroleum hydrocarbon (TPH) impacted soil was removed adjacent to the UST. Some residual TPH was identified in remaining soil surrounding the UST and excavation area however additional removal was not feasible due to nearby underground utilities and the proximity to the building.

The UST case was transferred from SFDPH oversight to the SFBRWQCB in 2021. Since that time, a number of activities have occurred and documents are available on Geotracker (https://geotracker.waterboards.ca.gov/profile_report.asp?global_id=T10000013693). Select, key documents and ongoing activities are summarized below.

Additional Investigation and Site Conceptual Model Report (RMD Environmental Solutions [RMD], November 5, 2021)

A limited investigation (three borings for the purpose of soil and/or grab groundwater sampling) was completed in 2021 and data, combined with historical data, was used to present a site conceptual model (SCM) and evaluate the site for potential case closure under the California State Water Resources Control Board's UST Case Closure Policy (LTCP). The LTCP evaluation indicated that residual TPH in the subsurface have been removed to the extent practicable however the following two data gaps need to be addressed prior to case closure:

- The downgradient extent of TPH in groundwater. An exposure pathway evaluation for hypothetical off-site receptors has not been completed and may be needed for future evaluation.
- Oxygen data may be needed prior to case closure to evaluate the presence of a bioattenuation zone beneath the Site.

<u>Supplemental Site Investigation Workplan (RMD, February 16, 2022) and Supplemental Site Investigation Report, Part 1 (RMD, August 26, 2022)</u>

A Workplan to address the identified impediments to case closure was prepared and approved by SFBRWQCB in a letter dated May 22, 2022. The Workplan included the advancement of one boring for the purpose of soil and grab groundwater sampling, the installation and sampling of three groundwater monitoring wells, and installation and sampling of five soil vapor probes. In addition, the Workplan described planned micropile activities that were planned at the property associated with seismic retrofit activities that were scheduled to begin in the summer of 2022. Further information regarding the environmental aspects related to the seismic retrofit work and is presented below, under the “Maher Program Activities” heading.

Advancement of the boring and installation of two groundwater monitoring wells was completed and documented in the Supplemental Site Investigation Report (RMD, August 26, 2022). At the third groundwater monitoring well location (MW-3, located off-site), a coarse-grained sand indicative of fill material was encountered to at least 18 feet below grade. The well was not installed due to the presence of apparent fill material and safety concerns associated with using a drill rig to further advance the boring (the presence of fill is suggestive of a potential subsurface utility or other feature). Installation and sampling of the five soil vapor probes proposed in the workplan was postponed due to seismic upgrade related construction activities that were underway in the basement. RMD reported that the soil vapor work would occur after construction activities were complete and would be reported in Part 2 of the Supplemental Site Investigation Report.

The Part 1 of the Supplemental Site Investigation reported the following:

- Applicable soil sample detections were below the LTCP criteria.
- There is no evidence of free product in groundwater. Evidence of free product is limited to soil above the groundwater table and is non-mobile.
- Groundwater analytical data indicates that petroleum hydrocarbons in the diesel and motor-oil range (TPHd and TPHmo, respectively) are present in elevated concentrations near the closed UST however elevated concentrations are limited to less than 50 feet west of the source area.

<u>Current Activities</u>

Construction activities are currently underway associated with seismic retrofit of the building. As this work includes disturbance of subsurface soil, ECS has been in communication with both SFBRWQCB and SFDPH. A memorandum detailing the proposed methodologies for installing the seismic micropiles was submitted to SFBRWQCB and SFDPH (RMD, August 17, 2022). In contaminated areas, the proposed methodology includes sealing off the upper 30 feet with a permanent stainless-steel outer casing to prevent vertical migration of TPH. The memorandum included results of a pre-construction soil investigation performed in March 2022 to further characterize subsurface conditions near the proposed micropile locations. It also included results from a soil boring (B21) that was advanced beneath the sidewalk near the southeast corner of the property where a second UST (reported to be 3,000 gallons) was identified in a 1913 historical Sanborn map. The investigation results reported that neither TPHg, TPHd, TPHmo, or VOCs were reported above their respective construction worker environmental screening levels (ESLs) in any of the soil samples analyzed. Several metals, including chromium, cobalt, lead, and nickel, were reported above their respective Construction Worker ESLs.

In February 2024, during installation of a new subsurface utility vault, construction workers discovered the 3,000 gallon UST near the southeast corner of the property. Removal of the UST, with communication from SFBRWQCB and SFDPH, occurred between March 15 and March 21, 2024. Citadel (the current Environmental Consultant representing ECS), was present on Site during a portion of the UST removal and collected soil samples from the excavation bottom and three side walls (one sidewall was comprised of concrete). This data was emailed to SFBRWQCB on March 19, 2024. Analytical results were compared to SFBRWQCB ESLs. None of the sample results exceeded ESLs.

