

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

MEMORANDUM

DATE: JUNE 7, 2024
TO: CITYWIDE AFFORDABLE HOUSING LOAN COMMITTEE
FROM: OMAR MASRY, PROJECT MANAGER
RE: CASA ADELANTE AT 1515 SOUTH VAN NESS AVENUE – REQUEST FOR DEMOLITION FUNDING DURING PREDEVELOPMENT

1. Sponsor Information:

Project Name: Casa Adelante at 1515 South Van Ness	Sponsors: Mission Economic Development Agency (MEDA) and Chinatown Community Development Center (CCDC)
Project Address: 1515 South Van Ness Avenue (at 26 th Street)	Ultimate Borrower Entity: Casa Adelante SVN Housing, L.P.
Predevelopment Amount Previously Approved: \$4,000,000	Additional Predevelopment Amount Requested: \$3,180,991 Total Amount: \$7,180,991

2. Summary of Request

Casa Adelante at 1515 South Van Ness will be a nine-story affordable housing community featuring 168 units with two ground floor commercial spaces, one of which is intended as a 5,568 square-foot neighborhood-serving Early Childhood Education Center (ECEC), in addition to a separate 2,346 square-foot space intended for a commercial or non-profit community-serving activity. Of the 168 units, there will be one manager's unit, 42 units reserved as supportive housing for families exiting homelessness, 5 units reserved as "PLUS" program subsidized housing for HIV positive households, with a maximum household income of 50% MOHCD Unadjusted Area Median Income (AMI); and 120 general affordable units for families restricted to households with incomes between 30% to 72% MOHCD Unadjusted AMI (Project).

Project Sponsors and joint venture partners, Mission Economic Development Agency (MEDA) and Chinatown Community Development Center (CCDC), together "Sponsors," are requesting an amendment to the existing predevelopment loan agreement and loan amount in order to enable early demolition of the existing 31,680 square-foot warehouse building at the Project site.

The amendment to the predevelopment loan would increase the overall existing \$4,000,000 loan to \$7,180,991, so that the Sponsors can undertake the demolition-related activities listed in the scope of work section below. Early demolition will reduce the new construction timeline and related construction loan interest. The Sponsors plan to return to Loan Committee in October 2024 for permanent gap financing approval with new building construction estimated to start in January 2025. Project completion is estimated for February or March 2027, but may be accelerated by two to three months if demolition commences earlier, as per this additional predevelopment funding request.

3. Primary Development Issues

- **Site Safety.** While the early demolition of the existing two-story warehouse building will reduce some current site activity concerns, such as the building being a target of graffiti and vandalism, the removal of the building and open exposure of the basement below will result in an open pit with an approximate 12 foot below grade depth as compared to adjacent sidewalks on Shotwell Street and South Van Ness Avenue. The use of 24-hour security and relocation of Site fences toward the curb face on each frontage should reduce such risks.
- **Commercial Space Plan.** The Sponsors have provided second drafts but have not finalized the commercial space plan or RFP for the ECEC in a timely manner; nor provided the first draft of the 2nd commercial space RFP. All three documents were required by the end of September 2023 during preliminary gap loan approval. Staff recommends adding a condition requiring completion of the commercial space plan and both RFPs prior to permanent gap financing.
- **Adjacent On-Street Metered Parking.** The removal of sidewalk usage along the 26th Street frontage and the northern half of the South Van Ness Avenue frontage will be accompanied by the removal of curbside on-street parking spaces in order to create a protected pedestrian path of travel and would likely result in the removal of five metered parking spaces along the South Van Ness Avenue frontage. While there is a waiver available for street space use, there does not appear to be a waiver available from SFMTA for meter revenue and the budget includes an estimate of fees charged by SFMTA to cover the loss of revenue during demolition. A condition has been added to require an update be provided to MOHCD staff prior to demolition loan close.

4. Demolition Scope of Work

Demolition activity is estimated to begin by September 9, 2024, and would encompass the following primary activities:

- **Building Removal:** Sponsors would remove the existing building with the existing basement left uncovered and a portion of the basement walls along 26th Street and South Van Ness Avenue to be left in place as temporary shoring until new walls are built. Building removal is estimated to be completed by the end of November 2024. Project Sponsors plan to use the existing basement footings for the new building construction, which is estimated to save at least \$900,000 in overall shoring costs. The Sponsors have indicated based on initial correspondence with shoring subcontractors that the associated tiebacks will be acceptable to the Department of Building Inspection. Removal of the building will reduce the timeline for new construction by approximately two months and in turn reduce associated construction loan interest. In addition, building removal would lessen blight, as the building has attracted graffiti.
- **Fence, Pedestrian Path and Parking Changes:** Removal/relocation of existing fences along 26th Street and South Van Ness Avenue street frontages, and temporary sidewalk closure along both frontages from August 30, 2024, to construction start. No sidewalk or curbside parking closure is planned along the Shotwell Street frontage during demolition. A protected pedestrian path of travel will be created in the location currently used for curbside parking on the two frontages, thereby removing eleven on-street parking spaces, including five on-street metered parking spaces, from August 30, 2024, to November 30, 2024.
- **Site Abatement Activity:** The Project Site has featured a variety of prior light industrial uses, including the most recent use as a two-story concrete and wood supply warehouse for McMillan Electric. A Pre-Demolition Hazardous Materials Survey Report prepared by RGA Environmental on May 14, 2014, indicated 13 asbestos-related and 10 lead-containing materials found throughout the existing commercial building. An updated survey will be conducted by Terracon (formerly RGA Environmental) to inform the abatement process. Hazardous material abatement of lead and asbestos containing materials will be in accordance with OSHA and EPA regulations. An underground storage tank at the eastern portion of the Project Site was previously removed in April 2020, and it was determined that residual petroleum hydrocarbons are not present on site. However, based on the Phase II Report prepared on November 28, 2022, soil samples detected traces of benzopyrene, lead, vanadium, and cyanide on site. The San Francisco Bay Regional Water Quality Control Board compared the sample results to the 2019 Environmental Screening Levels (ESLs) and determined that the levels of the four chemicals do not pose significant risk. However, a single exceedance of lead found in the soil prompted both the environmental consultant and Regional Water Board to deem a Site Mitigation Plan necessary for construction activities.

The bulk of on-site physical activity noted above is expected to be completed by November 30, 2024, and the site is expected to remain inactive until permanent financing is secured, and new building construction starts in January 2025. During this period varying areas of adjacent on-

street parking will be unavailable along South Van Ness Avenue and 26th Street; and pedestrian access to existing sidewalks will be relocated to the on-street parking areas along both streets where curb side parking is located.

The proposed predevelopment budget would be increased from \$4,000,000 to \$7,180,991; with the following primary activities and costs included in the amended project budget's predevelopment sources and uses table, and summarized below:

- Building Removal/Demolition (cost: \$618,272) including added Mobilization due to Phased Demo (cost: \$25,000) and added Mobilization due to Phased Shoring (cost: \$50,000). Demolition activities to be handled by a separate demolition contractor administered by the general contractor.
- Dust Control Plan during demolition phase (cost: \$5,000)
- Construction Jobsite Control & Security (cost: \$24,450)
- Site Security (24 hours, 7 days a week) during and after demo, cameras, roving guard, lighting (cost: \$192,041).
- Hazardous Materials Abatement (cost: \$117,300) to be performed by an abatement subcontractor prior to demolition subcontractor.
- Hazardous Materials Monitoring (cost: \$228,856), with abatement oversight by Terracon.
- Sponsors Insurance (cost: 114,428)
- General Contractor Insurance: (cost: \$60,520)
- Permitting (demolition-specific cost: Demo \$5,000; Shoring \$7,500)
- Commercial Billboard Removal (cost: none)
 - Per a prior lease agreement, the billboard removal cost for all above-ground elements will be borne by billboard operator and the below grade footing removal is included in the Sponsor's demolition cost. MOHCD staff will notify the billboard owner, through City real estate staff, 60 days prior to demolition start in order to arrange for removal.

The budget shown above was developed by the Sponsors based on estimates that do not include recent bids. The Sponsors expect bids in July 2024 with bids for shoring, demolition and abatement expected by August 2, 2024. The Project Site security estimate shown above is based primarily on an estimate of one 24-hour security guard at a cost of \$32.00 per hour. The Sponsors believe that once this element is out for bid, the general contractor is anticipating a cost of \$22 to \$30 per hour and \$3,500 per month for site security cameras. Currently Site security consists of one 24-hour security guard and is being funded by the City through MOHCD. Once demolition begins, the Sponsors will be responsible for site security through demolition and during construction.

The increased predevelopment loan would allow the Sponsors to accelerate removal of the existing McMillian Electric commercial/warehouse building, and in turn reduce the overall new construction loan term from 38 months to 36 months, and reduce related construction loan interest, by approximately \$260,000, from \$12,075,605 to \$11,815,605.

5. Project Site Location and Acquisition Background

The 0.80-acre (35,714 square-feet) Project Site consists of three adjoining parcels¹ bounded by South Van Ness Avenue to the west, 26th Street to the north, Shotwell Street to the east, an auto parts store to the southwest, and a 100% affordable senior housing community, developed by MEDA & CCDC, to the southeast at 1296 Shotwell Street. The Project Site features an existing two-level vacant warehouse style commercial building, with basement below the building footprint, which was formerly used by McMillan Electric, along with a surface parking lot.

The Site was permitted for market-rate housing development by Lennar, doing business as LMS San Francisco 1 Holdings LLC (prior property owner), in 2016. The Mission community mobilized for the Site to be more affordable and encouraged the sale in 2019 to the City and County of San Francisco. The City, through MOHCD, purchased the Site from Lennar, for \$19,000,000 pursuant to a Purchase and Sale Agreement dated June 17, 2019, with the intent of developing new affordable housing. The City utilized a \$5,000,000 Metropolitan Transportation Commission Affordable Housing Jumpstart Grant, along with \$14,000,000 in ERAF Funds to purchase the Project Site. The \$19,000,000 in funds are not subject to repayment by the Sponsors and the acquisition amount is not included in the Project's total development cost.

Prior to demolition start the Sponsors will need to enter into a ground lease with the City that will cover both the demolition period as well as new construction and serve as the ground lease used throughout the life of the Project. Approval of the ground lease, along with preparation of the associated unrestricted market value appraisal (in process), is required by the Board of Supervisors and is scheduled for introduction to the Clerk of the Board of Supervisors for June 13, 2024.

6. Borrower/Grantee Profile

(See Attachment B for Borrower Org Chart; See Attachment C for Developer Resume and Attachment D for Asset Management Analysis)

The borrower entity for predevelopment, construction closing, and permanent financing will be Casa Adelante SVN Housing, L.P., which was officially established by the Sponsors in September 2021.

CCDC and MEDA will share joint responsibilities during the predevelopment, construction, and permanent conversion phases, with each party responsible for 50% of any development and/or operating period liability. The partnership builds on previous partnerships with CCDC (Casa Adelante: 1296 Shotwell and Casa Adelante: 2060 Folsom) to cultivate MEDA's capacity as a solo developer and owner. MEDA has knowledge of the Mission neighborhood and the ability to successfully conduct neighborhood outreach and secure neighborhood support in the Mission.

¹ Project Site consists of three adjoining lots including 3251 26th Street and 1214 Shotwell Street. A lot merger (lot line adjustment application to SF Public Works – PID 12107) is pending to combine the three parcels (Block 6571, Lots 001, 001A, and 008) into one parcel addressed as 1515 South Van Ness Avenue.

7. Development Team for Demolition & Abatement and New Construction

Development Team			
Consultant Type	Name	SBE/LBE	Outstanding Procurement Issues
Architect	David Baker Architects & Y.A. studio (Joint Venture)	Y	N
Landscape Architect	GLS	Y	N
Environmental	Geo Blue Consulting	Y	N
Surveyor	Luk & Associates	Y	N
Geotechnical	Langan & Divis Consulting	Y	N
Dry Utilities/Joint Trench	Urban Design Consulting Engineers (UDCE)	Y	N
Special Inspections and Testing	Applied Materials & Engineering (AME)	Y	N
Market Study	Newport Realty Advisors	Y	N
Mechanical, Engineering & Plumbing/Title 24	Engineering 350 (E350)	Y	N
Civil	Carlile Macy	Y	N
Structural	KPFF & Ryan Joyce Structural Design (RJSD)	Y	N
Acoustical	CSDA Design Group	Y	N
Green Point Rater, Energy Analysis	Bright Green Strategies	Y	N
Waterproofing	Steelhead	Y	N
Specifications	Vivian Volz Architectural Specifications (VVAS)	Y	N
OSHA/OPOS Exterior Building Maintenance System Design	Scaffolding Inspection & Testing Co (Sitco)	N	N
General Contractor	Guzman Construction Group and Marinship (Joint Venture)	Y	N
Owner's Rep/Construction Manager	Armando Vasquez	Y	N
Financial Consultant	California Housing Partnership (CHPC)	N	N
Legal	Gubb & Barshay	N	N
Property Manager	CCDC	N	N
Services Provider	CCDC	N	N
Land Use Attorney	Perkins Coie	N	N

Sponsors have met the 25% Professional Services CMD goal for overall new construction and will make a good faith effort to meet the 20% CMD goal for the demolition portion of the project.

8. Predevelopment Activities to Date

MEDA and CCDC were selected as Project Sponsors per a November 30, 2020, Multi-Site Request for Qualifications, to develop a 100% affordable family housing development, with 25% of the units reserved for households experiencing homelessness. The team has onboarded the design team, general contractor and the first phase of Project consultants. The design team is a partnership between David Baker Architects and Y.A. studio, and the general contractors are a joint venture partnership of Guzman Construction Group and Marinship Development Incorporated.

On December 3, 2021, the Citywide Affordable Housing Loan Committee approved a \$4,000,000 predevelopment loan to enable predevelopment activities at the City-owned Project Site. This budget primarily involved design, engineering, permitting and outreach costs and developer fees; with physical construction activity limited to minor soil exploratory work. At the time of Committee approval, the Project featured 122 units instead of the 168 units currently proposed, and a total estimated development cost of \$102,561,938.

As of May 23, 2024, the Sponsors have completed over 75% of construction documents, obtained Planning entitlements, and has expended \$2,081,617.11; or 52% of \$4,000,000 in available predevelopment funds.

On July 7, 2023, the Citywide Affordable Housing Loan Committee approved a preliminary gap request for financing to develop 168 units, which served as the basis for City commitment letters used in the application for a competitive HCD Multi-Family Housing Program (MHP) Loan of \$37,930,397, which was successfully awarded in April 2024. At the time of Committee preliminary gap approval, the total development cost was estimated at \$166,920,303.

On April 23, 2024, the Sponsors applied for an award from the California Debt Limit Allocation Committee (CDLAC), for tax-exempt and taxable bonds, to be executed as multi-family housing revenue notes, which would enable a construction loan, for up to \$82,142,319, for Project completion. If this request is approved, the construction loan would not need to be utilized to pay for building demolition costs. After CDLAC award, the Sponsors intend to return to the Citywide Affordable Housing Loan Committee to seek City permanent gap financing needed to meet the total development cost currently estimated at \$165,911,969, and as shown in the permanent sources table below.

9. Environmental Issues

Phase I/II Site Assessment Status and Results. A Phase I Environmental Site Assessment by Langan Treadwell Rollo is dated May 27, 2014. A Phase II Environmental Site Assessment was prepared by Geo Blue Consulting and dated November 28, 2022. The Assessments revealed evidence of the one CRECs in connection with the Site. Residual petroleum hydrocarbons are present beneath the eastern portion of the former underground storage tank (UST). In addition, the Assessment revealed evidence of de minimis environmental conditions at the Site of minor oil staining on the concrete floors within the warehouse area occupied by the Mindham Company, a truck and automotive repair facility.

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

list and SFDPH is currently reviewing a dust control plan and site assessment and mitigation application that was submitted by the Sponsors on April 16, 2024. The Sponsors will need to receive approval of this application and complete a Soil and Site Mitigation Plan, currently in process, prior to issuance of permits for demolition from the Department of Building Inspection.

Potential/Known Hazards. Asbestos Containing Materials (ACMs) were observed on accessible areas of the building interior, exterior, and roofing. Sampled materials were confirmed to be positive for asbestos content upon laboratory analysis. Samples of the painted surfaces and window putty were reported by the laboratory as containing lead above the detection limit of the analytical method. The Sponsor has indicated the costs to remediate are assumed within the overall construction budget.

10. PREDEVELOPMENT SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Proposed Terms	Status
MOHCD Predevelopment Loan	\$4,000,000	55 yrs. @ 3.00% / Res. Rec.	Committed
MOHCD Predevelopment Demolition Loan	\$3,180,991	55 yrs. @ 3.00% / Res. Rec.	This Request
Total Predevelopment Sources	\$7,180,991		

11. Construction Representative's Evaluation

As the existing 1515 South Van Ness building features a basement and the demolition will leave a large opening ("hole in the ground") before the new vertical construction will commence, this may result in potential liability concerns and additional costs in the following areas:

- Site insurance
- Site security
 - Additional tall perimeter fencing
 - Temporary lighting
 - On-going monitoring/security cameras/security staff
- General conditions
- General requirements
- Mobilization and demobilization costs.

The early demolition may increase liability associated with the property liability should building demolition result in increased site trespassing. The shifting of the site fence toward the curb line along the Shotwell Street and South Van Ness Avenue frontages will reduce but not eliminate the likelihood of site trespassing.

12. Prior Project Conditions

The status of prior Project conditions, applied at preliminary gap approval, for conditions to be addressed before final gap approval is provided below. All other conditions noted at preliminary gap and intended to apply prior to construction start or TCO are located further below in the loan conditions section.

BEFORE FINAL GAP APPROVAL	
In the event the Summer 2023 SuperNOFA MHP Loan is not awarded, Sponsors shall work with MOHCD staff to re-evaluate increasing income restrictions for 40 of the 42 LOSP supported units from 25% MOHCD AMI equivalent to at least 40% MOHCD AMI.	Complete. MHP Loan awarded April 2024.
Sponsors must identify and explore use of additional non-City sources of funds, such as FHLB AHP and HCD's Infrastructure Infill Grant Programs.	In Progress. MHP loan awarded, and Sponsors intend to pursue FHLB AHP and private permanent loan financing.
Sponsors must provide MOHCD with information outlining cost containment, efficiencies and innovation strategies to reduce overall Project costs and maximize efficiency of MOHCD gap loans	Ongoing.
Sponsors shall determine compliance with accessibility with proposed stairs/access at the building entrance near the northwest corner of the Project Site within 60 days after submitting applications for State financing	Complete (approved by SF DBI).
Sponsors shall demonstrate to MOHCD satisfaction that soft cost contingencies are appropriately sized.	Ongoing.
Sponsors shall provide an executed Letter of Intent (LOI) with commercial operators, a commercial development budget, and tenant improvement proforma for MOHCD review and approval, prior to final gap funding request.	In Progress. Final commercial plan and budget awaiting submittal from Sponsors. LOIs dependent upon final submittal of RFPs, publishing and tenant selection.
Sponsors must a) provide for MOHCD review of the Request for Proposals (RFP) for equity investors and lenders before it is finalized and distributed; b) provide for MOCHD review of all raw financial data from developer or financial consultant prior to selection; c) provide for MOHCD review and approval of all selected investors and lenders; and d) provide for MOHCD review and approval of all Letters of Intent from financial partners.	To be completed. Sponsors to engage in investor and lender bids in early to mid-June 2024.
Sponsors must provide MOHCD with detailed monthly updates via the MOHCD Monthly Project Update, including on:	Not completed on a monthly basis. MOHCD staff to request such updates before future draw requests are processed.