SFBRWQCB issued a directive letter dated March 14, 2024 which documents their review of the August 17, 2022 Proposed Micropile Installation Memorandum and the August 26, 2022 Supplemental Site Investigation, summarized previously. The directive letter also documents the February 2024 notification of the newly discovered 3,000 gallon UST. In the letter, SFBRWQCB requested:

- During UST removal, collection of excavation bottom and sidewall soil samples for laboratory analysis;
- Quarterly sampling of groundwater monitoring wells MW-1 and MW-2 on a quarterly basis to evaluate petroleum concentrations over time;
- Details on the UST and sampling activities in a technical report due by May 13, 2024.
- Submittal of quarterly groundwater monitoring reports.

Maher Program Activities

Prior to initiating the seismic retrofit activities described previously ESC prepared an SFDPH Site Assessment and Mitigation Application, Subsurface Investigation Report, and Site Mitigation Plan (SMP) as required for properties located within San Francisco's designated Maher Zone. A Subsurface Investigation Plan (RMD, August 19, 2021) proposed sampling shallow soil borings advanced to 5 feet below grade to evaluate the presence and extent of potential contaminants in shallow soil beneath the Site. Activities were completed in September 2021 and documented in the Subsurface Investigation Report (RMD, October 14, 2021). RMD reported that soil samples collected from the Site indicate that VOCs, SVOCs, PCBs, and asbestos were detected below applicable ESLs and TPHd is the only constituent detected above the Construction Worker ESL. Based on these findings, a Construction Site Management Plan (SMP) was recommended to safely mitigate construction worker exposure to TPHd-impacted soil.

An SMP (RMD, October 22, 2021) was prepared and presents the soil and groundwater management measures to be implemented during construction activities related to seismic retrofitting and trenching for subsurface utilities at the Site. These measures include procedures for discovery and assessment of potentially impacted soil stockpile handling, dust control, dust and odor management, and record-keeping. The SMP requires that if the contractor comes across indicators of contamination, including odors or staining, then ECS and the designated Environmental Consultant will be notified. The SMP specifies that upon the completion of construction activities, a Final Project Report will be prepared by the Environmental Consultant for submittal to SFDPH. The work identified in the SMP began in March 2022 and is ongoing as of the date of this document.

Attachment K: Development Budget

See following page

Application Date: 3/18/24 **# Units:** 214
Project Name: The Granada ***# Bedrooms:*** 0 **LOSP Project**
Project Address: 1000 Sutter Street **# Beds:**
Project Sponsor: Episcopal Community Services of San Francisco

							Total Sources	Comments	
SOURCES	71,125,575	42,334,020	-	-	-	-	113,459,595		
Name of Sources:	MOHCD/OCII	HCD Homekey							
USES									
ACQUISITION									
Acquisition cost or value	4,400,000	41,600,000					46,000,000		
Legal / Closing costs / Broker's Fee	81,813						81,813	Title & Closing Costs at Acquisition	
Holding Costs							0		
Transfer Tax	1,380,000						1,380,000		
TOTAL ACQUISITION	**5,861,813**	**41,600,000**	**0**	**0**	**0**	**0**	**47,461,813**		
CONSTRUCTION (HARD COSTS)									
* Unit Construction/Rehab	43,249,473						43,249,473	GMP through AIA #23 w/ Galvanized Pipe Replacement less GC costs (bond/insurance/taxes, OH, General Conditions)	
* Commercial Shell Construction							0		
* Demolition							0		
Environmental Remediation	0	33,950					33,950		
* Onsight Improvements/Landscaping	139,000						139,000	DPW Bus Lane Improvement Requirement	Construction line item costs as a % of hard costs
* Offsite Improvements							0		
* Infrastructure Improvements							0	HOPE SF/OCII costs for streets etc.	
Parking							0		
GC Bond Premium/GC Insurance/GC Taxes	755,496						755,496		**1.6%**
GC Overhead & Profit	1,579,025						1,579,025		**3.3%**
CG General Conditions	2,211,863						2,211,863		**4.6%**
Sub-total Construction Costs	*47,934,857*	*33,950*	*0*	*0*	*0*	*0*	*47,968,807*		
Design Contingency (remove at DD)							0	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+	**0.0%**
Bid Contingency (remove at bid)							0	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+	**0.0%**
Plan Check Contingency (remove/reduce during Plan Review)							0	4% up to $30MM HC, 3% $30-$45MM, 2% $45MM+	**0.0%**
Hard Cost Construction Contingency	5,682,235						5,682,235	5% new construction / 15% rehab. Total $11,535,290 less $5,853,055 allocated to Unit Construction/Rehab line to agree with GMP through AIA #23.	**11.8%**
Sub-total Construction Contingencies	*5,682,235*	*0*	*0*	*0*	*0*	*0*	*5,682,235*		
TOTAL CONSTRUCTION COSTS	**53,617,092**	**33,950**	**0**	**0**	**0**	**0**	**53,651,042**		
SOFT COSTS									
Architecture & Design									
Architect design fees	676,354	70,591					746,945	Total Contract = $746,814 less $70,460 paid via Homekey funds.	
Design Subconsultants to the Architect (incl. Fees)	0						0		
Architect Construction Admin	214,672						214,672		
Reimbursables	2,020						2,020	2151 less $131 paid via Homekey Funds.	
Additional Services	828,812						828,812		
Sub-total Architect Contract	*1,721,858*	*70,591*	*0*	*0*	*0*	*0*	*1,792,449*		
Other Third Party design consultants (not included under Architect contract)	171,379						171,379	Consultants not covered under architect contract; name consultant type and contract amount	
Total Architecture & Design	**1,893,237**	**70,591**	**0**	**0**	**0**	**0**	**1,963,828**		
Engineering & Environmental Studies									
Survey		8,800					8,800	Paid by Homekey funds.	
Geotechnical studies	134,765						134,765		
Phase I & II Reports							0		
CEQA / Environmental Review consultants							0		
NEPA / 106 Review							0		
CNA/PNA (rehab only)							0		
Other environmental consultants	369,000						369,000	Environmental Remediation (RMD, GrafCon)	
Total Engineering & Environmental Studies	**503,765**	**8,800**	**0**	**0**	**0**	**0**	**512,565**		
Financing Costs									
Construction Financing Costs									
Construction Loan Origination Fee	693,985	0					693,985		
Construction Loan Interest	2,404,259						2,404,259		
Title & Recording	6,386						6,386		
CDLAC & CDIAC fees							0		
Bond Issuer Fees							0		
Other Bond Cost of Issuance							0		
Other Lender Costs (specify)		49,033					49,033		
Sub-total Const. Financing Costs	*3,104,630*	*49,033*	*0*	*0*	*0*	*0*	*3,153,663*		
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	**3,104,630**	**49,033**	**0**	**0**	**0**	**0**	**3,153,663**		
Legal Costs									
Borrower Legal fees	45,000	75,000					120,000		
Land Use / CEQA Attorney fees							0		
Tax Credit Counsel							0		
Bond Counsel							0		
Construction Lender Counsel	9,000						9,000	Includes $4,000 from SFHAF 2nd upsize	
Permanent Lender Counsel							0		
* Other Legal (specify)							0		
Total Legal Costs	**54,000**	**75,000**	**0**	**0**	**0**	**0**	**129,000**		
Other Development Costs									
Appraisal	6,500	6,000					12,500		
Market Study							0		
* Insurance	1,505,340	256,137					1,761,477	Includes $133,320 (+$1 rounding) for BRI through 12/31/2024	
* Property Taxes							0		
Accounting / Audit							0		
* Organizational Costs							0		
Entitlement / Permit Fees	315,257						315,257		
* Marketing / Rent-up							0		
* Furnishings	284,000	200,000					484,000	$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms	
PGE / Utility Fees	196,003						196,003		
TCAC App / Alloc / Monitor Fees							0		
* Financial Consultant fees							0		
Construction Management fees / Owner's Rep	329,000						329,000		
Security during Construction							0		
* Relocation	352,770						352,770		
Other (specify) Materials Testing & Engineering	192,603						192,603		
Other (specify) Due Diligence, Start Up Costs, Precon	215,636	34,509					250,145		
Other (specify)							0		Total Soft Cost Contingency as % of Total Soft Costs
Total Other Development Costs	**3,397,109**	**496,646**	**0**	**0**	**0**	**0**	**3,893,755**		
Soft Cost Contingency									
Contingency (Arch, Eng, Fin, Legal & Other Dev)	665,590	0	0	0	0	0	665,590	Should be either 10% or 5% of total soft costs. Total soft cost contingency = $1,038,346 less allocations to relocation, architect additional services, and true up total budget as of latest construction draw at 3/14/2024.	**6.9%**
TOTAL SOFT COSTS	**9,618,331**	**700,070**	**0**	**0**	**0**	**0**	**10,318,401**		
RESERVES									
* Operating Reserves	796,339						796,339		
Replacement Reserves	232,000						232,000		
* Tenant Improvements Reserves							0		
* Other (specify)							0		
* Other (specify)							0		
* Other (specify)							0		
TOTAL RESERVES	**1,028,339**	**0**	**0**	**0**	**0**	**0**	**1,028,339**		
DEVELOPER COSTS									
Developer Fee - Cash-out Paid at Milestones	1,000,000						1,000,000	$700,000 paid to date, $300,000 remaining	
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	**1,000,000**	**0**	**0**	**0**	**0**	**0**	**1,000,000**		
TOTAL DEVELOPMENT COST	**71,125,575**	**42,334,020**	**0**	**0**	**0**	**0**	**113,459,595**		
Development Cost/Unit by Source	332,363	197,823	0	0	0	0	530,185		
Development Cost/Unit as % of TDC by Source	62.7%	37.3%	0.0%	0.0%	0.0%	0.0%	100.0%		
Acquisition Cost/Unit by Source	20,561	194,393	0	0	0	0	214,953		
Construction Cost (inc Const Contingency)/Unit By Source	250,547	159	0	0	0	0	250,706		
Construction Cost (inc Const Contingency)/SF	679.13	0.43	0.00	0.00	0.00	0.00	679.56		

**Possible non-eligible GO Bond/COP Amount:*	*46,326,922*
City Subsidy/Unit	332,363
Tax Credit Equity Pricing:	N/A
Construction Bond Amount:	N/A
Construction Loan Term (in months):	36 months
Construction Loan Interest Rate (as %):	3.50%