<p>1) Community outreach completed, 2) Outcomes achieved related to racial equity goals, and 3) Commercial-use programming.</p>	
<p>Sponsors must provide operating and development budget that meet MOHCD Underwriting Guidelines and MOHCD Commercial Space Underwriting Guidelines.</p>	<p>In Progress. The updated development budget substantially conforms with MOHCD underwriting guidelines except where noted in this memo. Sponsors will update the unit rents (based on recently released 2024 MOHCD rents) and development costs during Summer 2024 in advance of a permanent gap financing request submittal.</p>
<p>Sponsors must provide MOHCD with a services plan and proposed staffing levels that meet MOHCD underwriting standards prior to gap loan approval. Any changes to the current proposed staffing will need to be presented to MOHCD at least 90 days prior to loan closing or final gap approval.</p>	<p>Pending.</p>
<p>Project needs to confirm with SFDBI and SFFD that building will not be classified as a high-rise.</p>	<p>Complete. SFDBI and SFFD have confirmed building will not be classified as a high-rise. This classification results in significant cost savings associated with high-rise construction.</p>
<p>Sponsors must work with MOHCD staff and the Project's General Contractor to Value Engineer construction budget with the goal of reducing construction costs to \$600 PSF inclusive of contractor contingency, bid contingency and escalation to start of construction.</p>	<p>Not completed. While the Sponsors have engaged in value engineering work, the current proforma shows a total hard construction cost at \$132,404,466, which equals \$661 PSF. Sponsors will be required as a new condition to continue to engage in value engineering as construction drawings are finalized, with a goal of reducing construction costs to \$653 PSF.</p>

For both commercial spaces a commercial space plan and Request for Proposal (RFP) for each commercial space will be developed, subject to MOHCD approval and before the end of September 2023.	Incomplete. Sponsors submitted a commercial space plan and one (ECEC space) of two required RFPs but have not provided the remaining RFP for the Van Ness frontage space or requested revisions to the commercial space plan or ECEC RFP in a timely manner. A condition has been added to address this item.
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13. Community Outreach

The Sponsors have held three community meetings to date, including on May 8, 2024, where the Project schedule, design, financing, and possible accelerated schedule were discussed, including the potential for sidewalk and curbside parking impacts. As demolition commences Sponsors will inform neighbors in accordance with the Project’s communications plan (Project condition added to update the communications plan by July 15, 2024). Once the demolition schedule is finalized, Sponsors intend to notify neighbors within a three-block radius approximately 45 days before the start date.

14. PREDEVELOPMENT SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Proposed Terms	Status
MOHCD Predevelopment Loan	\$4,000,000	55 yrs. @ 3.00% / Res. Rec.	Committed
MOHCD Predevelopment Demolition Loan	\$3,180,991	55 yrs. @ 3.00% / Res. Rec.	This Request
Total Predevelopment Sources	\$7,180,991		

15. Predevelopment Financing Narrative

The proposed predevelopment budget complies with MOHCD underwriting standards, except where indicated in the table below.

Predevelopment Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Acquisition Cost is based on appraisal	N/A	N/A. The Site was purchased by the City prior to predevelopment and is not a part of the predevelopment budget. An updated appraisal is being prepared in advance of a

		required ground lease approval by the Board of Supervisors, scheduled for July 2024.
Holding costs are reasonable	Y	Holding costs include necessary security, utility and insurance coverage from demolition start in September 2024 until (new) construction closing.
Architecture and Engineering Fees are within standards	Y	Total Predevelopment Architectural and Engineering fees are \$2,894,427 which is within standards.
Consultant and legal fees are reasonable	Y	Funding for legal fees and the financial consultant fees are considered reasonable for the Project.
Entitlement fees are accurately estimated	Y	\$1,860,000 for entitlement/permit fees is reasonable for the Project.
Construction Management Fees are within standards	Y	Construction Management Fee is sized at \$132,050 for predevelopment, which is within Underwriting Guidelines.
Developer Fee is within standards	Y	Total Developer fee of \$1.1 million during predevelopment complies with MOHCD Developer Fee Policy
Soft Cost Contingency is 10% per standards	N	Soft Cost Contingency is 3.8%. This is justified given the stage of construction drawings and likely Project risk.

16. Permanent Sources and Uses

The proposed sources below are shown for informational purposes in advance of a future request for permanent gap financing. The Sponsors applied to CDLAC and TCAC for construction bond and tax credit financing in March 2024; with approvals expected by August 2024. After approvals related to CDLAC (construction bond), TCAC (tax credits for limited partner equity) and lenders (private permanent loan), the Sponsors will return to Loan Committee for Gap financing approval in October 2024. Currently, the Sponsors are projecting a \$46,195,221 MOHCD loan, which is \$1,835,221 less than the prior estimated Gap from preliminary gap approval. This decrease is due in part to value engineer work and reduced construction loan costs associated with early demolition if this request is approved.

The MOHCD Loan amount shown is inclusive of the initial MOHCD Predevelopment loan, and the MOHCD Predevelopment Demolition Loan (this request); but does not include a MOHCD AHP Bridge loan estimated at between \$1 million to \$1.6 million.

Sponsors intend to begin bids for investor and lender (permanent and construction) selection in early to mid-June 2024.

Table of Permanent Sources, Terms and Status

Source	Amount at Preliminary Gap	Current Amount	Terms	Status
MOHCD Loan	\$50,265,932	\$45,903,607*	55 yrs. @ 3.00% Res. Rec.**	Not Committed
MHP HCD Loan	\$35,000,000	\$37,930,397	3% @ 55 yrs.	Committed
IIG HCD	\$3,000,000	\$0		Did not apply
Private Permanent Loan	\$2,873,000	\$4,749,000	15 yrs. @ 6.67%	Not Committed
FHLB AHP Loan*	\$1,000,000	\$1,600,000*	55 yrs. @ 0.00%	Not Committed
Deferred Developer Fee	\$400,000	\$500,000		Committed
General Partner (GP) Equity	\$500,000	\$500,000		Committed
4% Tax Credits	\$80,420,822	\$74,270,065	\$0.965 tax credit rate**	Not Committed
Accrued Interest on MOHCD Loan	\$0	\$458,900		
Total Funding	\$173,459,754	\$165,911,969		

*MOHCD loan amount will be increased by up to \$1,600,000 as a temporary bridge loan for the Federal Home Loan Bank Affordable Housing Program Loan. The MOHCD Loan amount shown includes the MOHCD Predevelopment loan and demolition loan.

** The increase in tax credit pricing, from a \$0.95 estimate at Preliminary Gap loan approval, and reduction in the construction loan interest rate shown above is due to estimates of current market conditions for similar MOHCD Projects in the development pipeline.

Permanent Uses	Amount	Per Unit	Per SF
Acquisition***	\$45,000*	\$268	\$0.22
Hard Costs	\$132,350,466	\$787,800	\$660.63
Soft Costs	\$29,075,695	\$173,070	\$145.13
Reserves	\$940,807	\$5,600	\$4.70
Developer Fee	\$3,500,000	\$20,833	\$17.47
Total	\$165,911,969	\$987,571	\$828.15

***Acquisition cost includes \$45,000 for legal costs, holding costs and transfer tax.

17. Permanent Development Budget Narrative

The proposed development budget complies with MOHCD underwriting standards, except where indicated in the table below.

Permanent Development Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Hard Cost per unit is within standards	N	\$788,122/unit is approximately 14% higher than MOHCD portfolio for new construction. The Project is designed for Families and features higher bedroom counts than average. These factors along with overall high construction costs result in hard costs per unit that are well above average, but not the highest in the current development pipeline.
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	Hard Cost Contingency is 5% and includes 1.5% Escalation and 1.5% GC Contingency
Architecture and Engineering Fees are within standards	Y	While no official standard exists, the current proposal appears consistent with A&E fees for Projects of this size.
Construction Management Fees are within standards	Y	Construction Management Fee: \$132,000
Developer Fee is within standards, see also disbursement chart below	Y	Project management fee: \$1,100,000 At risk fee: \$1,233,576 GP equity: \$500,000 Deferred fee: \$500,000 Commercial Developer Fee: \$66,424 Total fee: \$3,500,000
Consultant and legal fees are reasonable	Y	Overall consultant and legal fees (\$755,500) appear average based on Project unit count.
Entitlement fees are accurately estimated	Y	Entitlement fees of \$1,860,000 appear accurate.
Construction Loan interest is appropriately sized	Y	Estimated construction loan terms are \$82,142,319 for 36 months at 7.67%
Soft Cost Contingency is 10% per standards	N	Soft Cost Contingency is 3.5%. The Sponsors believe a lower contingency is warranted given the relatively narrow scope of site, entitlement, permitting and design challenges.

Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve of 743,697 is equal to 3 months
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18. DEVELOPER FEE

The current development budget includes a total developer fee of \$3,500,000. The Developer Fee previously proposed during the approval of a preliminary gap financing commitment was for \$3,145,100. The Sponsors have indicated the prior number was in error. The developer fee budget shown below is consistent with the MOHCD Developer Fee Policy. The Sponsors assume a maximum \$550,000 disbursement during predevelopment and a condition.

Total Developer Fee:	\$3,500,000	
Project Management Fee Paid to Date:	\$440,000	
Amount of Remaining Project Management Fee during Predevelopment:	\$110,000	
Amount of Project Management Fee available after construction closing through Project Close-Out	\$550,000	
Amount of Fee at Risk (the "At Risk Fee"):	\$1,333,576	
Amount of Commercial Space Developer Fee (the "Commercial Fee"):	\$66,424	
Amount of Fee Deferred (the "Deferred Fee"):	\$500,000	
Amount of General Partner Equity Contribution (the "GP Equity"):	\$500,000	
Milestones for Disbursement of that portion of Developer Fee remaining and payable for Project Management	Amount Paid at Milestone	Percentage Project Management Fee
Predevelopment	\$165,000	15%
Close of Predevelopment Financing	\$165,000	15%
Submission of HCD funding application	\$220,000	10%
Submission of joint CDLAC & TCAC applications	\$220,000	10%
At Construction Closing	\$220,000	20%
During Construction	\$220,000	20%
Project Close Out	\$110,000	10%
Milestones for Disbursement of that portion of Developer Fee defined as At Risk Fee		Percentage At Risk Fee
95% lease up and draft cost certification	\$220,000	20%
Permanent conversion	\$550,000	50%
Project close-out	\$330,000	30%
Milestones for Disbursement of that portion of Developer Fee defined as Commercial Fee		Percentage Commercial Fee
At completion of two airspace condominium subdivision mapping	\$16,606	25%

Executed LOIs with Commercial Tenants	\$16,606	25%
Executed leases with Commercial Tenants	\$16,606	25%
Occupancy by commercial tenant providers	\$16,606	25%

19. Staff Recommendation

MOHCD staff recommends approval of the requested modification to the City’s current predevelopment loan. These changes are important for the successful, cost-effective and timely completion of this Project. Casa Adelante at 1515 South Van Ness Avenue is a vital affordable housing resource in the Mission neighborhood that has faced significant gentrification and eviction pressures. In addition to the amendment to the loan agreement to increase the predevelopment loan to up to \$7,180,991; MOHCD and the Sponsors would also execute an amended and restated promissory note, amended deed of trust, an amended declaration of restrictions, and a new MOHCD ground lease; with the ground lease subject to approval by the Board of Supervisors and Mayor.

Financial Description of Proposed Predevelopment Loan	
Loan Amount:	\$7,180,991 (includes previously approved \$4,000,000 predevelopment loan)
Loan Term:	3 years (rolled into 57-year loan at construction closing)
Loan Maturity Date:	2027
Loan Repayment Type:	Residual Receipts
Loan Interest Rate:	3%

20. Recommended conditions prior to disbursement of the demolition loan

1. Receipt and approval of final demolition and abatement budget after bidding.
2. Sponsors shall update Bid Contingency, General Conditions, General Requirements, Qualifications, Exclusions and Allowances (also needed to meet 14% TCAC test) and achieve cost efficiencies.
3. Sponsors are required to receive approval of the dust control plan and site assessment and mitigation application and complete a Soil and Site Mitigation Plan prior to issuance of permits for demolition from the Department of Building Inspection.

21. LOAN CONDITIONS

a. BEFORE FINAL GAP APPROVAL

- Sponsors shall fulfill all conditions (other than those deemed complete) listed above in the Prior Project Conditions section.
- Sponsors shall update Project operating budget to minimize expenses as well as update rents using 2024 MOHCD Rents, prior to submittal of permanent gap financing request.
- Sponsors shall seek an increased private permanent loan that maximizes the loan amount the Project can support and a longer amortization period.
- Sponsors shall ensure the overall developer fee available during predevelopment is no more than \$550,000.
- Sponsors will be required to value engineer as construction drawings are finalized with a goal of reducing construction costs to \$653 PSF inclusive of contractor contingency, bid contingency and escalation to start of construction.
- Sponsors shall evaluate opportunities to increase AMI restrictions for PSH units to comply with most restrictive limits (e.g., TCAC/HCD-MHP) while providing sufficient flexibility, especially with respect to two- and three-bedroom PSH units (e.g., increasing current 25% MOHCD AMI limit for PSH units to 35%, but no higher than 50% AMI).
- A commercial space plan and Request for Proposal (RFP) for each commercial space will be fully developed, subject to MOHCD approval and before submittal of a request for permanent gap financing.
- Sponsors must provide MOHCD with information outlining cost containment, efficiencies and innovation strategies to reduce overall Project costs and maximize efficiency of MOHCD gap loans.
- Sponsors shall demonstrate to MOHCD satisfaction that soft cost contingencies are appropriately sized.
- Sponsors shall provide an executed Letter of Intent (LOI) with an ECEC operator before Gap approval. Sponsor will also need to update the commercial development budget, and tenant improvement proforma for MOHCD review and approval, prior to final gap funding request.
- Sponsors must: a) provide for MOHCD review of the Request for Proposals (RFP) for equity investors and lenders before it is finalized and distributed; b) provide for MOCHD review of all raw financial data from developer or financial consultant prior to selection; c) provide for MOHCD review and approval of all selected investors and lenders; and d) provide for MOHCD review and approval of all Letters of Intent from financial partners.
- Sponsors must provide MOHCD with detailed monthly updates via the MOHCD Monthly Project Update, including on 1) Community outreach completed, 2) Outcomes achieved related to racial equity goals, and 3) Commercial-use programming.
- Sponsors must provide operating and development budgets that meet MOHCD Underwriting Guidelines and MOHCD Commercial Space Underwriting Guidelines.
- Sponsors shall incorporate National Environmental Policy Act (NEPA) review, as may be necessary to make the Project eligible for potential Federally funded relevant housing programs (e.g., including but not limited to Section 8 Project-based Vouchers and Continuum of Care funding) into the Project budget and schedule.
- Sponsors shall update the communications plan by July 15, 2024, to include demolition activities and Project financing changes.

b. PRIOR TO CONSTRUCTION

- Sponsors shall begin development of any required SFMTA traffic control plans (covering construction related street closures and sidewalk closures, if needed) within no less than 60 days prior to construction start.
- Prior to developer fee disbursement associated with construction completion, Sponsors shall obtain MOHCD approval of the appropriate split of asset management role and asset management fees (to the extent of available cash flow during operations). In the event of reductions associated with the construction schedule, the general contractor will reduce general conditions and requirements accordingly.

c. BEFORE TCO

- Sponsors must provide initial draft marketing plan within 12 months of anticipated TCO, outlining the affirmative steps they will take to market the project to the City's preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans.
- Sponsors must create more structure around marketing meetings leading up to the lease-up process, which includes identifying clear roles and responsibilities and preparing meeting agendas outlining clear next steps.
- Sponsors must provide quarterly updated responses to any letters requesting corrective action.
- Sponsors must submit an updated 1st year operating budget and 20-year cash flow – if any changes have occurred – by November 1st before the year the project will achieve TCO so that MOHCD may request the LOSEP subsidy.
- Sponsors must provide quarterly updated responses to any letters requesting corrective action. For both, this should include a detailed plan for capacity to achieve improved communication with Project partners.

22. LOAN COMMITTEE MODIFICATIONS

23. LOAN COMMITTEE RECOMMENDATIONS

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 and Community Development

APPROVE. DISAPPROVE. TAKE NO ACTION.

_____ Date: _____

Salvador Menjivar, Deputy Director for Programs

Department Homelessness and Supportive Housing

APPROVE. DISAPPROVE. TAKE NO ACTION.

_____ Date: _____

Thor Kaslosky, Acting Executive Director

Office of Community Investment and Infrastructure

APPROVE. DISAPPROVE. TAKE NO ACTION.

_____ Date: _____

Anna Van Degna, Director

Controller's Office of Public Finance

FW: Request for Predevelopment Loan Increase for Casa Adelante at 1515 South Van Ness

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

Fri 6/7/2024 1:19 PM

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

I also vote to approve the above listed request.

Daniel Adams

Director

Mayor's Office of Housing and Community Development

City and County of San Francisco

RE: PLEASE VOTE Loan Committee Agenda Items

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

Thu 7/11/2024 11:27 AM

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

Cc: Ely, Lydia (MYR) <lydia.ely@sfgov.org>

I support Bernal Heights Housing Corporation (BHHC), through Hazel Eddy Woolsey LLC, request of \$2,570,158 for Casa Adelante SVN Housing L.P., an increase of a previously disbursed \$4,000,000 predevelopment loan, for a total predevelopment loan amount of up to \$7,180,991

Best,

Salvador



Salvador Menjivar

Director of Housing

Pronouns: He/Him

San Francisco Department of Homelessness and Supportive
Housing

salvador.menjivar1@sfgov.org | 415-308-2843

Learn: [\[dhsh.sfgov.org\]](https://dhsh.sfgov.org) hsh.sfgov.org | **Follow:** [@SF_HSH](https://twitter.com/SF_HSH) |

Like: [@SanFranciscoHSH](https://www.facebook.com/SanFranciscoHSH)

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Re: REQUEST FOR PREDEVELOPMENT LOAN INCREASE FOR CASA ADELANTE AT 1515 SOUTH VAN NESS

Trivedi, Vishal (CON) <vishal.trivedi@sfgov.org>

Fri 6/7/2024 11:42 AM

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

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

I vote yes.

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

From: Slutzkin, Marc (CII) <marc.slutzkin@sfgov.org>

Sent: Friday, June 7, 2024 11:44 AM

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>

Subject: Request for Predevelopment Loan Increase for Casa Adelante at 1515 South Van Ness

Hi Vanessa,

I approve the above request on behalf of OCII.