Attachment L: 1st Year Operating Budget

See following page

Application Date:	**3/18/2024**	LOSP Units	Non-LOSP Units		**Project Name:**
Total # Units:	**214**	**214**	**0**		**Project Address:**
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations)**:**	**2020**	LOSP/non-LOSP Allocation			**Project Sponsor:**
		100%	0%		

INCOME	**LOSP**	**non-LOSP**	**Total**	
Residential - Tenant Rents	482,232	0	482,232	Links from 'Existing Proj - Ren
Residential - Tenant Assistance Payments (SOS Payments)		0	0	Comments
Residential - Tenant Assistance Payments (Other Non-LOSP)		0	0	Links from 'Existing Proj - Ren
Residential - LOSP Tenant Assistance Payments	2,727,234		2,727,234	
Commercial Space			0	from 'Commercial Op. Budget'
Residential Parking	0	0	0	Links from 'Utilities & Other Inc
Miscellaneous Rent Income	0	0	0	Links from 'Utilities & Other Inc
Supportive Services Income	0	0		
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Inc
Laundry and Vending	0	0	0	Links from 'Utilities & Other Inc
Tenant Charges	0	0	0	Links from 'Utilities & Other Inc
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Inc
Other Commercial Income			0	from 'Commercial Op. Budget'
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0		
Gross Potential Income	**3,209,466**	**0**	**3,209,466**	
Vacancy Loss - Residential - Tenant Rents	(24,112)	0	(24,112)	Vacancy loss is 5% of Tenant
Vacancy Loss - Residential - Tenant Assistance Payments	0	0	0	#DIV/0!
Vacancy Loss - Commercial			0	from 'Commercial Op. Budget'
EFFECTIVE GROSS INCOME	**3,185,354**	**0**	**3,185,354**	***PUPA:***

OPERATING EXPENSES				
Management				
Management Fee	180,960	0	180,960	1st Year to be set according to
Asset Management Fee	22,670	0	22,670	
Sub-total Management Expenses	**203,630**	**0**	**203,630**	***PUPA:***
Salaries/Benefits				
Office Salaries	354,336	0	354,336	Links from 'Staffing' Workshee
Manager's Salary	195,000	0	195,000	Links from 'Staffing' Workshee
Health Insurance and Other Benefits	54,934	0	54,934	
Other Salaries/Benefits	0	0		
Administrative Rent-Free Unit	0	0		
Sub-total Salaries/Benefits	**604,270**	**0**	**604,270**	***PUPA:***
Administration				
Advertising and Marketing	0	0		
Office Expenses	36,860	0	36,860	Office expenses & telephone
Office Rent	0	0		
Legal Expense - Property	80,000	0	80,000	
Audit Expense	25,000	0	25,000	
Bookkeeping/Accounting Services	26,448	0	26,448	
Bad Debts	41,760	0	41,760	
Miscellaneous	20,800	0	20,800	
Sub-total Administration Expenses	**230,868**	**0**	**230,868**	***PUPA:***
Utilities				
Electricity	135,720	0	135,720	
Water	121,336	0	121,336	
Gas	62,640	0	62,640	
Sewer	141,752	0	141,752	
Sub-total Utilities	**461,448**	**0**	**461,448**	***PUPA:***
Taxes and Licenses				
Real Estate Taxes	0	0		
Payroll Taxes	70,579	0	70,579	
Miscellaneous Taxes, Licenses and Permits	32,000	0	32,000	Includes CBD
Sub-total Taxes and Licenses	**102,579**	**0**	**102,579**	***PUPA:***
Insurance				
Property and Liability Insurance	323,600	0	323,600	includes property and earthqua
Fidelity Bond Insurance	0	0		
Worker's Compensation	43,947	0	43,947	
Director's & Officers' Liability Insurance	0	0		
Sub-total Insurance	**367,547**	**0**	**367,547**	***PUPA:***
Maintenance & Repair				
Payroll	0	0	0	Links from 'Staffing' Workshee
Supplies	121,000	0	121,000	Janitor/Grounds/Decorating Su
Contracts	752,812	0	752,812	Janitor/Desk Clerk/Repairs & D
Garbage and Trash Removal	120,000	0	120,000	
Security Payroll/Contract	30,800	0	30,800	Links from 'Staffing' Workshee
HVAC Repairs and Maintenance	0	0		
Vehicle and Maintenance Equipment Operation and Repairs	0	0		
Miscellaneous Operating and Maintenance Expenses	109,200	0	109,200	Elevator, Extermination/Pest C
Sub-total Maintenance & Repair Expenses	**1,133,812**	**0**	**1,133,812**	***PUPA:***
Supportive Services	0	0	0	Links from 'Staffing' Workshee
Commercial Expenses			0	from 'Commercial Op. Budget'
TOTAL OPERATING EXPENSES	***3,104,154***	***0***	***3,104,154***	***PUPA:***

Reserves/Ground Lease Base Rent/Bond Fees				
Ground Lease Base Rent	0	0	0	
Bond Monitoring Fee	0	0		
Replacement Reserve Deposit	81,200	0	81,200	$350/unit, to be amended by fi
Operating Reserve Deposit	0	0		
Other Required Reserve 1 Deposit	0	0		
Other Required Reserve 2 Deposit	0	0		
Required Reserve Deposit/s, Commercial			0	from 'Commercial Op. Budget'
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	**81,200**	**0**	**81,200**	***PUPA: 379***
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond	**3,185,354**	**0**	**3,185,354**	***PUPA: 14,885***
NET OPERATING INCOME (INCOME minus OP EXPENSES)	**0**	**0**	**0**	***PUPA:***

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)				
Hard Debt - First Lender	0	0	0	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Le	0	0	0	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	
Hard Debt - Fourth Lender	0	0	0	
Commercial Hard Debt Service			0	from 'Commercial Op. Budget'
TOTAL HARD DEBT SERVICE	**0**	**0**	**0**	***PUPA:***
CASH FLOW (NOI minus DEBT SERVICE)	**0**	**0**	**0**	
Commercial Only Cash Flow			0	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	0	0		
AVAILABLE CASH FLOW	**0**	**0**	**0**	

Attachment M: 20-year Operating Proforma

See following page

The Granada

	LOSP Units	Non-LOSP Units	Year 1 2020			Year 2 2021			Year 3 2022			Year 4 2023			Year 5 2024			Year 6 2025		
Total # Units: 214	*214*	*0*																		
	100.00%	*0.00%*																		
INCOME	% annual inc LOSP	% annual increase	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total
Residential - Tenant Rents	1.0%	2.5%	482,232	-	482,232	487,054	-	487,054	491,925	-	491,925	496,844	-	496,844	501,813	-	501,813	506,831	-	506,831
Residential - SOS Payments		4.0%			-			-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Tenant Assistance Payments (Other Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	2,727,234	-	2,727,234	2,875,434	-	2,875,434	3,034,863	-	3,034,863	3,206,771	-	3,206,771	3,392,577	-	3,392,577	3,593,894	-	3,593,894
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			**3,209,466**	**-**	**3,209,466**	**3,362,488**	**-**	**3,362,488**	**3,526,788**	**-**	**3,526,788**	**3,703,615**	**-**	**3,703,615**	**3,894,389**	**-**	**3,894,389**	**4,100,725**	**-**	**4,100,725**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(24,112)	-	(24,112)	(24,353)	-	(24,353)	(24,596)	-	(24,596)	(24,842)	-	(24,842)	(25,091)	-	(25,091)	(25,342)	-	(25,342)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**3,185,354**	**-**	**3,185,354**	**3,338,135**	**-**	**3,338,135**	**3,502,192**	**-**	**3,502,192**	**3,678,773**	**-**	**3,678,773**	**3,869,299**	**-**	**3,869,299**	**4,075,383**	**-**	**4,075,383**
OPERATING EXPENSES																				
Management	3.5%	3.5%	203,630	-	203,630	210,757	-	210,757	218,134	-	218,134	225,768	-	225,768	233,670	-	233,670	241,849	-	241,849
Salaries/Benefits	3.5%	3.5%	604,270	-	604,270	625,419	-	625,419	647,309	-	647,309	669,965	-	669,965	693,414	-	693,414	717,683	-	717,683
Administration	3.5%	3.5%	230,868	-	230,868	238,948	-	238,948	247,312	-	247,312	255,967	-	255,967	264,926	-	264,926	274,199	-	274,199
Utilities	5.0%	5.0%	461,448	-	461,448	484,520	-	484,520	508,746	-	508,746	534,184	-	534,184	560,893	-	560,893	588,938	-	588,938
Taxes and Licenses	3.5%	3.5%	102,579	-	102,579	106,169	-	106,169	109,885	-	109,885	113,731	-	113,731	117,712	-	117,712	121,832	-	121,832
Insurance	15.0%	15.0%	367,547	-	367,547	417,625	-	417,625	475,038	-	475,038	540,880	-	540,880	616,409	-	616,409	703,070	-	703,070
Maintenance & Repair	3.5%	3.5%	1,133,812	-	1,133,812	1,173,495	-	1,173,495	1,214,568	-	1,214,568	1,257,078	-	1,257,078	1,301,075	-	1,301,075	1,346,613	-	1,346,613
Supportive Services	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Expenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			**3,104,154**	**-**	**3,104,154**	**3,256,935**	**-**	**3,256,935**	**3,420,992**	**-**	**3,420,992**	**3,597,573**	**-**	**3,597,573**	**3,788,099**	**-**	**3,788,099**	**3,994,183**	**-**	**3,994,183**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)					***14,505***															
Reserves/Ground Lease Base Rent/Bond Fees																				
Ground Lease Base Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond Monitoring Fee			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Deposit			81200	0	81,200	81200	0	81,200	81200	0	81,200	81200	0	81,200	81200	0	81,200	81200	0	81,200
Operating Reserve Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposit/s, Commercial			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**3,185,354**	**-**	**3,185,354**	**3,338,135**	**-**	**3,338,135**	**3,502,192**	**-**	**3,502,192**	**3,678,773**	**-**	**3,678,773**	**3,869,299**	**-**	**3,869,299**	**4,075,383**	**-**	**4,075,383**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)					***14,885***															
NET OPERATING INCOME (INCOME minus OP EXPENSES)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																				
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Does Project have a MOHCD Residual Receipt Obligation?		**Yes**																		
Will Project Defer Developer Fee?		**No**																		
Residual Receipts split for all years. - Lender/Owner		**67% / 33%**																		
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Dist. Soft Debt Loans																		
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		0.00%			-			-			-			-			-			-
Lender 4 Residual Receipts Due		0.00%			-			-			-			-			-			-
Lender 5 Residual Receipts Due		0.00%			-			-			-			-			-			-
Total Non-MOHCD Residual Receipts Debt Service					-			-			-			-			-			-
REMAINDER (Should be zero unless there are distributions below)					-			-			-			-			-			-
Owner Distributions/Incentive Management Fee					-			-			-			-			-			-
Other Distributions/Uses					-			-			-			-			-			-
Final Balance (should be zero)					-			-			-			-			-			-
RR Running Balance					**81,200**			**162,400**			**243,600**			**324,800**			**406,000**			**487,200**
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					-			-			-			-			-			-