Thanks

Marc



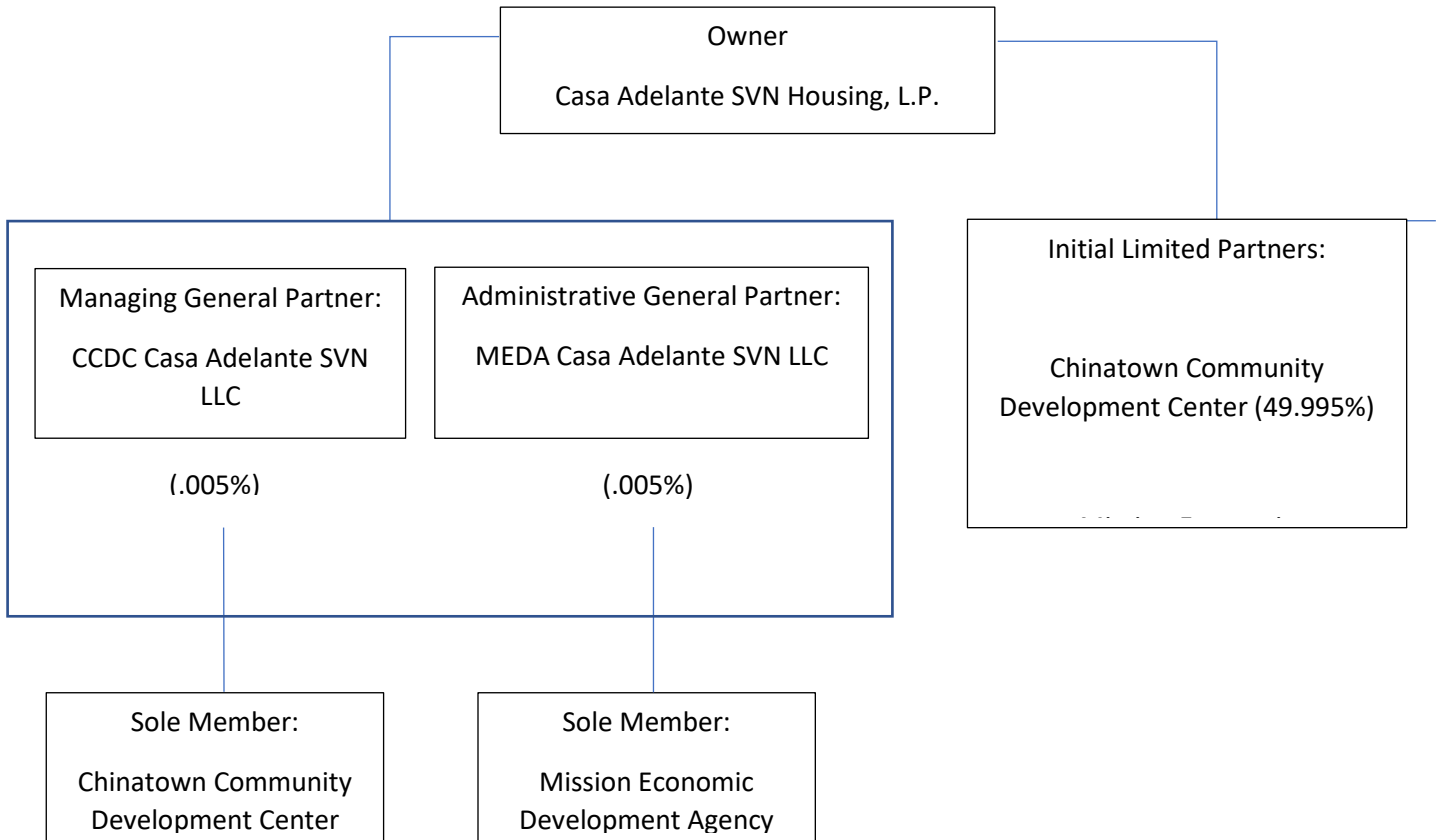
- Attachment A - Project Milestone and Schedule
- Attachment B - Borrower Org Chart
- Attachment C - Development Staff Resumes
- Attachment D - Updated Capital Sources
- Attachment E - Updated Predevelopment Sources and Uses
- Attachment F - Updated Permanent Sources and Uses
- Attachment G - 1st Year Operating Budget and Cashflow
- Attachment H - Elevations and Floor Plans
- Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

Attachment A - Project Milestone and Schedule

No.	Performance Milestone	Estimated or Actual Date	Notes
A.	Prop I Noticing (if applicable)	01/15/2022	
1	Acquisition/Predev Financing Commitment	08/2022	
2.	Site Acquisition	N/A	
3.	Development Team Selection	12/2020	
a.	Architect	03/20/2022	
b.	General Contractor	09/09/2022	
c.	Owner's Representative	11/23/2021	
d.	Property Manager	N/A	
e.	Service Provider	N/A	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	04/30/2023	
b.	Submittal of Design Development & Cost Estimate	08/04/2023	
c.	Submittal of 50% CD Set & Cost Estimate	01/04/2024	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-85% CDs)	07/20/2023	
5.	Commercial Space		
a.	Commercial Space Plan Submission	Q1 2023	
b.	LOI/s Executed	TBD	
6.	Environ Review/Land-Use Entitlements		
a.	AB 2162 Application Submission	04/21/2023	
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	09/01/2023	
b.	Perm Power Application Submission	09/30/2023	
8.	Permits		
a.	Site Permit Application Submitted	04/27/2023	
b.	Building permit	TBD	
c.	Addendum #1 Submitted	12/2023	
d.	Addendum #2 Submitted	02/2024	
9.	Request for Early Bids Issued	01/04/2024	
a.	GMP Bidding start	07/15/2024	
10.	Service Plan Submission		
a.	Preliminary	05/12/2023	
b.	Final	08/01/2023	

11.	Additional City Financing		
a.	Preliminary Gap Financing Application	05/19/2023	
b.	Final Gap Financing Application	08/08/2024	
12.	Other Financing		
a.	HCD MHP Application	07/12/2023	
b.	Construction Financing RFP	06/01/2024	
c.	AHP Application	03/01/2025	
d.	CDLAC/CTCAC Joint Application	04/23/2024	
e.	Other Financing Application	N/A	
f.	LOSP Funding Request	08/08/2024	
13.	Closing		
a.	Construction Loan Closing	01/04/2025	
b.	Conversion of Construction Loan to Permanent Financing	01/01/2028	
14.	Construction	01/04/2025	Latest date to start per the 180-day rule is 2/03/25 (Assume 24 months of construction)
a.	Notice to Proceed	01/04/2025	
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	01/27/2027	
15.	Marketing/Rent-up		
a.	Marketing Plan Submission	02/02/2026	
b.	Commence Marketing	08/01/2026	
c.	95% Occupancy	07/01/2027	
16.	Cost Certification/8609	10/19/2028	
17.	Close Out MOH/OCII Loan(s)	01/08/2028	

Attachment B - Borrower Org Chart



Attachment C- Development Staff Resumes

Kim Piechota, Director of Housing Development, Chinatown CDC

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

Joanna Ladd, Associate Director of Housing Development, Chinatown CDC

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

Angelina Perez, Assistant Project Manager, Chinatown CDC

Angelina recently graduated from San Jose State University's Masters in Urban and Regional Planning program with concentrations in Affordable Housing and Community Development. Angelina has over 3 years of experience working with an affordable housing consultant in San Jose. In this role, she supported the Owner on various development and project management tasks for Project Homekey sites, including a permanent supportive housing project for seniors. She also has experience in affordable housing property management and other housing-related work such as accessory dwelling unit consulting. Angelina will dedicate 50% of her time to the project.

Warren Ritter, Associate Direction of Production - MEDA

Warren Ritter has over a decade of real estate experience in the bay area. As Associate Director of Production with MEDA, Warren manages all aspects of the development process, including land acquisitions, securing project financing and coordinating a diverse team of specialists, investors, stakeholders and public officials. Warren is a 2023 Urban Land Institute Fellow, a councilmember of the Pacheco Community Advisory Council and holds a Juris Doctorate in Community Economic Development from the City University of New York School of Law. Warren will dedicate 10% of his time towards Casa Adelante 1515 SVN.

Dominic Cheng, Assistant Project Manager, Chinatown CDC

Dominic is a San Francisco native committed to building a brighter future for our diverse communities. Dominic graduated from San Francisco State University's Bachelor of Arts in Urban Studies and Planning program. With 10+ years of project management experience in the arts sector, Dominic will support various affordable development projects with Chinatown CDC. In this role, Dominic will dedicate 50% of his time on the 1515 S. Van Ness project.

Karoleen Feng, Director of Community Real Estate, MEDA

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

Elaine Yee, Deputy Director of Community Real Estate, MEDA

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

Laura Elaine Daza-García, Project Manager, MEDA

Laura E. Daza-Garcia recently graduated from UCLA's Masters in Urban and Regional Planning program with a concentration in housing. Laura has over 6 years of experience working as a tenant counselor and advocate for several housing non-profit organizations in San Francisco. and in the Mission District During her last year of graduate school, Laura worked as a Development Associate at Community Corporation of Santa Monica. In this role, she supported the development team with both rehabilitation and new construction projects. Laura will dedicate 50% of her time to support 1515 S. Van Ness team.

Leslie Molina, Asset Manager Director, MEDA

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

Attachment D – Updated Capital Sources

GENERAL PROJECT INFORMATION

Application Date	4/4/2024		Current AMI/Rent Year:	2023
1st Yr of Operations	2027			
1st Month Operations: (1-12)	1	--enter a number for the month (1-12), not the month name		

This application for financing is for (select only <u>one</u>): <input checked="" type="checkbox"/> New Construction Complete 'New Proj - Rent & Unit Mix' Sheet <input type="checkbox"/> Existing Development	Financing is requested for: <input checked="" type="checkbox"/> Acquisition/Predevelopment/Construction <input type="checkbox"/> Permanent/Gap	Local Funding Programs: <input type="checkbox"/> Small Sites Program <input type="checkbox"/> PASS Program <input checked="" type="checkbox"/> LOSP Program
--	--	---

PROPOSED DEVELOPMENT

Project Name	Project Street #	Project Street Name	Project Street Suffix (St/Ave/etc.)	Project Zip Code
1515 South Van Ness	1515	South Van Ness	Avenue	94110
Project Neighborhood	Supervisorial District	Real Estate District	Building Type	Gross SF
Mission	9	Central East	Midrise (40-85', or 4-6 stories)	200,341
Total Units	# of Affordable Units	Occupancy Type	Supportive Housing?	Transitional Housing?
168	167	Other	Yes	No
# Comm Units	Comm SF	Project Sponsor (parent entit(ies), not LP)	Ownership Type	Property Owner
2		CCDC & MEDA	Non Profit Corporation	Casa Adelante SVN Housing, L.P.
Property Owner Contact Name	Property Owner Contact Title	Property Owner Contact Email	Property Owner Contact Phone	
Laura Daza-Garcia/Angelina Perez	Project Manager / Project Manager	ldaza@medasf.org/angelina.perez@chinatow	(415) 374-1213/(415) 375-1156	

PROPOSED UNIT DISTRIBUTION

Enter the total proposed number of units, including manager units, and unrestricted units, if any.	Enter # of persons within each target proposed to be served: For persons that qualify for more than one target population group, include the individual in each target population group.	Narrative: Please provide summary of target population proposed to be served. 168 units: 42 units (25% of total units) serving formerly homeless households subsidized by the City's Local Operating Subsidy Program ("LOSP"), 5 units for households referred from the Plus Housing Program, and 120 units serving low income family households, and 1 two -bedroom Manager unit.																																																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Unit Types</th> <th>Proposed # Units include Mgr's Unit(s)</th> <th>% of Total Units</th> </tr> </thead> <tbody> <tr><td>SRO</td><td></td><td>0%</td></tr> <tr><td>Studio</td><td></td><td>0%</td></tr> <tr><td>1 BR</td><td style="text-align: center;">15</td><td>9%</td></tr> <tr><td>2 BR</td><td style="text-align: center;">32</td><td>19%</td></tr> <tr><td>3 BR</td><td style="text-align: center;">77</td><td>46%</td></tr> <tr><td>4 BR</td><td style="text-align: center;">44</td><td>26%</td></tr> <tr><td>5 BR</td><td></td><td>0%</td></tr> <tr><td>Total Units</td><td style="text-align: center;">168</td><td style="text-align: center;">100%</td></tr> </tbody> </table>	Unit Types	Proposed # Units include Mgr's Unit(s)	% of Total Units	SRO		0%	Studio		0%	1 BR	15	9%	2 BR	32	19%	3 BR	77	46%	4 BR	44	26%	5 BR		0%	Total Units	168	100%	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Target Population</th> <th>Count</th> </tr> </thead> <tbody> <tr><td>Families</td><td style="text-align: center;">120</td></tr> <tr><td>Persons with HIV/AIDS</td><td style="text-align: center;">5</td></tr> <tr><td>Homeless Persons</td><td style="text-align: center;">42</td></tr> <tr><td>Mentally or Physically Disabled</td><td></td></tr> <tr><td>Developmentally Disabled</td><td></td></tr> <tr><td>Seniors</td><td></td></tr> <tr><td>Persons with Substance Abuse</td><td></td></tr> <tr><td>Domestic Violence Survivors</td><td></td></tr> <tr><td>Veterans</td><td></td></tr> <tr><td>Formerly Incarcerated</td><td></td></tr> <tr><td>Transition-Aged Youth ("TAY")</td><td></td></tr> </tbody> </table>	Target Population	Count	Families	120	Persons with HIV/AIDS	5	Homeless Persons	42	Mentally or Physically Disabled		Developmentally Disabled		Seniors		Persons with Substance Abuse		Domestic Violence Survivors		Veterans		Formerly Incarcerated		Transition-Aged Youth ("TAY")		
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PROJECT FINANCING

In the table below, please provide information about all existing and proposed project financing, including all hard and soft debt lenders. Lenders should be listed in lien order with the most senior lender in the first lien position and the most junior lender in the last lien position. Enter information for all columns. If not applicable, enter "N/A."
Data entry below is required! Drop down menus in the 1st Year Operating Budget will not work if the Project Financing Table is not completed.

Lien Order	Lender (and Funding Program if applicable)	Total Funding Amount	Interest Rate	First Repymt Due Date	Maturity Date	Hard Debt/Soft Debt/Both	Repayment Terms (select from drop down)	Annual Payment Amount (or N/A, if not applicable)	Notes (please note any anticipate changes to repayment obligations)
1	Conventional Perm loan	4,749,000	6.67%		15 years	Hard	Periodic	497,681	
2	MOHCD Perm Loan	46,195,221	3.00%		57 years	Soft	Residual receipts		
3	MHP	37,930,397	3.00%		55 years	Hard	Periodic	159,308	
4	Deferred Developer Fee	500,000							
5	GP Equity	500,000							
6	Investor Equity	74,270,065							
7	Accrued Interest City Loa	458,900							
8	AHP	1,600,000							
9									
10									
Total Funding:		\$166,203,583							

	Enter Int Rate!	Enter 1st Repymt Date!	Enter Maturity Date!	Enter Debt Type!	Enter Repymt Terms!	Enter Annual Pymt Amt!
--	-----------------	------------------------	----------------------	------------------	---------------------	------------------------

Does the project have/will have HCD financing?	Yes	Acquisition cost minus the present value of 55 years of ground lease base rent payments. (This data informs the pro rata split of residual receipts, see worksheet 6, I134-I138 for detailed breakdown.)		Does the project have/will have Federal Funding?	No
--	-----	--	--	--	----

PROPOSED RENTAL SUBSIDIES

Enter # of units proposed to be supported by each rental subsidy type.	
LOSP	42
Project-Based-Section 8	
Project-Based-Section 8 (Mod Rehab SRO)	
HAP Contract With (Select if any PB-Sec8 Units):	
Section 8-Voucher	
HOPWA	
PRAC - 202	
PRAC - 811	
S+C	
VASH	
HOME TBA	
Other:	5

RESIDUAL RECEIPTS/GROUND LEASE INFORMATION

Does/Will the project have a MOHCD/OCII Residual Receipts loan repayment obligation?	Yes
Will the project defer the payment of the Developer Fee, and therefore have two different Residual Receipts splits? (See Developer Fee Policy.)	Yes
1st Residual Receipts Split	
% of Residual Receipts available for distribution to all soft debt lenders:	50%
% of Residual Receipts available for distribution to Deferred Developer Fee:	50%
2nd Residual Receipts Split	
% of Residual Receipts available for distribution to all soft debt lenders:	67%
% of Residual Receipts available for distribution to Owner:	33%
Total Developer Fee	3,100,000
Amount of Deferred Developer Fee - Data entry is required for subsequent worksheets.	400,000
Does/Will the project have a MOHCD/OCII ground lease?	Yes
Does/Will the project have a non-MOHCD/OCII ground lease?	No
If yes, enter Lessor name: _____	
Must Pay Base Rent Amount:	15,000
Residual Rent Amount:	0
Annual Rent Amount:	15,000

Attachment E – Updated Predevelopment Sources and Uses | Page 1 of 2

Application Date: 4/4/2024 **# Units:** 168
Project Name: 1515 South Van Ness **# Bedrooms:** 333 **LOSP Project**
Project Address: 1515 South Van Ness Avenue **# Beds:**
Project Sponsor: CCDC & MEDA

SOURCES	4,000,000	3,180,992	-	-	-	-	7,180,991	Total Sources	Comments
Name of Sources:	MOHCD/OClI	MOHCD Demo							

USE:

ACQUISITION

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

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab		192,041							192,041	Security
Commercial Shell Construction									0	Added mobilization \$25k, bonding Demo \$50k, Support for Shoring Sub \$50k, SWPPP \$5k; Cut & Cap Make Safe for Demo - Electrical, Sewer, Strom \$15k; Demo Permit Fee 5,000; Traffic Control \$4,160; plus Contractors Contingency 34,112. Basement floor and walls along SVN and 26th to remain in place.
Demolition		618,272							618,272	Hazmat Abatement
Environmental Remediation	17,300	100,000							117,300	
Onsite Improvements/Landscaping		807,500							807,500	Shoring & Underpinning: Added Mobilization due to Phased Shoring \$50k; Tiebacks w/ Waters - 26th St \$500k; Tie-backs w/Walers including some rakers along SVN \$250k, plus \$7,500 Shoring Permit Fee
Offsite Improvements									0	
Infrastructure Improvements									0	HOPE SF/OClI costs for streets etc.
Parking		10,800							10,800	SFMTA Parking Meter estimate for ~5 months. To be included as OA.
GC Bond Premium/GC Insurance/GC Taxes		60,520							60,520	Insurance, Sub bonds, SF GR Tax, GC Bond. GC Insurance might increase depending on insurance broker guidance.
GC Overhead & Profit		71,582							71,582	
CG General Conditions		426,652							426,652	Plus General Requirements
<i>Sub-total Construction Costs</i>	17,300	2,287,367	0	0	0	0	0	0	2,304,667	
Design Contingency (remove at DD)									0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)		31,655							31,655	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)									0	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency		108,875							108,875	5% new construction / 15% rehab
<i>Sub-total Construction Contingencies</i>	0	140,530	0	0	0	0	0	0	140,530	
TOTAL CONSTRUCTION COSTS	17,300	2,427,898	0	0	0	0	0	0	2,445,198	

Construction line item costs as a % of hard costs
 2.6%
 3.1%
 18.5%
 0.0%
 1.4%
 0.0%
 4.7%

SOFT COSTS

Architecture & Design

Architect design fees	1,201,500								1,201,500	Actual predev fees per is 1,283,065 which includes ASR 81,565 (Formula deducts ASR) See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)	840,169								840,169	MEP, Civil, Landscape, Structural, Acoustical, Waterproofing, Specs, EMB/OSHA, Lighting - Keeping the original MOHCD proforma number as no funds were budgeted on the MOHCD DTS. Actual predev total per consultant cost tracker is 840,169.
Architect Construction Admin									0	
Reimbursables	2,821								2,821	Added per MOHCD DTS Revised budget - includes reimbursables for Luk & Associates application fees, architect printing and reproduction etc
Additional Services	81,565								81,565	Architect ASR 81,565
<i>Sub-total Architect Contract</i>	2,126,055	0	0	0	0	0	0	0	2,126,055	
Other Third Party design consultants (not included under Architect contract)									0	The consultants under this 161,986 budget are Fire Code Consultants 3,000; UDCE 132,886; and Corrosion Consultant - JDH Corrosion Consultants 18,500 (Not yet contracted)
Total Architecture & Design	2,280,441	0	0	0	0	0	0	0	2,280,441	

Engineering & Environmental Studies

Survey	75,500								75,500	Luk & Associates Survey - original MOHCD proforma number is 39,000. MOHCD DTS Revised budget is 37,300. Adding ASR 30,000 plus Lot Merger scope 28,000
Geotechnical studies	116,600								116,600	Langan- original MOHCD proforma number was the full contract amnt 195,300. Total predev fee is \$70,300 + ASR 46,300 = \$116,600, so updating from \$170k.
Phase I & II Reports	100,360								100,360	ASR 116,360 is the originally budgeted number on MOHCD proforma. Keeping this number as it includes the total predev fees and ASR 11,560; Adding \$20k for remaining SMP scope.
CEQA / Environmental Review consultants	25,470								25,470	MOHCD DTS revised budget is 25,470. No additional environmental review costs other than Geo Blue and Langan for predev.
NEPA / 106 Review	50,000								50,000	
CNA/PNA (rehab only)									0	No funds originally budgeted on MOHCD proforma.
Other environmental consultants	59,250	236,806							296,056	Adding Langan Envi Dust Monitoring Plan scope 51,000 (excludes pending ASR 126,000 for construction dust monitoring); plus Bright Green Strategies predev fees for LEED 8,250. Demo scope: Terracon survey fees 7,950 and pending hazmat monitoring estimate for Terracon - est. \$228,856.
Total Engineering & Environmental Studies	377,180	286,806	0	0	0	0	0	0	663,986	