The Granada

	LOSP Units	Non-LOSP Units	Year 7	2026		Year 8	2027		Year 9	2028		Year 10	2029		Year 11	2030		Year 12	2031	
Total # Units: 214	*214*	*0*																		
	100.00%	*0.00%*																		
INCOME	% annual inc LOSP	% annual increase	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Residential - Tenant Rents	1.0%	2.5%	511,899	-	511,899	517,018	-	517,018	522,188	-	522,188	527,410	-	527,410	532,684	-	532,684	538,011	-	538,011
Residential - SOS Payments		4.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Tenant Assistance Payments (Other Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	3,812,560	-	3,812,560	4,050,670	-	4,050,670	4,310,610	-	4,310,610	4,595,106	-	4,595,106	4,907,271	-	4,907,271	5,250,661	-	5,250,661
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			**4,324,459**	**-**	**4,324,459**	**4,567,687**	**-**	**4,567,687**	**4,832,798**	**-**	**4,832,798**	**5,122,516**	**-**	**5,122,516**	**5,439,955**	**-**	**5,439,955**	**5,788,672**	**-**	**5,788,672**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(25,595)	-	(25,595)	(25,851)	-	(25,851)	(26,109)	-	(26,109)	(26,371)	-	(26,371)	(26,634)	-	(26,634)	(26,901)	-	(26,901)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**4,298,864**	**-**	**4,298,864**	**4,541,837**	**-**	**4,541,837**	**4,806,688**	**-**	**4,806,688**	**5,096,145**	**-**	**5,096,145**	**5,413,321**	**-**	**5,413,321**	**5,761,771**	**-**	**5,761,771**
OPERATING EXPENSES																				
Management	3.5%	3.5%	250,313	-	250,313	259,074	-	259,074	268,142	-	268,142	277,527	-	277,527	287,240	-	287,240	297,294	-	297,294
Salaries/Benefits	3.5%	3.5%	742,802	-	742,802	768,800	-	768,800	795,708	-	795,708	823,558	-	823,558	852,383	-	852,383	882,216	-	882,216
Administration	3.5%	3.5%	283,796	-	283,796	293,729	-	293,729	304,009	-	304,009	314,649	-	314,649	325,662	-	325,662	337,060	-	337,060
Utilities	5.0%	5.0%	618,384	-	618,384	649,304	-	649,304	681,769	-	681,769	715,857	-	715,857	751,650	-	751,650	789,233	-	789,233
Taxes and Licenses	3.5%	3.5%	126,096	-	126,096	130,509	-	130,509	135,077	-	135,077	139,805	-	139,805	144,698	-	144,698	149,762	-	149,762
Insurance	15.0%	15.0%	802,529	-	802,529	916,695	-	916,695	1,047,770	-	1,047,770	1,198,280	-	1,198,280	1,371,134	-	1,371,134	1,569,675	-	1,569,675
Maintenance & Repair	3.5%	3.5%	1,393,744	-	1,393,744	1,442,525	-	1,442,525	1,493,014	-	1,493,014	1,545,269	-	1,545,269	1,599,354	-	1,599,354	1,655,331	-	1,655,331
Supportive Services	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Expenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			**4,217,664**	**-**	**4,217,664**	**4,460,637**	**-**	**4,460,637**	**4,725,488**	**-**	**4,725,488**	**5,014,945**	**-**	**5,014,945**	**5,332,121**	**-**	**5,332,121**	**5,680,571**	**-**	**5,680,571**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)																				
Reserves/Ground Lease Base Rent/Bond Fees																				
Ground Lease Base Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond Monitoring Fee			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Deposit			81200	0	81,200	81200	0	81,200	81200	0	81,200	81200	0	81,200	81200	0	81,200	81200	0	81,200
Operating Reserve Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposit/s, Commercial			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**4,298,864**	**-**	**4,298,864**	**4,541,837**	**-**	**4,541,837**	**4,806,688**	**-**	**4,806,688**	**5,096,145**	**-**	**5,096,145**	**5,413,321**	**-**	**5,413,321**	**5,761,771**	**-**	**5,761,771**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)																				
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																				
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CASH FLOW (NOI minus DEBT SERVICE)			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
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%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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)			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Does Project have a MOHCD Residual Receipt Obligation?		**Yes**																		
Will Project Defer Developer Fee?		**No**																		
Residual Receipts split for all years. - Lender/Owner		**67% / 33%**																		
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Dist. Soft Debt Loans																		
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		0.00%			-			-			-			-			-			-
Lender 4 Residual Receipts Due		0.00%			-			-			-			-			-			-
Lender 5 Residual Receipts Due		0.00%			-			-			-			-			-			-
Total Non-MOHCD Residual Receipts Debt Service					**-**			**-**			**-**			**-**			**-**			**-**
REMAINDER (Should be zero unless there are distributions below)					**-**			**-**			**-**			**-**			**-**			**-**
Owner Distributions/Incentive Management Fee					-			-			-			-			-			-
Other Distributions/Uses					-			-			-			-			-			-
Final Balance (should be zero)					**-**			**-**			**-**			**-**			**-**			**-**
RR Running Balance					**568,400**			**649,600**			**730,800**			**812,000**			**893,200**			**974,400**
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					**-**			**-**			**-**			**-**			**-**			**-**

The Granada

Total # Units:	**LOSP Units**	**Non-LOSP Units**																	
214	***214***	***0***	**Year 13**			**Year 14**			**Year 15**			**Year 16**			**Year 17**			**Year 18**		
	100.00%	*0.00%*	**2032**			**2033**			**2034**			**2035**			**2036**			**2037**		
INCOME	**% annual inc LOSP**	**% annual increase**	***LOSP***	***non-LOSP***	***Total***	***LOSP***	***non-LOSP***	***Total***	***LOSP***	***non-LOSP***	***Total***	***LOSP***	***non-LOSP***	***Total***	***LOSP***	***non-LOSP***	***Total***	***LOSP***	***non-LOSP***	***Total***
Residential - Tenant Rents	1.0%	2.5%	543,391	-	543,391	548,825	-	548,825	554,313	-	554,313	559,856	-	559,856	565,455	-	565,455	571,109	-	571,109
Residential - SOS Payments		4.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - Tenant Assistance Payments (Other Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	5,629,342	-	5,629,342	6,047,967	-	6,047,967	6,511,860	-	6,511,860	7,027,118	-	7,027,118	7,600,724	-	7,600,724	8,240,681	-	8,240,681
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			**6,172,733**	**-**	**6,172,733**	**6,596,792**	**-**	**6,596,792**	**7,066,174**	**-**	**7,066,174**	**7,586,975**	**-**	**7,586,975**	**8,166,179**	**-**	**8,166,179**	**8,811,791**	**-**	**8,811,791**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(27,170)	-	(27,170)	(27,441)	-	(27,441)	(27,716)	-	(27,716)	(27,993)	-	(27,993)	(28,273)	-	(28,273)	(28,555)	-	(28,555)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**6,145,564**	**-**	**6,145,564**	**6,569,351**	**-**	**6,569,351**	**7,038,458**	**-**	**7,038,458**	**7,558,982**	**-**	**7,558,982**	**8,137,907**	**-**	**8,137,907**	**8,783,235**	**-**	**8,783,235**
OPERATING EXPENSES																				
Management	3.5%	3.5%	307,699	-	307,699	318,468	-	318,468	329,615	-	329,615	341,151	-	341,151	353,092	-	353,092	365,450	-	365,450
Salaries/Benefits	3.5%	3.5%	913,093	-	913,093	945,052	-	945,052	978,129	-	978,129	1,012,363	-	1,012,363	1,047,796	-	1,047,796	1,084,469	-	1,084,469
Administration	3.5%	3.5%	348,857	-	348,857	361,067	-	361,067	373,705	-	373,705	386,784	-	386,784	400,322	-	400,322	414,333	-	414,333
Utilities	5.0%	5.0%	828,694	-	828,694	870,129	-	870,129	913,635	-	913,635	959,317	-	959,317	1,007,283	-	1,007,283	1,057,647	-	1,057,647
Taxes and Licenses	3.5%	3.5%	155,004	-	155,004	160,429	-	160,429	166,044	-	166,044	171,856	-	171,856	177,871	-	177,871	184,096	-	184,096
Insurance	15.0%	15.0%	1,797,748	-	1,797,748	2,059,773	-	2,059,773	2,360,835	-	2,360,835	2,706,780	-	2,706,780	3,104,330	-	3,104,330	3,561,216	-	3,561,216
Maintenance & Repair	3.5%	3.5%	1,713,268	-	1,713,268	1,773,232	-	1,773,232	1,835,295	-	1,835,295	1,899,531	-	1,899,531	1,966,014	-	1,966,014	2,034,825	-	2,034,825
Supportive Services	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Expenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			**6,064,364**	**-**	**6,064,364**	**6,488,151**	**-**	**6,488,151**	**6,957,258**	**-**	**6,957,258**	**7,477,782**	**-**	**7,477,782**	**8,056,707**	**-**	**8,056,707**	**8,702,035**	**-**	**8,702,035**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)																				
Reserves/Ground Lease Base Rent/Bond Fees																				
Ground Lease Base Rent			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond Monitoring Fee			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Deposit			81200	0	81,200	81200	0	81,200	81200	0	81,200	81200	0	81,200	81200	0	81,200	81200	0	81,200
Operating Reserve Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposit/s, Commercial			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**6,145,564**	**-**	**6,145,564**	**6,569,351**	**-**	**6,569,351**	**7,038,458**	**-**	**7,038,458**	**7,558,982**	**-**	**7,558,982**	**8,137,907**	**-**	**8,137,907**	**8,783,235**	**-**	**8,783,235**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)																				
NET OPERATING INCOME (INCOME minus OP EXPENSES)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																				
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Does Project have a MOHCD Residual Receipt Obligation?		**Yes**																		
Will Project Defer Developer Fee?		**No**																		
Residual Receipts split for all years. - Lender/Owner		**67% / 33%**																		
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Dist. Soft Debt Loans																		
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		0.00%			-			-			-			-			-			-
Lender 4 Residual Receipts Due		0.00%			-			-			-			-			-			-
Lender 5 Residual Receipts Due		0.00%			-			-			-			-			-			-
Total Non-MOHCD Residual Receipts Debt Service					-			-			-			-			-			-
REMAINDER (Should be zero unless there are distributions below)					-			-			-			-			-			-
Owner Distributions/Incentive Management Fee					-			-			-			-			-			-
Other Distributions/Uses					-			-			-			-			-			-
Final Balance (should be zero)					-			-			-			-			-			-
RR Running Balance					**1,055,600**			**1,136,800**			**1,218,000**			**1,299,200**			**1,380,400**			**1,461,600**
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					-			-			-			-			-			-