Financing Costs

Construction Financing Costs										
Construction Loan Origination Fee									0	
Construction Loan Interest									0	
Title & Recording									0	
CDLAC & CDIAAC fees									0	
Bond Issuer Fees	1,200								1,200	
Other Bond Cost of Issuance									0	
Other Lender Costs (specify)									0	
<i>Sub-total Const. Financing Costs</i>	1,200	0	0	0	0	0	0	0	1,200	
Permanent Financing Costs										
Permanent Loan Origination Fee									0	
Credit Enhance. & Appl. Fee									0	
Title & Recording									0	
<i>Sub-total Perm. Financing Costs</i>	0	0	0	0	0	0	0	0	0	
Total Financing Costs	1,200	0	0	0	0	0	0	0	1,200	

Legal Costs

Borrower Legal fees	30,808	20,000							50,808	Perkins & Gubb & Barsnay - keeping original MOHCD proforma number 50,000; 30,808.48 is budgeted on MOHCD DTS. We've drawn down fully on the DTS, but we will have additional costs for the license agreements, early work agreement, closing etc.
Land Use / CEQA Attorney fees									0	
Tax Credit Counsel									0	
Bond Counsel									0	
Construction Lender Counsel									0	
Permanent Lender Counsel									0	
Total Legal Costs	30,808	20,000	0	0	0	0	0	0	50,808	

Other Development Costs

Appraisal	9,500	10,000							19,500	Colliers - closed out. Original MOHCD proforma number is 9,500; 30,000 is budgeted on DTS. Updated to match DTS.
Market Study	15,275								15,275	Newport Realty- original proforma number is 8,000, plus 7,025 ASR = 15,025. Updating to MOHCD DTS revised budget of 15,275. These costs are for the 3 market studies provided for the Super NOFA, Commercial Market Study and CTCAC/CDLAC app. estimate - pending insurance requirements quotes for early work. Project Specific Liability Insurance Policy would be in place for the Ownership entities, for Demo, GC and Subs to all carry their own insurance. The main set of Project Insurance policies would not be set up until we close the loan and sign a GMP.
* Insurance		114,428							114,428	
* Property Taxes									0	
* Accounting / Audit	5,000								5,000	
* Organizational Costs	7,500								7,500	
* Entitlement / Permit Fees	266,603	233,397							500,000	Assumes building permit fee to be deferred
* Marketing / Rent-up	0								0	
* Furnishings									0	
* PGE / Utility Fees	200,000								200,000	Matches DTS
* TCAC App / Alloc / Monitor Fees	35,000								35,000	Matches DTS
* Financial Consultant fees	30,000								30,000	Matches DTS
Construction Management fees / Owner's Rep	60,950								60,950	Contract amt for predev scope is \$60,950. Disbursed to date \$35,420- Will not match DTS

Attachment E – Updated Predevelopment Sources and Uses | Page 2 of 2

* Security during Construction								0	
* Relocation								0	
Special Inspections & Testing		10,000						10,000	ROM only - pending formal proposal from Applied Materials & Engineering for shoring inspection. Dependent on shoring drawings. Community engagement activities; consultants procured for outreach, community meeting materials. Per Community Engagement Plan.
Community Outreach	40,000							40,000	
1% SFAC Required Expenditure		10,000						10,000	
Total Other Development Costs	669,828	377,825	0	0	0	0	0	1,047,653	
Soft Cost Contingency									Should be either 10% or 5% of total soft costs.; actual budgeted on DTS is 312,777 - Revised on DTS \$73,242.62
Contingency (Arch, Eng, Fin, Legal & Other Dev)	73,243	68,463	0	0	0	0	0	141,706	
TOTAL SOFT COSTS	3,432,700	753,094	0	0	0	0	0	4,185,794	3.5%
RESERVES									
* Operating Reserves								0	
* Replacement Reserves								0	
* Tenant Improvements Reserves								0	
Other (specify)								0	
Other (specify)								0	
Other (specify)								0	
TOTAL RESERVES	0	0	0	0	0	0	0	0	
DEVELOPER COSTS									
Developer Fee - Cash-out Paid at Milestones	550,000							550,000	
Developer Fee - Cash-out At Risk								0	
Commercial Developer Fee								0	
Developer Fee - GP Equity (also show as source)								0	
Developer Fee - Deferred (also show as source)								0	
Development Consultant Fees								0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)								0	
TOTAL DEVELOPER COSTS	550,000	0	0	0	0	0	0	550,000	
TOTAL DEVELOPMENT COST	4,000,000	3,180,992	0	0	0	0	0	7,180,991	
Development Cost/Unit by Source	23,810	18,934	0	0	0	0	0	42,744	
Development Cost/Unit as % of TDC by Source	55.7%	44.3%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	
Acquisition Cost/Unit by Source	0	0	0	0	0	0	0	0	
Construction Cost (inc Const Contingency)/Unit By Source	103	14,452	0	0	0	0	0	14,555	
Construction Cost (inc Const Contingency)/SF	0.09	12.12	0.00	0.00	0.00	0.00	0.00	12.21	
*Possible non-eligible GO Bond/COP Amount:	#REF!								
City Subsidy/Unit	23,810								
Tax Credit Equity Pricing:	0.97								
Construction Bond Amount:	82,142,319								
Construction Loan Term (in months):	36 months								
Construction Loan Interest Rate (as %):	7.67%								

Attachment F- Updated Permanent Sources and Uses

Application Date: 4/4/2024
Project Name: 1515 South Van Ness
Project Address: 1515 South Van Ness Avenue
Project Sponsor: CCDC & MEDA
Units: 168
Bedrooms: 333
Beds: []
LOSP Project

SOURCES	46,195,221	4,749,000	37,930,397	500,000	500,000	74,270,065	458,900	1,600,000	Total Sources	166,203,583	Comments
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USE:	Name of Sources:	MOHCD/OCIL	Conventional Perm Loan	HCD - MHP	Deferred Developer Fee	GP Equity	Investor Equity	Accrued Interest (MOHCD Loan)	AHP
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ACQUISITION												
Acquisition cost or value											0	
Legal / Closing costs / Broker's Fee	45,000										45,000	Legal & other costs
Holding Costs											0	
Transfer Tax											0	
TOTAL ACQUISITION	45,000	0	0	0	0	0	0	0	0	0	45,000	

CONSTRUCTION (HARD COSTS)												
* Unit Construction/Rehab	3,845,957	4,749,000	37,930,397			50,000,000					96,525,354	
* Commercial Shell Construction	1,861,007										1,861,007	
* Demolition	1,055,308										1,055,308	
* Environmental Remediation	100,000										100,000	
* Onsite Improvements/Landscaping	2,239,332						2,252,377				4,491,709	Unit Cxn 104,052,261 + Precor 100,000+Demo security guard 192,041 and security during constructio 135,000 - Commercial Shell 1,861,007 - Onsite Improvements/Landscaping 4,491,709 - Offsite Improvements 1,601,232
* Offsite Improvements	1,601,232										1,601,232	
* Infrastructure Improvements											0	Dewatering 329,735 + Earthwork 1,258,874 + Shoring 1,005,000 + Ground Improvement 1,085,000 + Landscape - Irrigation & Planting 701,764 + Site Asphalt Paving 70,845 + Unit Paving 468,551 + Curbs, Gutters, Sidewalks, Driveways 701,764 + Site Improvements 360,072
Parking	54,000										54,000	HOPE SF/OCIL costs for streets etc.
GC Bond Premium/GC Insurance/GC Taxes						3,221,528					3,221,528	SFMTA Parking Meter costs predev through construction
GC Overhead & Profit						3,640,744					3,640,744	
CG General Conditions						3,593,786					3,593,786	
Sub-total Construction Costs	10,756,836	4,749,000	37,930,397	0	0	62,708,435	0	0	0	0	116,144,668	
Design Contingency (remove at DD)	1,381,240										1,381,240	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)	3,524,957										3,524,957	Con Fee 100,000
Plan Check Contingency (remove/reduce during Plan Revie	381,240					1,000,000					1,381,240	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency						8,372,362				1,600,000	9,972,362	5% Hard Cost Contingency, 1.5% Escalation, 1.5% GC Contingency
Sub-total Construction Contingencies	5,287,436	0	0	0	0	9,372,362	0	1,600,000	0	1,600,000	16,259,798	
TOTAL CONSTRUCTION COSTS	16,044,272	4,749,000	37,930,397	0	0	72,080,797	0	1,600,000	0	1,600,000	132,404,466	

SOFT COSTS												
Architecture & Design												
Architect design fees	1,201,500										1,201,500	Total architect fee less construction admin 774K and ASR 81,565 (pending signature)
Design Subconsultants to the Architect (incl. Fees)	1,032,955										1,032,955	M/E/P, Civil, Landscape, Structural, Acoustical, Waterproofing, Specs; EBM, Lighting, plus Architect 10% markup 93,905
Architect Construction Admin	774,000										774,000	
Reimbursables											0	
Additional Services	81,565										81,565	Architect 81,565
Sub-total Architect Contract	3,090,020	0	0	0	0	0	0	0	0	0	3,090,020	
Other Third Party design consultants (not included under Architect contract)											0	1288 per CHPC proforma - assuming this # includes UDCE contract 136,486; Fire Consultant 3,000; Consultants not yet contracted; Special Inspections 99,862; Cathodic Protection 18,500; Commissioning TBD; Data/Telecom TBD - 36,014
Total Architecture & Design	3,383,882	0	0	0	0	0	0	0	0	0	3,383,882	
Engineering & Environmental Studies												
Survey	75,500										75,500	Includes Survey ASR 30,000; plus Lot Merger scope 28,000
Geotechnical studies	195,300										195,300	includes Geotech ASR 46,300 - excludes pending dust monitoring ASR 126,000
Phase I & II Reports	100,360										100,360	includes ASR \$11,560 plus \$20,000 for SMP scope
CEQA / Environmental Review consultants											0	
NEPA / 106 Review	50,000										50,000	
CNA/PNA (rehab only)											0	
Other environmental consultants	492,663										492,663	Langan Envi scope 51,000 - pending ASR 126,000; Bright Green Strategies (LEED) 78,857; Terracon PreDev scope 7,950 + 228,856
Total Engineering & Environmental Studies	913,823	0	0	0	0	0	0	0	0	0	913,823	
Financing Costs												
Construction Financing Costs												
Construction Loan Origination Fee	518,938										518,938	
Construction Loan Interest	14,085,194										14,085,194	TEX construction loan interest 12,075,605 (7.67%); taxable tail 2,009,589 (8.57%)
Title & Recording	100,000										100,000	Construction close 100,000
CDLAC & CDIAAC fees	34,950										34,950	CDLAC 29,950, CDIAAC 5,000
Bond Issuer Fees	205,356										205,356	LD to add language
Other Bond Cost of Issuance	3,555										3,555	COI contingency
Trustee Fee During Construction	8,333										8,333	
Sub-total Const. Financing Costs	14,954,326	0	0	0	0	0	0	0	0	0	14,954,326	
Permanent Financing Costs												
Permanent Loan Origination Fee	459,512										459,512	MOHCD loan fee (in lieu of annual issuer fee); MOHCD will charge an origination fee of 1% of the total amount of the MOHCD gap loan, up to a maximum of \$620,000, escalated 3.5% annually - Updated amt to 1% of gap amt
Credit Enhance. & Appl. Fee											0	
Title & Recording	30,000										30,000	Perm close 30,000
Sub-total Perm. Financing Costs	489,512	0	0	0	0	0	0	0	0	0	489,512	
Total Financing Costs	15,443,837	0	0	0	0	0	0	0	0	0	15,443,837	
Legal Costs												
Borrower Legal fees	440,808										440,808	Construction close 127,500; Perm close 105,000; Org of Partnership 7,500; Syndication - GP 75,000; Syndication - LP 75,000; Predev Legal 50,808
Land Use / CEQA Attorney fees											0	
Tax Credit Counsel	50,000										50,000	Issuer's Financial Advisor
Bond Counsel	100,000										100,000	
Construction Lender Counsel	140,500										140,500	Construction lender counsel 75,000; Construction lender expenses 65,500
Permanent Lender Counsel	25,000										25,000	Perm lender expense 10,000; counsel 15,000
Other Legal (specify)											0	
Total Legal Costs	756,308	0	0	0	0	0	0	0	0	0	756,308	
Other Development Costs												
Appraisal	20,000										20,000	10,000 budgeted in predev
Market Study	19,525										19,525	8,000 budgeted in predev; includes Market Study ASR 7,025
Insurance	2,267,432										2,267,432	
Property Taxes											0	
Accounting / Audit	55,000										55,000	
Organizational Costs											0	
Entitlement / Permit Fees	1,860,000										1,860,000	117,569 budgeted in predev
Marketing / Rent-up	427,696										427,696	
Furnishings	611,300										611,300	\$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms
PCE / Utility Fees	1,000,000										1,000,000	
TCAC App / Alloc / Monitor Fees						195,571					195,571	
Financial Consultant fees						125,000					125,000	
Construction Management fees / Owner's Rep	132,000										132,000	
Security during Construction											0	
Relocation											0	
Syndication Consulting (GP & LP)											0	
1% SFAC Required Expenditure	244,361										244,361	Per MOHCD calculation
Accrued Interest (MOHCD Loan)								458,900			458,900	
Total Other Development Costs	6,637,314	0	0	0	0	320,571	0	458,900	0	0	7,416,785	
Soft Cost Contingency												
Contingency (Arch, Eng, Fin, Legal & Other Dev)	1,398,674										1,398,674	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	28,533,838	0	0	0	0	320,571	458,900	0	0	0	29,313,309	

RESERVES												
* Operating Reserves						743,697					743,697	
Replacement Reserves	84,000										84,000	Based on CHPC's TCAC proforma
* Tenant Improvements Reserves											0	
* Community Outreach	60,000										60,000	\$40 budgeted in predev
* Commercial Operating Reserve	53,110										53,110	Pending Sponsor increase request
Other (specify)											0	
TOTAL RESERVES	197,110	0	0	0	0	743,697	0	0	0	0	940,807	

DEVELOPER COSTS												
Developer Fee - Cash-out Paid at Milestones	1,375,000					1,125,000					2,500,000	Includes Commercial Developer Fee \$66,424
Developer Fee - Cash-out At Risk											0	
Commercial Developer Fee											0	
Developer Fee - GP Equity (also show as source)						500,000					500,000	
Developer Fee - Deferred (also show as source)						500,000					500,000	
Development Consultant Fees											0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)											0	
TOTAL DEVELOPER COSTS	1,375,000	0	0	500,000	500,000	1,125,000	0	0	0	0	3,500,000	

Attachment G - 1st Year Operating Budget and Cashflow

Application Date:	4/4/2024	LOSP Units	Non-LOSP Units	Project Name:	1515 South Van Ness				
Total # Units:	168	42	126	Project Address:	1515 South Van Ness Avenue				
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	2027	35% LOSP	65% non-LOSP	Project Sponsor:	CCDC & MEDA				

INCOME

Category	LOSP	non-LOSP	Total	Comments	Alternative LOSP Split	non-LOSP	Approved	PUPA	PUM
Residential - Tenant Rents	126,000	###	2,518,476	Links from 'New Proj - Rent & Unit Mx' Worksheet				14,991	1,249
Residential - Tenant Assistance Payments (SOS Payments)	0	###	0	0 Comments					
Residential - Tenant Assistance Payments (Other Non-LOSP)	0	84,528	84,528	Links from 'New Proj - Rent & Unit Mx' Worksheet	Residential - Tenant Assistance Payments (Other Non-LOSP)			503	42
Residential - LOSP Tenant Assistance Payments	610,806	###	610,806					14,543	
Commercial Space	0	0	0	From 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%				-	-
Residential Parking	0	0	0	Links from 'Utilities & Other Income' Worksheet				-	-
Miscellaneous Rent Income	0	0	0		Alternative LOSP Split			-	-
Supportive Services Income	0	0	0		Supportive Services Income			-	-
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet				-	-
Laundry and Vending	3,975	11,925	15,900	Links from 'Utilities & Other Income' Worksheet	Projected LOSP Split			95	
Tenant Charges	0	0	0	Links from 'Utilities & Other Income' Worksheet	Tenant Charges			-	-
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income' Worksheet				-	-
Other Commercial Income	0	0	0	From 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	Alternative LOSP Split			-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0	0		Withdrawal from Capitalized Reserve (deposit to operating account)			-	-
Gross Potential Income	740,781	#####	3,229,710						
Vacancy Loss - Residential - Tenant Rents	(6,300)	#####	(125,524)	Vacancy loss is 5% of Tenant Rents				(750)	
Vacancy Loss - Residential - Tenant Assistance Payments	0	(4,226)	(4,226)	Vacancy loss is 5% of Tenant Assistance Payments				(25)	
Vacancy Loss - Commercial	0	0	0	From 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%				-	-
EFFECTIVE GROSS INCOME	734,481	#####	3,099,560					PUPA: 18,450	

OPERATING EXPENSES

Management					Alternative LOSP Split				
Management Fee	34,272	102,816	137,088	1st Year to be set according to HUD schedule. 68 PUPM with 3.5% increase				816	66
Asset Management Fee	6,070	18,210	24,280		Asset Management Fee			145	
Sub-total Management Expenses	40,342	121,026	161,368					PUPA: 961	
Salaries/Benefits					Alternative LOSP Split				
Office Salaries	213,854	71,285	285,139	Links from 'Staffing' Worksheet	Office Salaries	75.00%	25.00%	1,697	
Manager's Salary	42,714	128,141	170,854	Links from 'Staffing' Worksheet	Manager's Salary	25.00%	75.00%	1,017	
Health Insurance and Other Benefits	24,870	74,836	99,706	28.5% - Health Ins. & Other Benefits + 40% Employer Contribution (excludes Desk Clerk)	Health Insurance and Other Benefits			892	
Other Salaries/Benefits	1,746	5,237	6,983	2% total salaries excluding Desk Clerk	Other Salaries/Benefits			42	
Administrative Rent-Free Unit	0	0	0		Administrative Rent-Free Unit			-	-
Sub-total Salaries/Benefits	283,182	279,299	562,491						
Administration									
Advertising and Marketing	0	0	0					-	-
Office Expenses	10,519	31,556	42,074	Office Supplies + Computer Services + Telephone + Training/Conferences Per comps.				22	
Office Rent	925	2,775	3,700	Other Renting Expenses (Background Checks + Copiers)	Projected LOSP Split			890	
Lease Expense - Property	3,750	11,250	15,000		Lease Expense - Property			892	
Audit Expense	3,343	10,028	13,370	Per Auditor fee proposal				84	
Bookkeeping/Accounting Services	4,788	14,364	19,152	\$9.5 PUPY	Projected LOSP Split			110	
Bad Debts	3,500	10,523	14,023	10 months of 2-bedroom rent at 50% AMI (approx)	Bad Debts	25.00%	75.00%	84	
Miscellaneous	3,750	11,250	15,000	Admin misc. expenses: payroll processing, uniforms, business messages, employee				89	
Sub-total Administration Expenses	30,582	91,745	122,327					PUPA: 728	
Utilities					Projected LOSP Split				
Electricity	30,000	90,000	120,000	Per comps	Electricity			714	60
Water	25,134	75,402	100,536	Per comps				598	50
Gas	0	0	0					-	-
Sewer	33,374	100,121	133,494	Per comps				795	66
Sub-total Utilities	88,508	265,523	354,030						
Taxes and Licenses					Alternative LOSP Split				
Real Estate Taxes	2,500	7,500	10,000	Per comps, actual amount TBD upon receipt of tax exemption	Real Estate Taxes			60	
Payroll Taxes	6,984	20,951	27,934	8% total salaries excluding Desk Clerk	Payroll Taxes			166	
Miscellaneous Taxes, Licenses and Permits	6,230	18,691	24,921	Per comps. Misc. FIR costs, business license fees.				148	
Sub-total Taxes and Licenses	15,714	47,141	62,855					PUPA: 374	
Insurance					Alternative LOSP Split				
Property and Liability Insurance	52,569	157,706	210,274	Per comps	Property and Liability Insurance			1,252	
Fidelity Bond Insurance	0	0	0		Alternative LOSP Split				
Worker's Compensation	3,431	10,292	13,723	3.93% total salaries excluding Desk Clerk	Worker's Compensation			82	
Director's & Officers' Liability Insurance	0	0	0					-	-
Sub-total Insurance	55,999	167,998	223,997						
Maintenance & Repair					Alternative LOSP Split				
Payroll	76,240	228,721	304,961	Links from 'Staffing' Worksheet	Payroll			1,815	
Supplies	6,253	26,288	32,541	Maint. Supplies + Repairs Supplies Per Comps	Supplies			209	
Contracts	30,496	91,488	121,984	Janitorial/Maintenance + Exterminating + Grounds + Repairs + Elevator Maint	Contracts			726	
Garbage and Trash Removal	16,267	48,800	65,067	Per comps	Alternative LOSP Split			987	
Security Payroll/Contract	15,000	5,000	20,000	Links from 'Staffing' Worksheet	Security Payroll/Contract	75.00%	25.00%	119	
HVAC Repairs and Maintenance	0	0	0					-	-
Vehicle and Maintenance Equipment Operation and Repairs	0	0	0					-	-
Miscellaneous Operating and Maintenance Expenses	0	0	0					-	-
Sub-total Maintenance & Repair Expenses	146,766	400,288	547,063						
Supportive Services					Alternative LOSP Split				
Supportive Services	0	178,832	178,832	Links from 'Staffing' Worksheet	Supportive Services	0.00%	100.00%	1,054	
Commercial Expenses									
Commercial Expenses	0	0	0	From 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%				-	-
TOTAL OPERATING EXPENSES	661,103	#####	2,212,964						PUPA: 13,172

RESERVES/GROUND LEASE BASE RENT/BOND FEES

Ground Lease Base Rent	3,750	11,250	15,000	Ground lease with MOHCD	Provide additional comments here, if needed.			89	
Bond Monitoring Fee	1,484	4,452	5,936	Per Guidelines: The first installment of the Annual Monitoring Fee for all Projects, which				35	
Replacement Reserve Deposit	21,000	63,000	84,000	\$500 PUPY per HCD	Alternative LOSP Split			500	
Operating Reserve Deposit	0	0	0		Operating Reserve Deposit			-	-
Other Required Reserve 1 Deposit	0	0	0		Other Required Reserve 1 Deposit			-	-
Other Required Reserve 2 Deposit	0	0	0					-	-
Required Reserve Deposits, Commercial	0	0	0	From 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%				-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	26,234	78,702	104,936						
TOTAL OPERATING EXPENSES (w/ Reserves/Gl. Base Rent/ Bond)	687,337	#####	2,317,900						PUPA: 13,797

NET OPERATING INCOME (INCOME minus OP EXPENSES)

NET OPERATING INCOME	47,145	734,516	781,660		PUPA: 4,653				
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DEBT SERVICE/MUST PAY PAYMENTS (hard deb't/amortized loans)

Hard Debt - First Lender	0	497,681	497,681	Conventional Perm loan	Provide additional comments here, if needed.	Alternative LOSP Split		0%	non-LOSP	Approved
Hard Debt - Second Lender (HCD Program 0.42% pmt. or other 2nd Lender)	39,827	119,481	159,308	MHP				0.00%	100.00%	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0		Provide additional comments here, if needed.					
Hard Debt - Fourth Lender	0	0	0		Provide additional comments here, if needed.					
Commercial Hard Debt Service	0	0	0	From 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%						
TOTAL HARD DEBT SERVICE	39,827	617,162	656,989							PUPA: 3,911

CASH FLOW (NOI minus DEBT SERVICE)

CASH FLOW (NOI minus DEBT SERVICE)	7,318	117,354	124,671						
Commercial Only Cash Flow	0	0	0						
AVAILABLE CASH FLOW	7,318	117,354	124,671						

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

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL										
Below-the-line Asset Mgt Fee (uncommon in new projects, see policy)	0	0	0							
Partnership Management Fee (see policy for limits)	6,068	18,203	24,270	1st						
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	1,250	3,750	5,000	2nd						
Other Payments	0	0	0							
Non-amortizing Loan Pmtt - Lender 1 (select lender in comments field)	0	0	0		Provide additional comments here, if needed.	Alternative LOSP Split			non-LOSP	Approved
Non-amortizing Loan Pmtt - Lender 2 (select lender in comments field)	0	0	0		Provide additional comments here, if needed.					
Deferred Developer Fee (Enter amt <= Max Fee from call 1130)	0	0	0	Def. Develop. Fee split: 0%	Provide additional comments here, if needed.				0.00%	100.00%
TOTAL PAYMENTS PRECEDING MOHCD	7,318	21,953	29,270							PUPA: 174

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING)

RESIDUAL RECEIPTS	0	95,401	95,401						
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Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation? **Yes** Project has MOHCD ground lease? **Yes**

Will Project Defer Developer Fee? **Yes**

Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1: **50%** Max Deferred Developer Fee Amt (Use for data entry above. Do not link.): **47,701** Sum of DD F from LOSP and non-LOSP: **0**

% of Residual Receipts available for distribution to soft debt lenders in: **50%** Ratio of Sum of DDF and calculated 50%: **#DIV/0!**

Soft Debt Lenders with Residual Receipt Obligations	(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans
MOHCD/DCI - Soft Debt Loans	All MOHCD/DCI Loans payable from res. recs	\$4,749,000	11.09%
MOHCD/DCI - Ground Lease Value or Land Acq Cost		\$150,000	0.35%
HCD (soft debt loan) - Lender 3	MHP	\$37,930,397	88.56%
Other Soft Debt Lender - Lender 4			0.00%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT	84,489
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE	
HCD Residual Receipts Amount Due	84,489
Lender 4 Residual Receipts Due	0
Lender 5 Residual Receipts Due	0
Total Non-MOHCD Residual Receipts Debt Service	84,489

REMANINDER (Should be zero unless there are distributions below)

Owner Distributions/Incentive Management Fee	0
Other Distributions/Uses	0
Final Balance (should be zero)	0



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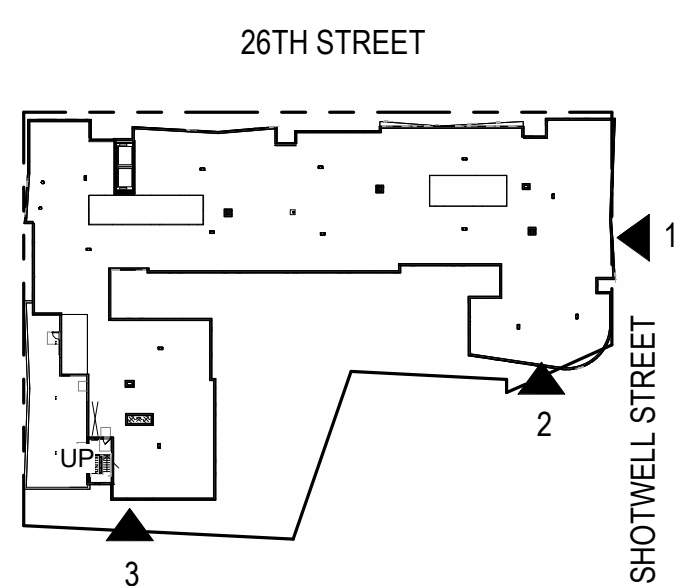
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50% DD	07/13/2023
75% DD	08/03/2023
100% DD	10/25/2023
SITE PERMIT R1	12/13/2023
SITE PERMIT R2	02/01/2024
50% CD	02/08/2024
75% CD	03/22/2024

Revisions		
Rev.	Description	Date



Set Title

75% CD

Drawing Title
BUILDING ELEVATIONS

Sheet No.

A201

Date: 03/22/2024
Project No.: 22202



SOUTH ELEVATION @ SIDE ALLEY 3



SOUTH ELEVATION @ SHOTWELL 2

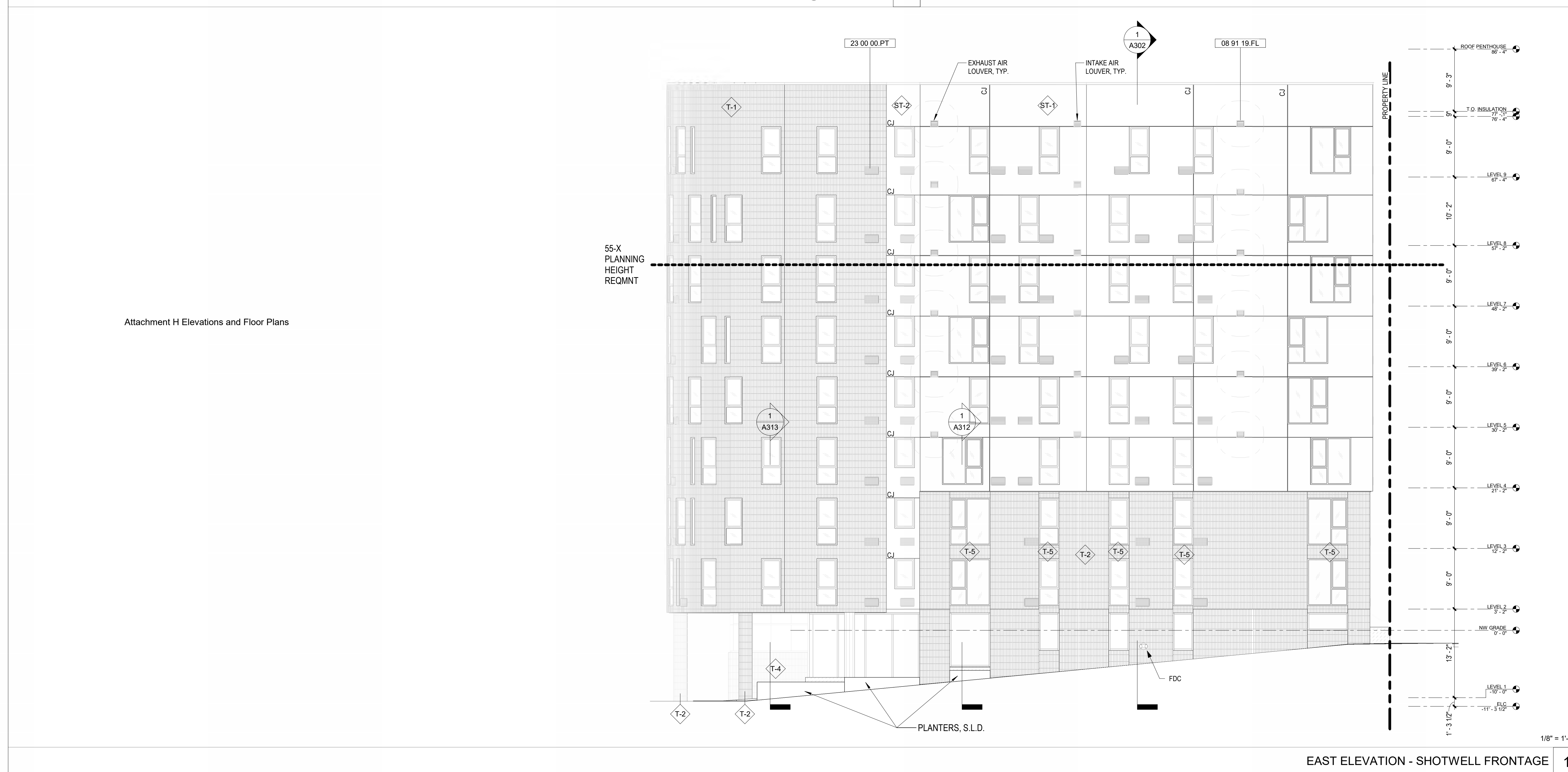
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T-3	GLAZED TILE, COLOR 3
T-4	GLAZED TILE, COLOR 4
T-5	GLAZED TILE, COLOR 5
ST-1	STUCCO, COLOR 1
ST-2	STUCCO, COLOR 2
CS	CORTEN STEEL GATE
MT	METAL PANEL SUNSHADES
C-1	CAST-IN-PLACE CONCRETE, TEXTURED FINISH

MATERIAL LEGEND

1. BUILDING HEIGHT	SEE BUILDING AND ZONING CODE DRAWINGS FOR BUILDING HEIGHT MEASUREMENT AND COMPLIANCE.	
2. COMBUSTIBLE MATERIALS	COMBUSTIBLE MATERIALS ON EXTERIOR SIDE OF EXTERIOR WALLS ARE LIMITED BY CODE TO/FOR TYPES I, II, III, AND IV CONSTRUCTION. COMBUSTIBLE WALL COVERINGS LIMITED TO 40" MAX. ABOVE GRADE. COMBUSTIBLE EXTERIOR WALL COVERING OF FIRE-RETARDANT-TREATED WOOD LIMITED TO 60" MAX. SEE CODE FOR PROPERTY LINE SEPARATION REQUIREMENTS.	2022 CBC 1405.1.1
3. ELEVATIONS/ HEIGHTS	SEE PLANS FOR RELATIONSHIP BETWEEN ACTUAL AND REFERENCE ELEVATIONS.	
4. EXHAUST SEPARATION	AIR DUCT EXHAUST TO BE MIN. 3' FROM OPERABLE WINDOWS AND OTHER OPENINGS, 10' FROM FORCED AIR INLET, AND 3' FROM PROPERTY LINE.	2022 CMC 502.2.1
5. FIRE DEPARTMENT CONNECTION(S)	SEE CODE AND FLOOR PLANS FOR HYDRANT(S) WITHIN 100 FEET OF STANDPIPE SYSTEMS	2022 CFC 507.5.1.1
6. INTERPRETATION	THE ARCHITECT SHALL BE THE SOLE INTERPRETER OF THE DRAWINGS. ANY DISCREPANCIES SHALL BE CLARIFIED BY THE ARCHITECT.	
7. WINDOWS AND DOORS	WINDOWS AND DOORS ARE DIMENSIONALLY LOCATED PER PLANS AND SCHEDULES, UON.	

EXTERIOR ELEVATION NOTES

KEYNOTES	
TAG	NOTES
08 91 19.FL	FIXED LOUVER; SMD
23 00 00.PT	PTAC; SMD



EAST ELEVATION - SHOTWELL FRONTAGE 1

Attachment H Elevations and Floor Plans

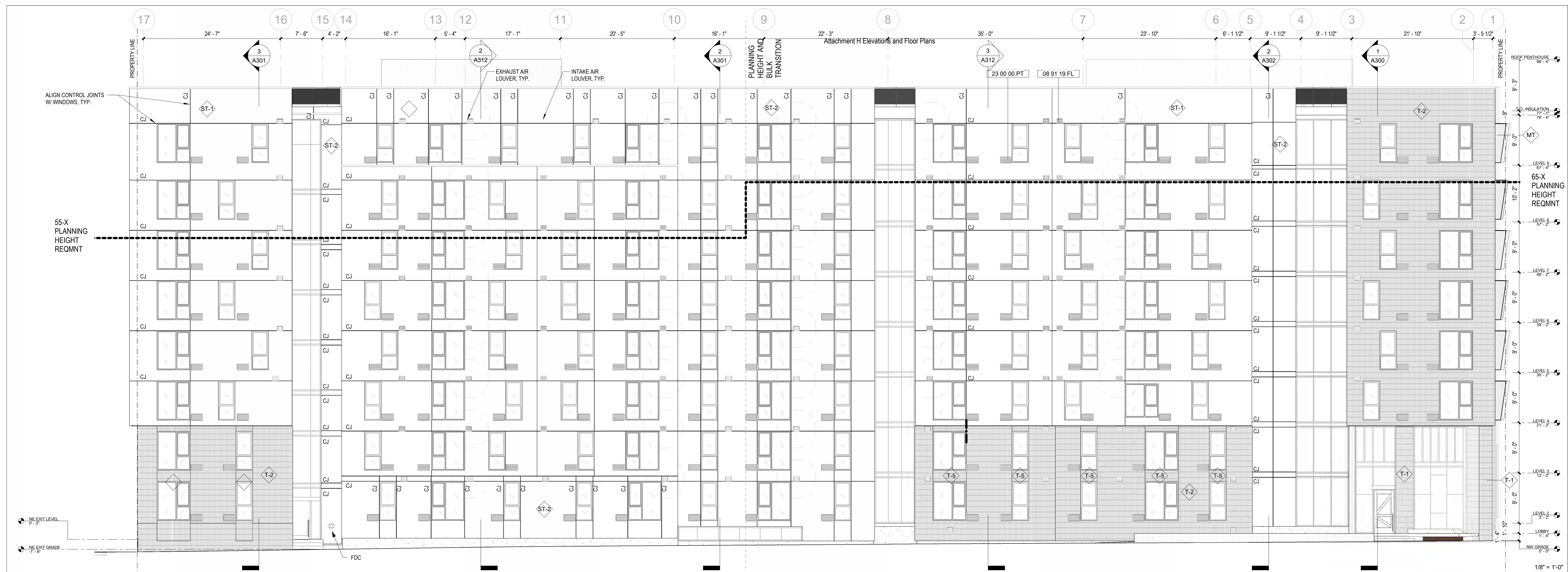


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NORTH ELEVATION - 26TH STREET FRONTAGE 2

11	GLAZED TILE, COLOR 1	41	METAL PANEL SUNSHADES
12	GLAZED TILE, COLOR 2	42	CAST-IN-PLACE CONCRETE, TEXTURED FINISH
13	GLAZED TILE, COLOR 3	43	
14	GLAZED TILE, COLOR 4	44	
15	GLAZED TILE, COLOR 5	45	
16	STUCCO, COLOR 1	46	
17	STUCCO, COLOR 2	47	
18	CORTEN STEEL GATE	48	

MATERIAL LEGEND

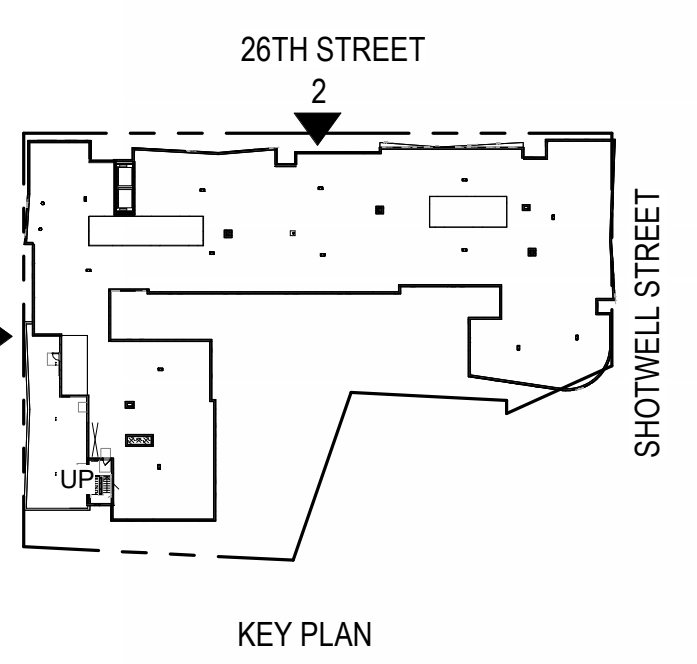
1. BUILDING HEIGHT	SEE BUILDING AND ZONING CODE DRAWINGS FOR BUILDING HEIGHT MEASUREMENT AND COMPLIANCE.	
2. COMBUSTIBLE MATERIALS	COMBUSTIBLE MATERIALS ON EXTERIOR SIDE OF EXTERIOR WALLS ARE LIMITED BY CODE TO FOR TYPES I, II, III, AND IV CONSTRUCTION. COMBUSTIBLE WALL COVERINGS LIMITED TO 40' MAX. ABOVE GRADE. COMBUSTIBLE EXTERIOR WALL COVERING OF FIRE-RETARDANT-TREATED WOOD LIMITED TO 60' MAX. SEE CODE FOR PROPERTY LINE SEPARATION REQUIREMENTS.	2022 CBC 1405.1.1
3. ELEVATIONS/ HEIGHTS	SEE PLANS FOR RELATIONSHIP BETWEEN ACTUAL AND REFERENCE ELEVATIONS.	
4. EXHAUST SEPARATION	AIR DUCT EXHAUST TO BE MIN. 3' FROM OPERABLE WINDOWS AND OTHER OPENINGS, 10' FROM FORCED AIR INLET, AND 3' FROM PROPERTY LINE.	2022 CMC 502.2.1
5. FIRE DEPARTMENT CONNECTION(S)	SEE CODE AND FLOOR PLANS FOR HYDRANT(S) WITHIN 100 FEET OF STANDPIPE SYSTEMS.	2022 CFC 507.5.1.1
6. INTERPRETATION	THE ARCHITECT SHALL BE THE SOLE INTERPRETER OF THE DRAWINGS. ANY DISCREPANCIES SHALL BE CLARIFIED BY THE ARCHITECT.	
7. WINDOWS AND DOORS	WINDOWS AND DOORS ARE DIMENSIONALLY LOCATED PER PLANS AND SCHEDULES, UON.	