The Granada

	LOSP Units	Non-LOSP Units	Year 19			Year 20		
Total # Units: 214	*214*	*0*	2038			2039		
	100.00%	*0.00%*						
INCOME	% annual inc LOSP	% annual increase	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Residential - Tenant Rents	1.0%	2.5%	576,821	-	576,821	582,589	-	582,589
Residential - SOS Payments		4.0%	-	-	-	-	-	-
Residential - Tenant Assistance Payments (Other Non-LOSP)	n/a	n/a	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	8,956,161	-	8,956,161	9,757,682	-	9,757,682
Commercial Space	n/a	2.5%	-	-	-	-	-	-
Other Income			-	-	-	-	-	-
Gross Potential Income			**9,532,982**	**-**	**9,532,982**	**10,340,271**	**-**	**########**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(28,841)	-	(28,841)	(29,129)	-	(29,129)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**9,504,141**	**-**	**9,504,141**	**10,311,142**	**-**	**########**
OPERATING EXPENSES								
Management	3.5%	3.5%	378,241	-	378,241	391,479	-	391,479
Salaries/Benefits	3.5%	3.5%	1,122,425	-	1,122,425	1,161,710	-	1,161,710
Administration	3.5%	3.5%	428,835	-	428,835	443,844	-	443,844
Utilities	5.0%	5.0%	1,110,530	-	1,110,530	1,166,056	-	1,166,056
Taxes and Licenses	3.5%	3.5%	190,539	-	190,539	197,208	-	197,208
Insurance	15.0%	15.0%	4,086,328	-	4,086,328	4,689,889	-	4,689,889
Maintenance & Repair	3.5%	3.5%	2,106,044	-	2,106,044	2,179,755	-	2,179,755
Supportive Services	3.5%	3.5%	-	-	-	-	-	-
Commercial Expenses			-	-	-	-	-	-
TOTAL OPERATING EXPENSES			**9,422,941**	**-**	**9,422,941**	**10,229,942**	**-**	**########**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)								
Reserves/Ground Lease Base Rent/Bond Fees								
Ground Lease Base Rent			0	0	0	0	0	0
Bond Monitoring Fee			0	0	0	0	0	0
Replacement Reserve Deposit			81200	0	81,200	81200	0	81,200
Operating Reserve Deposit			0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0
Required Reserve Deposit/s, Commercial			0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**81,200**	**0**	**81,200**	**81,200**	**0**	**81,200**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**9,504,141**	**-**	**9,504,141**	**10,311,142**	**-**	**########**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)								
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**-**	**-**	**-**	**-**	**-**	**-**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)								
Hard Debt - First Lender			-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			**-**	**-**	**-**	**-**	**-**	**-**
CASH FLOW (NOI minus DEBT SERVICE)			**-**	**-**	**-**	**-**	**-**	**-**
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%	-	-	-	-	-	-
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)			**-**	**-**	**-**	**-**	**-**	**-**

Does Project have a MOHCD Residual Receipt Obligation?	**Yes**		
Will Project Defer Developer Fee?	**No**		
Residual Receipts split for all years. - Lender/Owner	**67% / 33%**		
	Dist. Soft Debt Loans		
MOHCD RESIDUAL RECEIPTS DEBT SERVICE			
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	0.00%	-	-
Lender 4 Residual Receipts Due	0.00%	-	-
Lender 5 Residual Receipts Due	0.00%	-	-
Total Non-MOHCD Residual Receipts Debt Service		-	-
REMAINDER (Should be zero unless there are distributions below)		-	-
Owner Distributions/Incentive Management Fee		-	-
Other Distributions/Uses		-	-
Final Balance (should be zero)		-	-
RR Running Balance		**1,542,800**	**1,624,000**
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		-	-