EXTERIOR ELEVATION NOTES

KEYNOTES	
TAG	NOTES
05 70 00.MF	METAL FENCE AND ENTRY GATE
05 70 00.PP	FIXED LOUVER; SMD
08 91 19.FL	PTAC; SMD
23 00 00.PT	

Issuances	
Description	Date
100% SD	05/15/2023
SITE PERMIT	05/24/2023
50% DD	07/13/2023
75% DD	08/03/2023
100% DD	10/25/2023
SITE PERMIT R1	12/13/2023
SITE PERMIT R2	02/01/2024
50% CD	02/08/2024
75% CD	03/22/2024

Revisions		
Rev.	Description	Date
1	Site Permit R1	12/13/2023



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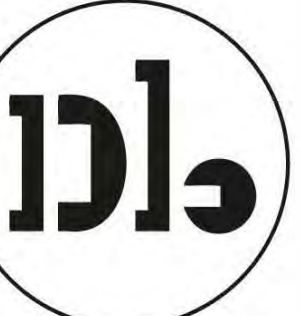
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BUILDING ELEVATIONS

Sheet No.

A200

Date 03/22/2024
Project No. 22202



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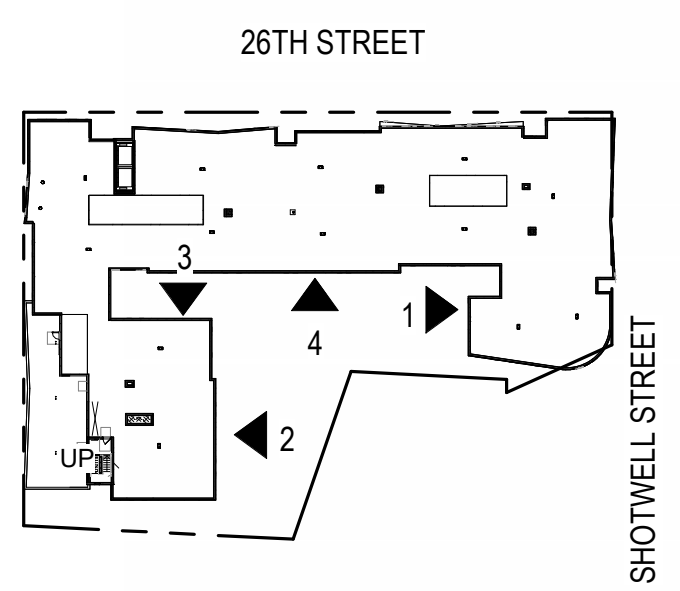
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75% DD	08/03/2023
100% DD	10/25/2023
SITE PERMIT R1	12/13/2023
SITE PERMIT R2	02/01/2024
50% CD	02/08/2024
75% CD	03/22/2024

Revisions		
Rev.	Description	Date



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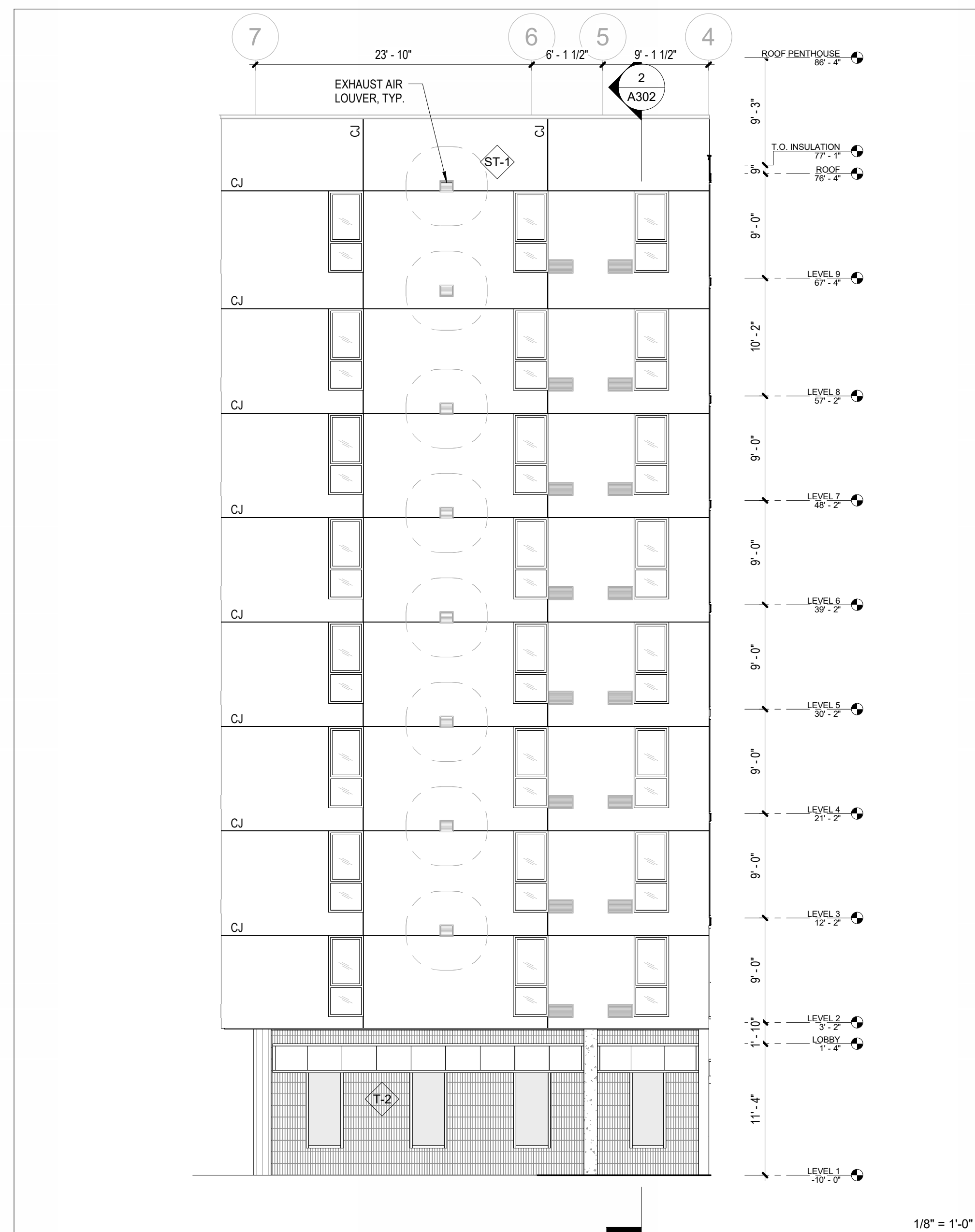
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BUILDING ELEVATIONS - FACING COURTYARD

Sheet No.

A202

Date 03/22/2024
Project No. 22202

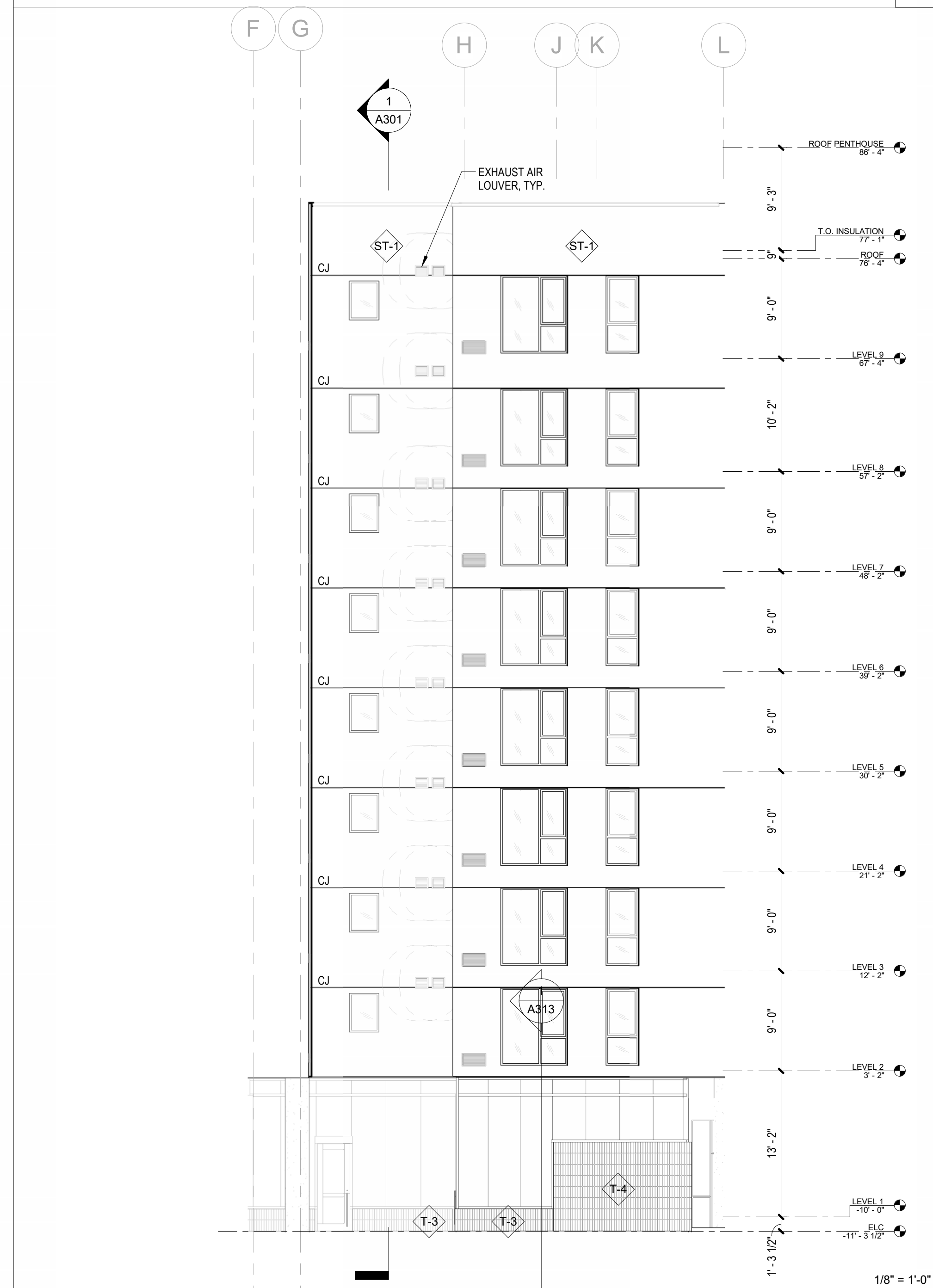


PARTIAL NORTH ELEVATION - FACING COURTYARD 3

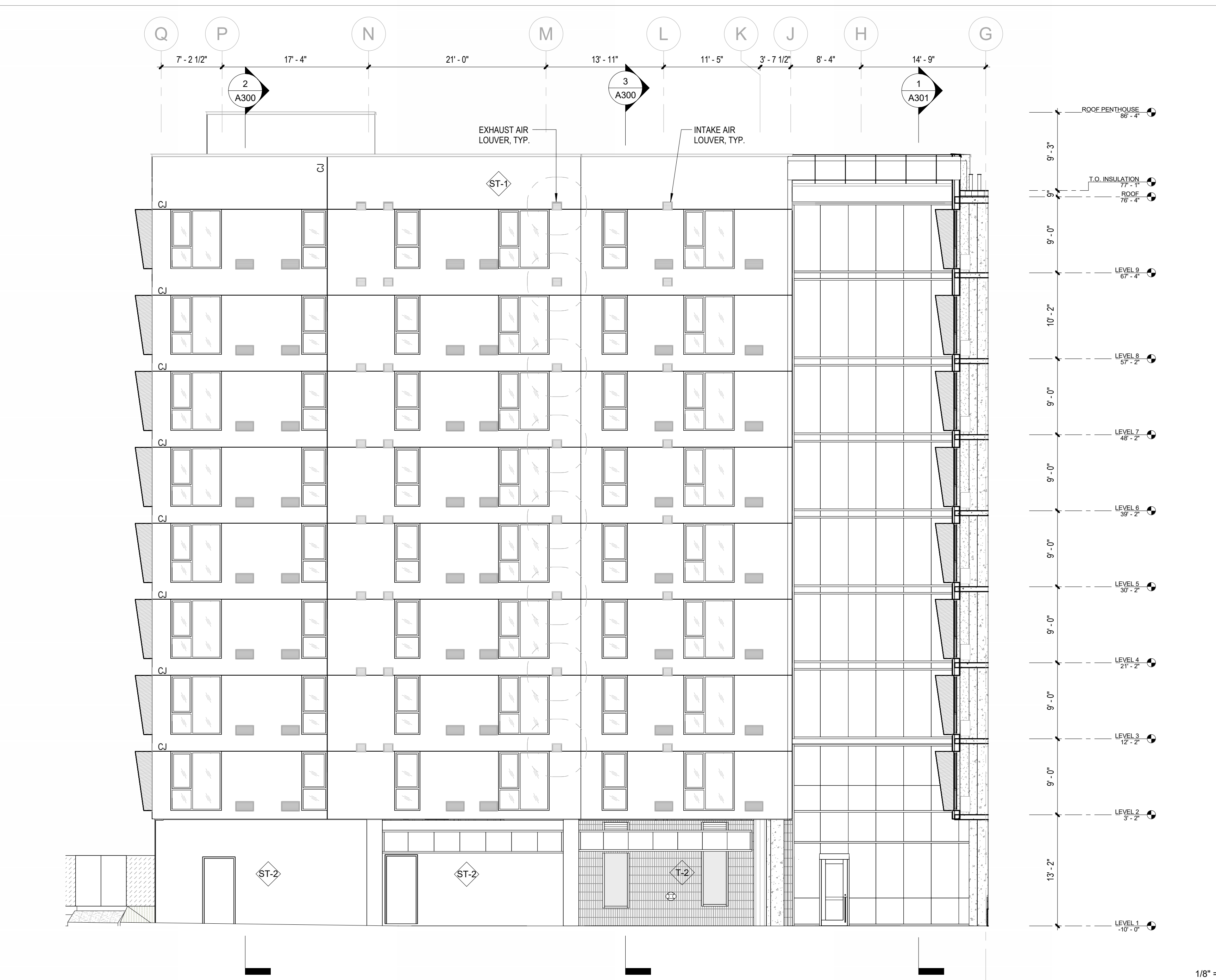


Attachment H Elevations and Floor Plans

PARTIAL SOUTH ELEVATION - FACING COURTYARD 4



PARTIAL WEST ELEVATION - FACING COURTYARD 1



PARTIAL EAST ELEVATION - FACING COURTYARD 2

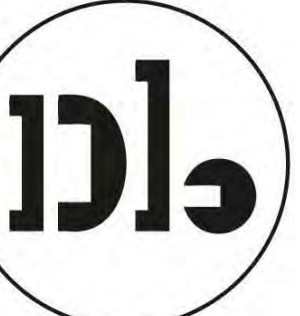
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	GLAZED TILE, COLOR 4
	GLAZED TILE, COLOR 5
	STUCCO, COLOR 1
	STUCCO, COLOR 2
	CORTEN STEEL GATE
	METAL PANEL SUNSHADES
	CAST-IN-PLACE CONCRETE, TEXTURED FINISH

MATERIAL LEGEND

1. BUILDING HEIGHT	SEE BUILDING AND ZONING CODE DRAWINGS FOR BUILDING HEIGHT MEASUREMENT AND COMPLIANCE.	
2. COMBUSTIBLE MATERIALS	COMBUSTIBLE MATERIALS ON EXTERIOR SIDE OF EXTERIOR WALLS ARE LIMITED BY CODE TO/OF TYPES I, II, III, AND IV CONSTRUCTION. COMBUSTIBLE WALL COVERINGS LIMITED TO 40' MAX. ABOVE GRADE. COMBUSTIBLE EXTERIOR WALL COVERING OF FIRE-RETARDANT-TREATED WOOD LIMITED TO 60' MAX. SEE CODE FOR PROPERTY LINE SEPARATION REQUIREMENTS.	2022 CBC 1405.1.1
3. ELEVATIONS/ HEIGHTS	SEE PLANS FOR RELATIONSHIP BETWEEN ACTUAL AND REFERENCE ELEVATIONS.	
4. EXHAUST SEPARATION	AIR DUCT EXHAUST TO BE MIN. 3' FROM OPERABLE WINDOWS AND OTHER OPENINGS, 10' FROM FORCED AIR INLET, AND 3' FROM PROPERTY LINE.	2022 CMC 502.2.1
5. FIRE DEPARTMENT CONNECTION(S)	SEE CODE AND FLOOR PLANS FOR HYDRANT(S) WITHIN 100 FEET OF STANDPIPE SYSTEMS	2022 CFC 507.5.1.1
6. INTERPRETATION	THE ARCHITECT SHALL BE THE SOLE INTERPRETER OF THE DRAWINGS. ANY DISCREPANCIES SHALL BE CLARIFIED BY THE ARCHITECT.	
7. WINDOWS AND DOORS	WINDOWS AND DOORS ARE DIMENSIONALLY LOCATED PER PLANS AND SCHEDULES, UON.	

EXTERIOR ELEVATION NOTES

KEYNOTES	
TAG	NOTES
08 91 19.FL	FIXED LOUVER; SMD
23 00 00.PT	PTAC; SMD



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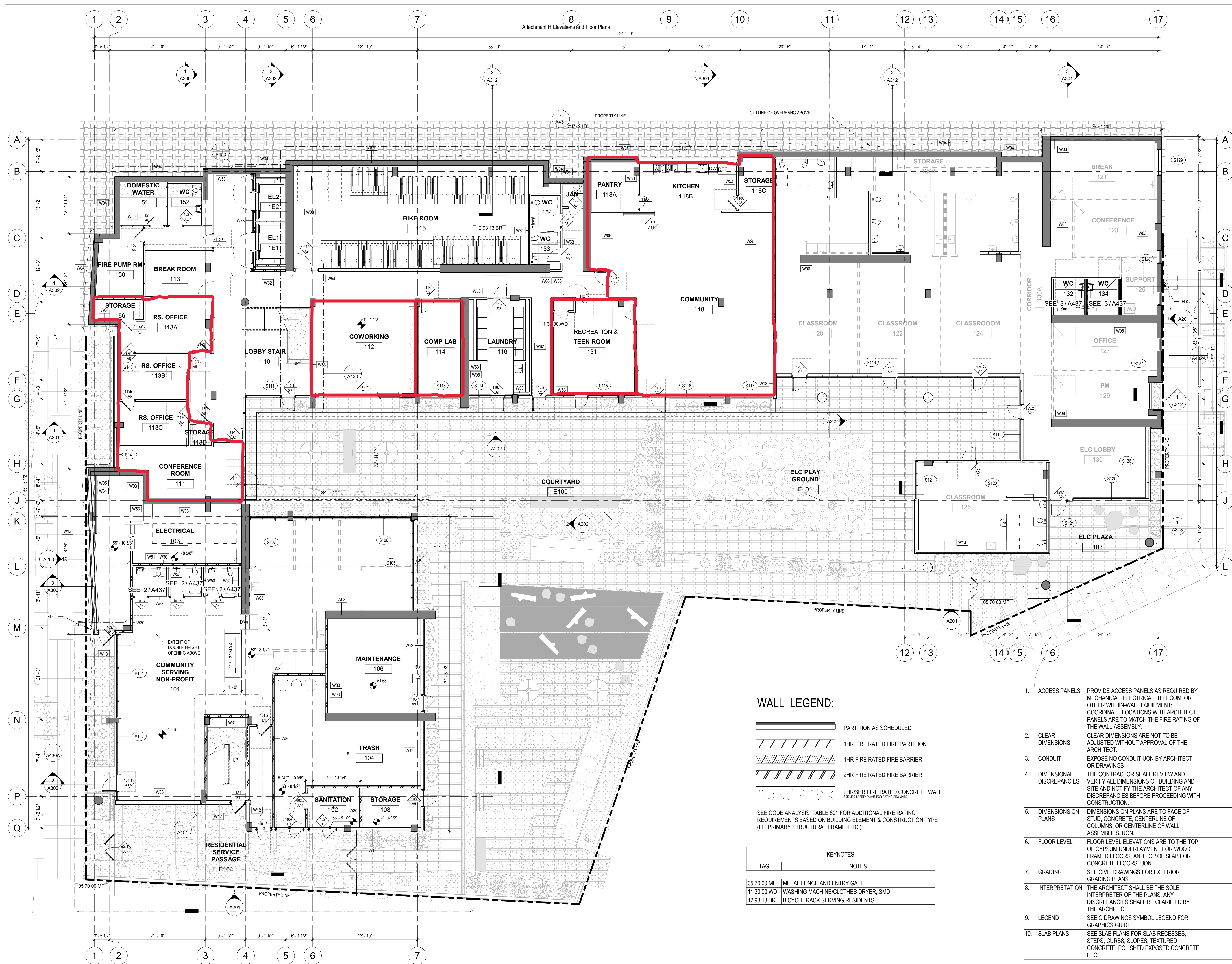
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100% DD		10/25/2023
SITE PERMIT R1		12/13/2023
SITE PERMIT R2		02/01/2024
50% CD		02/08/2024
75% CD		03/22/2024

Rev.	Description	Revisions	Date
1	Site Permit R1		12/13/2023



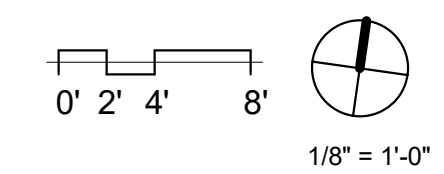
WALL LEGEND:

- PARTITION AS SCHEDULED
- 1HR FIRE RATED FIRE PARTITION
- 1HR FIRE RATED FIRE BARRIER
- 2HR FIRE RATED FIRE BARRIER
- 2HR/3HR FIRE RATED CONCRETE WALL (SEE LIFE SAFETY PLANS FOR DETAILING REQUIREMENTS)

SEE CODE ANALYSIS TABLE 601 FOR ADDITIONAL FIRE RATING REQUIREMENTS BASED ON BUILDING ELEMENT & CONSTRUCTION TYPE (I.E. PRIMARY STRUCTURAL FRAME, ETC.).

TAG	NOTES
05 70 00 MF	METAL FENCE AND ENTRY GATE
11 30 00 WD	WASHING MACHINE/CLOTHES DRYER; SMD
12 93 13 BR	BICYCLE RACK SERVING RESIDENTS

1. ACCESS PANELS PROVIDE ACCESS PANELS AS REQUIRED BY MECHANICAL, ELECTRICAL, TELECOM, OR OTHER WITHIN-WALL EQUIPMENT. COORDINATE LOCATIONS WITH ARCHITECT. PANELS ARE TO MATCH THE FIRE RATING OF THE WALL ASSEMBLY.
2. CLEAR DIMENSIONS CLEAR DIMENSIONS ARE NOT TO BE ADJUSTED WITHOUT APPROVAL OF THE ARCHITECT.
3. CONDUIT EXPOSE NO CONDUIT UNON BY ARCHITECT OR DRAWINGS
4. DIMENSIONAL DISCREPANCIES THE CONTRACTOR SHALL REVIEW AND VERIFY ALL DIMENSIONS OF BUILDING AND SITE AND NOTIFY THE ARCHITECT OF ANY DISCREPANCIES BEFORE PROCEEDING WITH CONSTRUCTION.
5. DIMENSIONS ON PLANS DIMENSIONS ON PLANS ARE TO FACE OF STUD, CONCRETE, CENTERLINE OF COLUMNS, OR CENTERLINE OF WALL ASSEMBLIES, UNON.
6. FLOOR LEVEL FLOOR LEVEL ELEVATIONS ARE TO THE TOP OF GYPSUM UNDERLAYMENT FOR WOOD FRAMED FLOORS, AND TOP OF SLAB FOR CONCRETE FLOORS, UNON.
7. GRADING SEE CIVIL DRAWINGS FOR EXTERIOR GRADING PLANS
8. INTERPRETATION THE ARCHITECT SHALL BE THE SOLE INTERPRETER OF THE PLANS. ANY DISCREPANCIES SHALL BE CLARIFIED BY THE ARCHITECT.
9. LEGEND SEE G DRAWINGS SYMBOL LEGEND FOR GRAPHICS GUIDE
10. SLAB PLANS SEE SLAB PLANS FOR SLAB RECESSES, STEPS, CURBS, SLOPES, TEXTURED CONCRETE, POLISHED EXPOSED CONCRETE, ETC.



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Drawing Title
FLOOR PLAN - LEVEL 1

Sheet No.
A101

Date 03/22/2024
Project No. 22202



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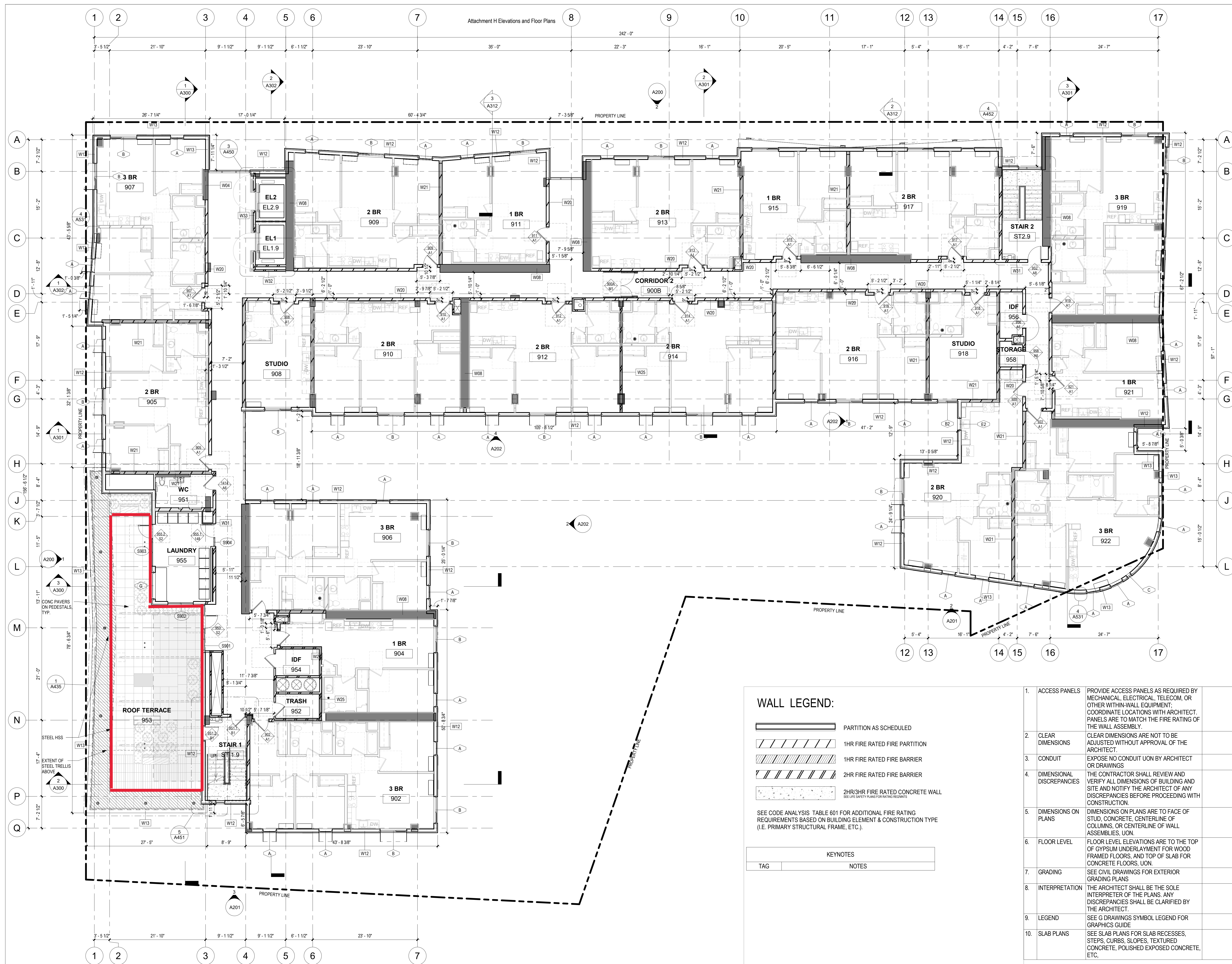
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SITE PERMIT R1	12/13/2023	
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75% CD	03/22/2024	

Revisions	
Rev.	Date



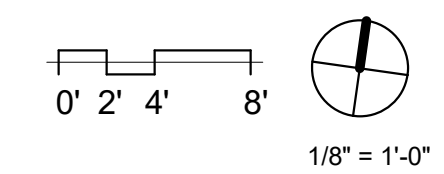
WALL LEGEND:

- PARTITION AS SCHEDULED
- 1HR FIRE RATED FIRE PARTITION
- 1HR FIRE RATED FIRE BARRIER
- 2HR FIRE RATED FIRE BARRIER
- 2HR/3HR FIRE RATED CONCRETE WALL (SEE LIFE SAFETY PLANS FOR NOTING REQUIREMENTS)

SEE CODE ANALYSIS TABLE 601 FOR ADDITIONAL FIRE RATING REQUIREMENTS BASED ON BUILDING ELEMENT & CONSTRUCTION TYPE (I.E. PRIMARY STRUCTURAL FRAME, ETC.).

KEYNOTES	
TAG	NOTES

1. ACCESS PANELS	PROVIDE ACCESS PANELS AS REQUIRED BY MECHANICAL, ELECTRICAL, TELECOM, OR OTHER WITHIN-WALL EQUIPMENT. COORDINATE LOCATIONS WITH ARCHITECT. PANELS ARE TO MATCH THE FIRE RATING OF THE WALL ASSEMBLY.
2. CLEAR DIMENSIONS	CLEAR DIMENSIONS ARE NOT TO BE ADJUSTED WITHOUT APPROVAL OF THE ARCHITECT.
3. CONDUIT	EXPOSE NO CONDUIT UNOY BY ARCHITECT OR DRAWINGS
4. DIMENSIONAL DISCREPANCIES	THE CONTRACTOR SHALL REVIEW AND VERIFY ALL DIMENSIONS OF BUILDING AND SITE AND NOTIFY THE ARCHITECT OF ANY DISCREPANCIES BEFORE PROCEEDING WITH CONSTRUCTION.
5. DIMENSIONS ON PLANS	DIMENSIONS ON PLANS ARE TO FACE OF STUD, CONCRETE, CENTERLINE OF COLUMNS, OR CENTERLINE OF WALL ASSEMBLIES, UNOY.
6. FLOOR LEVEL	FLOOR LEVEL ELEVATIONS ARE TO THE TOP OF GYPSUM UNDERLAYMENT FOR WOOD FRAMED FLOORS, AND TOP OF SLAB FOR CONCRETE FLOORS, UNOY.
7. GRADING	SEE CIVIL DRAWINGS FOR EXTERIOR GRADING PLANS
8. INTERPRETATION	THE ARCHITECT SHALL BE THE SOLE INTERPRETER OF THE PLANS. ANY DISCREPANCIES SHALL BE CLARIFIED BY THE ARCHITECT.
9. LEGEND	SEE G DRAWINGS SYMBOL LEGEND FOR GRAPHICS GUIDE
10. SLAB PLANS	SEE SLAB PLANS FOR SLAB RECESSES, STEPS, CURBS, SLOPES, TEXTURED CONCRETE, POLISHED EXPOSED CONCRETE, ETC.



FLOOR PLAN - LEVEL 9 1

FLOOR PLAN NOTES

Set Title
75% CD

Drawing Title
FLOOR PLAN - LEVEL 9

Sheet No.
A109

Date 03/22/2024
Project No. 22202

Citywide Affordable Housing Loan Committee

San Francisco Mayor's Office of Housing and Community Development

Department of Homelessness and Supportive Housing

Office of Community Investment and Infrastructure

Controller's Office of Public Finance

1515 South Van Ness Avenue

\$4,000,000

Predevelopment Loan Request

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

EXECUTIVE SUMMARY

Sponsor Information:

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

Project Summary:

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

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

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

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

Project Description:

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

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

PRINCIPAL DEVELOPMENT ISSUES

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

SOURCES AND USES SUMMARY

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

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

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

RECOMMENDATION

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

BACKGROUND

1.1. Project History Leading to This Request.

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

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

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

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

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

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

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

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

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

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

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

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

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

MEDA:

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

CCDC:

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

1.3.4. Racial Equity Vision.

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

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

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

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

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

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

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

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

1.3.6. Project Management Capacity.

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

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

- CCDC Responsibilities:

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

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

- MEDA Responsibilities:

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

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

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

1.3.7. Past Performance.

1.3.7.1. City audits/performance plans.

CCDC:

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

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

MEDA:

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

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

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

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

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

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

1.3.7.2. Marketing/lease-up/operations.

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

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

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

Current occupancy demographics (MEDA): Unavailable.

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

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

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

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

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

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

See section 4.6 for interim use description.

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

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

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

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

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

2.5. Environmental Issues.

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

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

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

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

2.7. Green Building.

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

3. COMMUNITY SUPPORT

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

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

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

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

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

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

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

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

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

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

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

3.2. Future Outreach.

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

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

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

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

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

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

4. DEVELOPMENT PLAN

4.1. Site Control.

The Site has been owned by the City since 2019.

4.1.1. Proposed Property Ownership Structure

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

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

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

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

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

4.2. Construction Supervisor/Construction Representative’s Evaluation

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

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

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

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

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

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

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

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

4.3. Commercial Space.

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

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

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

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

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

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

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

4.6. Infrastructure. N/A

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

4.8. Public Art Component.

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

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

4.9. Marketing, Occupancy, and Lease-Up

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

The Sponsors will conduct outreach to neighborhood-based, non-profit housing corporations, agencies and other low-income housing advocacy organizations that maintain waiting lists. Units that are not Plus Housing or subsidized by LOSP will be entered in a lottery and subject to San Francisco preferences. Among all eligible applicants, additional preference will be observed in the following order:

1. San Francisco Redevelopment Agency Certificate of Preference Holders
2. Displaced Tenant Housing Preference (Ellis Act/OMI) Certificate Holders
3. Neighborhood Resident Preference
4. Live or Work in San Francisco.

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

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

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

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

5. DEVELOPMENT TEAM

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

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

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

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

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

6.2. Proposed Predevelopment Financing

6.2.1. Predevelopment Sources Evaluation Narrative

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

6.2.2. Predevelopment Uses Evaluation:

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

6.3. Potential Proposed Permanent Financing

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

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

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

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

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

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

6.5.3 CDLAC Tax-Exempt Bond Application:

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

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

CDLAC Self Scoring Chart Below:

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

6.5.4 HOME Funds Narrative: N/A

6.5.5 Commercial Space Sources and Uses Narrative:

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

6.5.6 Permanent Uses Evaluation:

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

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

6.5.7 Developer Fee Evaluation:

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

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

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

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

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

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

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

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

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

7.1. Annual Operating Expenses Evaluation.

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

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

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

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

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

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

7.3. Income Restrictions for All Sources.

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

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

7.4. MOHCD Restrictions.

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

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

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

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

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

8. SUPPORT SERVICES

8.1. Services Plan.

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

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

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

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

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

8.2. Services Budget.

The Project's preliminary services budget below.

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

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

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

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

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

9. STAFF RECOMMENDATIONS

9.1. Proposed Loan/Grant Terms

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

9.2. Recommended Loan Conditions

9.2.1. Recommended disbursement conditions/schedule

Prior to initial predevelopment disbursement:

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

9.2.2. 9.3 Recommended Loan Conditions

During Predevelopment:

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

By April 30, 2022:

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

Prior to Gap Loan Request:

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

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

Prior to Marketing and Lease-up:

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

10. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

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

APPROVE. DISAPPROVE. TAKE NO ACTION.

Date: _____

Eric D. Shaw, 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: _____

Sally Oerth, Interim 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
 - F. Site Map with amenities
 - G. Elevations and Floor Plans, if available
 - H. Comparison of City Investment in Other Housing Developments
 - I. Predevelopment Budget
 - J. Development Budget
 - K. 1st Year Operating Budget
 - L. 20-year Operating Pro Forma

Chavez, Rosanna (MYR)

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

approve

Eric D. Shaw
Director/ Interim Director HopeSF

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

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

Chavez, Rosanna (MYR)

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

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

Best,
Elizabeth



Elizabeth Hewson (she/her)
Manager of Supportive Housing Programs
San Francisco Department of Homelessness and Supportive Housing
elizabeth.hewson@sfgov.org | P: 628-652-7730

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

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Chavez, Rosanna (MYR)

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

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



Sally Oerth
Interim Executive Director

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

Chavez, Rosanna (MYR)

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

Approve

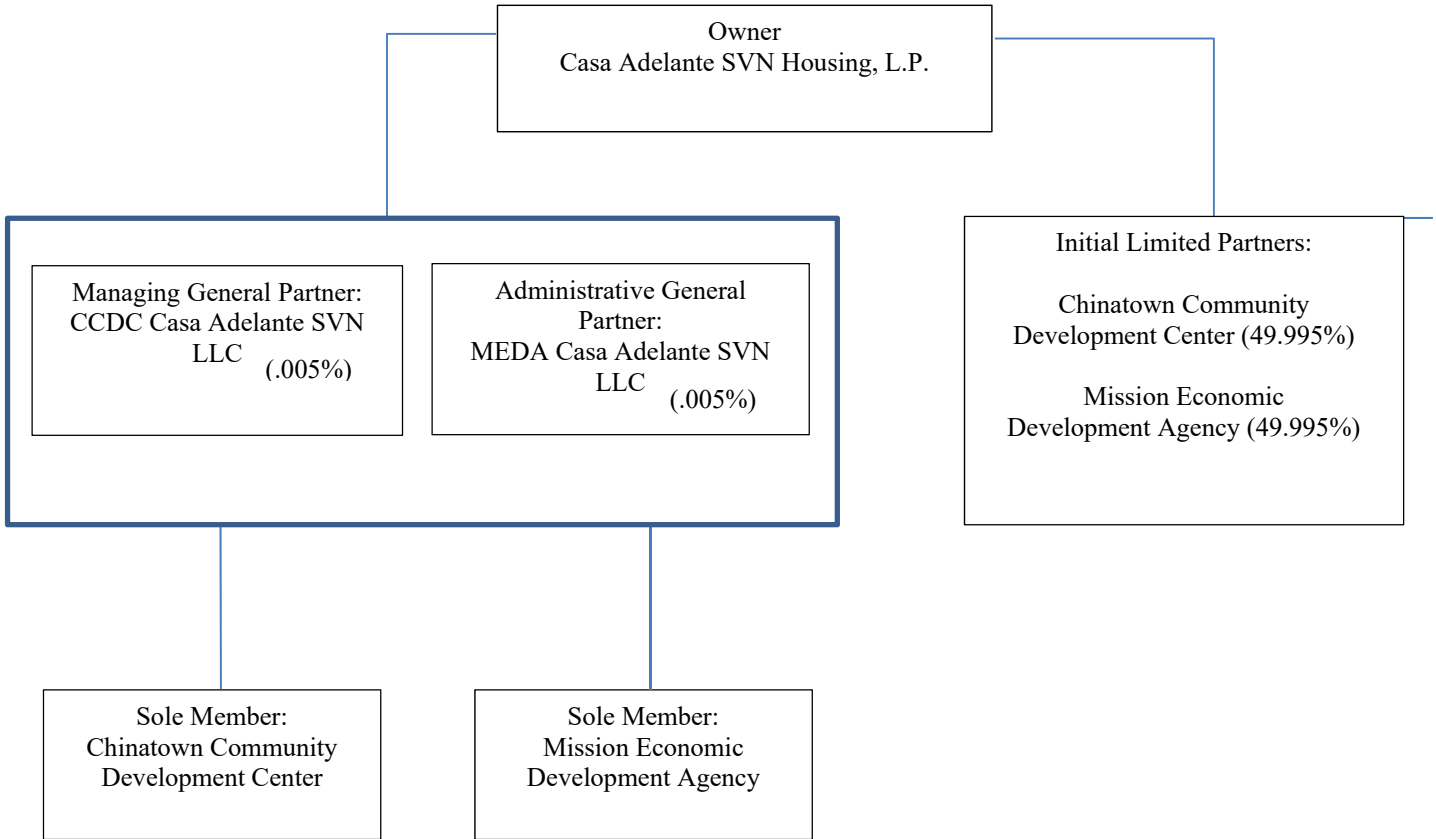
Marisa Pereira Tully (she/her)
Controller's Office of Public Finance
City and County of San Francisco

Attachment A: Project Milestones and Schedule

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

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

Attachment B: Borrower Org Chart



Attachment C: Development Staff Resumes

Kim Piechota, Director of Housing Development, Chinatown CDC

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

Joanna Ladd, Associate Director of Housing Development, Chinatown CDC

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

Omar Rahmaoui, Project Manager, Chinatown CDC

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

Christina Mirani, Assistant Project Manager, Chinatown CDC

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

Karoleen Feng, Director of Community Real Estate, MEDA

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

Elaine Yee, Deputy Director of Community Real Estate, MEDA

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

Dan Jimenez, Senior Project Manager, MEDA

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

Serena Li, Senior Project Manager, MEDA

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

Laura Elaine Daza-García, Assistant Project Manager, MEDA

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

Leslie Molina, Associate Director of Asset Management, MEDA

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

Attachment D: Asset Management Evaluation of Project Sponsor

MEDA:

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

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

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

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

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

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

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

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

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

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

The recently filled positions include

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CCDC:

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

33 Projects, 84 average units per project

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Attachment E: Threshold Eligibility Requirements and Ranking Criteria

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

A. SELECTION PROCESS

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

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

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

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

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

B. MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS

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

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

1. Minimum Development Team Characteristics

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

The proposed Development Team must include:

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

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

2. Minimum Development Team Experience

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

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

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

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

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

a. *Minimum Development Experience:*

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

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

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

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

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

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

3. Minimum Developer and Owner Capacity Requirements

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

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

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

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

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

1. Team Member Specific Minimum Requirements

a. Minimum Developer Requirements - Lead Developer itself or in partnership with other co-developers must provide evidence of the following experience:

- New construction of at least two affordable housing developments that are both high-density infill sites, with an aggregate unit count of approximately 75 units or more
- Development of at least one supportive affordable housing development for formerly homeless adults and/or formerly homeless seniors (may be new construction or substantial rehabilitation of an existing building)
- Use of Low-Income Housing Tax Credit financing

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

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

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

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

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

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

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

D. SELECTION CRITERIA AND SCORING

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

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

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

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

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

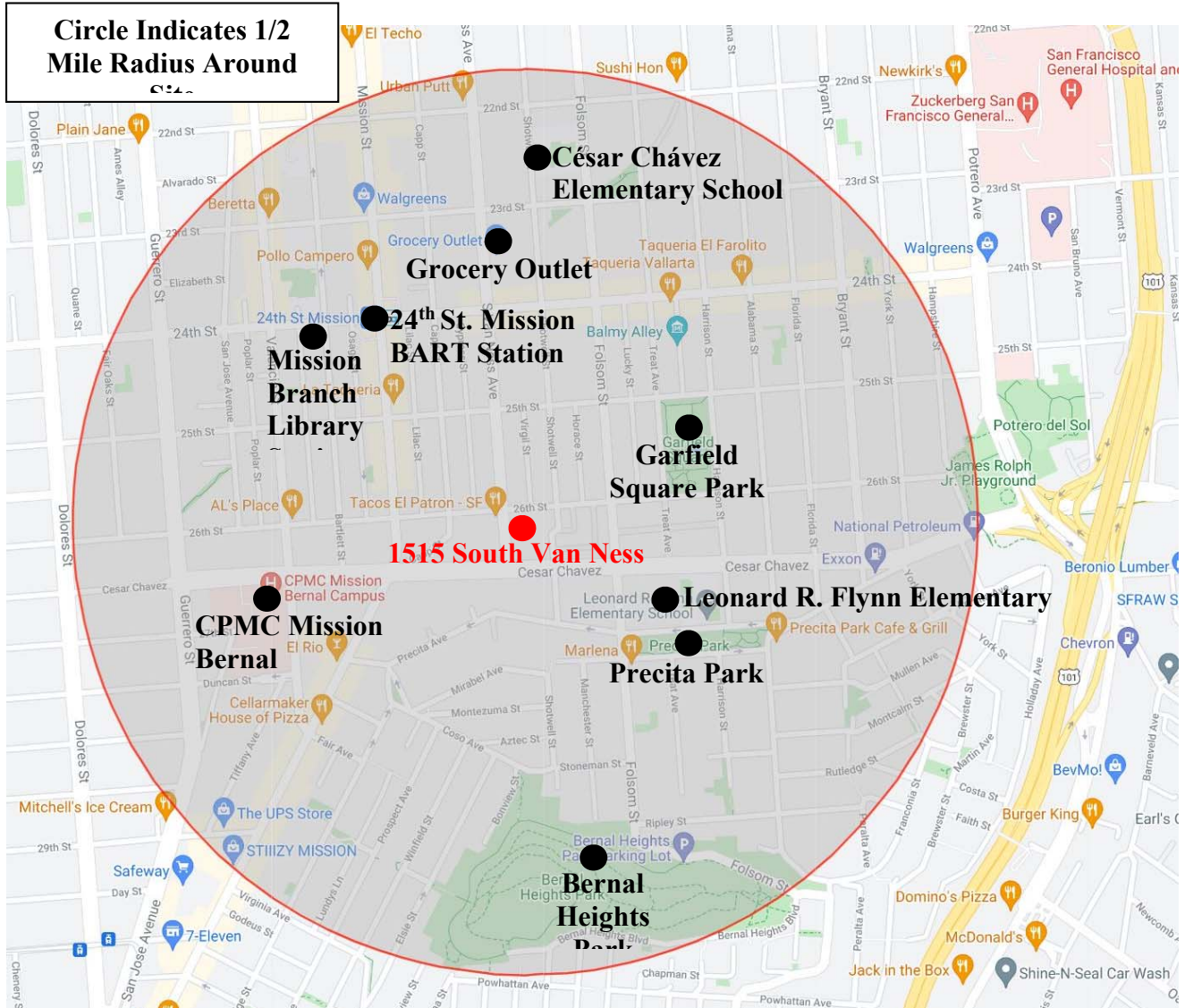
	<ul style="list-style-type: none"> ➤ Includes innovative strategies intended to minimize MOHCD’s projected capital gap financing. ➤ Describes any innovative (i.e. non-standard, routine or commonly used) direct or indirect cost-cutting strategies relevant to overall development, construction or operating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

1. Experience

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

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

Attachment F: Site Map with amenities



Attachment G: Elevations and Floor Plans

N/A

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

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

Affordable Multifamily Housing New Construction Cost Comparison

Updated 11/29/2021																	
PROJECTS COMPLETED						Building Square Footage			Total Project Costs								
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR¹	Res.²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft & Other Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments	
Hunters View Phase II - Bl 7 & 11	227-229 West Point Rd	82,703	May-17	107	239	117,023	23,857	140,880	\$ -	\$ 66,131,493	\$ 9,272,003	\$ 75,403,496	\$ 19,737,243	\$ 75,403,496	2 HCD Loans (MHP & IIG)	Mixed Townhome stepping downslope and Type III-V over Type I flats w/pkg	
Hunters View Phase II - Block 10	146 West Point Road	52,333	Jun-18	72	144	90,274	13,328	103,602	\$ -	\$ 39,639,577	\$ 8,732,464	\$ 48,372,041	\$ 17,393,406	\$ 48,372,041	9% LIHTC	Type IIIA over Type I Podium 5 Stories + Parking, Community Hub and Childcare	
Mission Bay Block 7 West	588 Mission Bay Blvd. N	43,560	Apr-17	200	328	204,965	5,035	210,000	\$ -	\$ 88,020,260	\$ 14,094,767	\$ 102,115,027	\$ 16,975,000	\$ 102,115,027	4% LIHTC	Type V over Type I Podium	
Transbay 7 - Natalie Gubb Comm	222 Beale Street	29,209	Oct-18	120	208	118,251	5,000	123,251	\$ 35,000	\$ 68,041,196	\$ 16,314,468	\$ 84,396,664	\$ 25,560,000	\$ 84,396,664	HCD AHSC Loan	3 Buildings - Type I Podium, 4-8 stories (Pueblo structural system), plus Childcare shell	
Mission Bay Bl 6 East	626 Mission Bay Blvd. No.	63,250	Nov-18	143	276	162,080	9,719	171,799	\$ 148,125	\$ 89,064,265	\$ 15,222,907	\$ 104,435,297	\$ 35,750,000	\$ 104,287,172	HCD AHSC Loan	Type IIIA & V over Type I podium, 41 pkg spaces, Mission Bay soils and infrastructure	
Mission Bay S. Block 3E	1150 Third Street	47,140	Jan-20	119	192	83,138	41,062	124,200	\$ -	\$ 71,755,502	\$ 7,049,669	\$ 78,805,171	\$ 20,093,600	\$ 78,805,171	HCD AHSC Loan	Type V over Type I podium strong articulation / ext. skin added due to D4D reqmts.	
Potrero Block X (Vertical)	25th and Connecticut	30,000	Sep-19	72	139	86,569	28,952	115,521	\$ 20,700	\$ 67,470,397	\$ 12,766,230	\$ 80,237,327	\$ 17,693,093	\$ 80,236,627	4% LIHTC	Type IIIA & V over Type I Podium (4-6 stories) stepped w/ topography. No infrastr. Cost	
Parcel O	455 Fell Street	37,428	Jun-19	108	165	82,117	31,128	113,245	\$ -	\$ 63,952,347	\$ 9,994,087	\$ 73,946,434	\$ 17,309,250	\$ 73,946,434	HCD AHSC Loan	Type V over Type I from approved eval dated 05/05/17	
Sunnydale Parcel Q	1477-1497 Sunnydale Ave	21,757	Jun-20	55	102	76,101	-	76,101	\$ -	\$ 39,150,124	\$ 10,072,197	\$ 49,222,321	\$ 9,652,147	\$ 49,222,321	9% LIHTC	Type IV - 5 Stories over grade podium parking	
88 Broadway - Family Housing	88 Broadway	38,182	Jul-21	125	221	140,279	8,700	148,979	\$ 14,900,000	\$ 79,542,204	\$ 27,758,226	\$ 122,200,430	\$ 27,908,676	\$ 107,300,430	4% LIHTC	Type IIIA & V over Type I Podium (5-6 stories) - family	
691 China Basin (MB South 6W)	691 China Basin St	49,437	Aug-21	152	294	178,050	7,098	185,148	\$ -	\$ 114,513,560	\$ 23,515,332	\$ 138,028,892	\$ 40,726,827	\$ 138,028,892	HCD IIG Grant	Type III podium and Type V podium on mews wing, incl. 28 parking spaces, 4,640 sf child care spa	
Completed Projects:				Average:	45,000	210	121,622	15,807	137,430	3,775,566	71,570,993	14,072,032	86,352,674	22,616,113	84,979,599		
PROJECTS UNDER CONSTRUCTION						Building Square Footage			Total Project Costs								
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR¹	Res.²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft & Other Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments	
1990 Folsom Street	1990 Folsom	29,047	Sep-21	143	226	138,824	15,063	153,887	\$ 8,407,380	\$ 73,760,332	\$ 25,616,512	\$ 107,784,224	\$ 46,711,496	\$ 99,376,844		Mixed type - Type VA (townhomes) and 8 story Type I	
Casa de la Mision	3001 24th Street	6,715	Sep-21	45	45	26,439	1,239	27,678	\$ 3,225,000	\$ 17,049,794	\$ 7,106,021	\$ 27,380,815	\$ 1,313,694	\$ 24,155,815	9% LIHTC & private donation	Type V over Type I podium	
Sunnydale Block 6	242 Hahn Street	95,213	Oct-21	167	375	167,065	76,656	243,721	\$ -	\$ 102,447,000	\$ 28,898,989	\$ 131,345,989	\$ 28,109,924	\$ 131,345,989		Type V over Podium (does not include infrastructure assignment)	
4840 Mission	4840 Mission	64,033	Apr-23	137	232	181,711	14,384	196,095	\$ 14,169,802	\$ 83,789,393	\$ 23,931,086	\$ 121,890,281	\$ 51,614,447	\$ 107,720,479	HCD MHP Loan	Type V over Type I Podium + retail + 39 spaces pkg + Health Clinic + POPO (11/20 Eval)	
Under Construction:				Average:	48,752	123	128,510	26,836	136,337	8,600,727	69,261,630	21,388,152	97,100,327	31,937,390	90,649,782		
PROJECTS IN PREDEVELOPMENT						Building Square Footage			Total Project Costs								
Project Name	Address	Lot sq.ft	Start Date (anticipated)	# of Units	# of BR¹	Res.²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft & Other Cost	Total Dev. Cost w/land	Local Subsidy	Total Dev. Cost w/o land	Notes on Financing	Comments	
T1 Parcel C3.1	Treasure Island C3.1	49,497	Jul-22	138	319	140,803	52,000	192,803	\$ 25,000	\$ 95,399,362	\$ 21,841,279	\$ 123,422,727	\$ 33,014,900	\$ 123,397,727	HCD AHSC Loan	Type IIIA and VB over Type I in 3 to 7 stories stepped + 26 pkg and Youth Activity (50% CD est.)	
Shirley Chisholm Village Ed Hsg.	1351 42nd	60,000	Feb-22	135	203	157,635	11,322	168,957	\$ -	\$ 86,201,784	\$ 19,603,978	\$ 105,805,762	\$ 25,469,902	\$ 105,805,762	9% LIHTC	Type 3A 4 fl on grade cyd. + IA pkg 9% LIHTC proposed (85% CD est 12/20 escal. To 7/22)	
Sunnydale Block 3B	TBD	73,000	Feb-22	90	178	125,800	3,400	129,200	\$ 20,001	\$ 69,588,660	\$ 19,750,187	\$ 89,338,847	\$ 8,466,742	\$ 89,338,847	4% LIHTC	Type IIIA 5 story, includes infrastructure costs (Nibbi 100%DD w/VE 4/16/21 escal to 3/22 parking)	
Sunnydale Block 3A	TBD	34,400	Aug-22	80	164	83,339	18,461	101,800	\$ 20,001	\$ 60,021,794	\$ 18,364,563	\$ 78,386,357	\$ 7,161,137	\$ 78,386,357	4% LIHTC	Type IIIA 5 story, 30k sq ft of commercial, includes infrastructure costs (Nibbi 100%DD w/VE 4/16/21)	
Potrero Block B	25th and Connecticut	74,311	Feb-22	157	348	274,371	10,473	284,844	\$ 11,919,500	\$ 127,851,223	\$ 49,467,028	\$ 189,237,751	\$ 11,991,620	\$ 177,318,251	4% LIHTC	Type IIIA over Type IA 5-6 stepped, 65 pkg + childcare & park. (per 75% CD est. 3/28/21 incl VE) c	
HPSY Block 52-54	151 and 351 Friedell St	45,680	May-22	112	217	147,190	21,541	168,731	\$ -	\$ 91,878,228	\$ 16,839,389	\$ 108,717,617	\$ 59,200,732	\$ 108,717,617	4% LIHTC	Type III over Type 1, 2 buildings built on separate non-contiguous parcels. Parking ratio .6/1	
HPSY Block 56	11 Innes Court	28,792	Jul-22	73	147	76,614	15,939	92,553	\$ -	\$ 50,051,162	\$ 13,596,970	\$ 63,648,132	\$ 34,298,513	\$ 63,648,132	4% LIHTC	Type I (podium level) - Type V (levels 2-5)	
Hunters View Ph 3 Block 14 & 17	855 & 853 Hunters View Dr	39,355	May-22	118	286	172,645	3,881	176,526	\$ -	\$ 99,329,925	\$ 23,897,677	\$ 123,227,602	\$ 37,735,027	\$ 123,227,602	4% LIHTC	Type III-A over Type I 5-6 stories with Comm (Community avg) spaces 6+6 Pkg spaces (35% CD 8)	
4200 Geary	4200 Geary	18,738	Feb-22	98	98	78,530	1,197	79,727	\$ 11,064,369	\$ 53,018,162	\$ 20,098,589	\$ 84,117,130	\$ 27,670,369	\$ 73,052,761	4% LIHTC	Type III over Type 1, 7 stories, TI space, no parking. Urban Agriculture (65% CD Est dated 4/30/21)	
The Kelsey	240 Van Ness	18,313	Jul-22	112	144	94,001	1,349	95,350	\$ 9,848,500	\$ 60,075,564	\$ 22,200,353	\$ 92,122,417	\$ 25,618,912	\$ 92,122,417	4% LIHTC, IIG, AHSC	5 stories of Type III over 3 stories of Type I, Innovative C40 Cities Initiative + Universal design (est.)	
Reservoir Building E	Lee Avenue	31,008	Mar-23	124	192	138,159	1,000	139,159	\$ 1,777,707	\$ 73,866,869	\$ 30,807,599	\$ 106,452,175	\$ 13,628,128	\$ 104,824,047	4% LIHTC	Type IIIA over Type IA 7 stories	
Sunnydale Block 7	Sunrise Wy and Santos St	73,161	Oct-24	69	159	100,939	-	100,939	\$ 10,000	\$ 57,837,582	\$ 15,107,806	\$ 72,955,388	\$ 12,743,082	\$ 72,955,388	4% LIHTC	Type IIIA over Type IA 4 stories. Parking at .74 ratio	
Sunnydale Block 9	TBD	52,272	Oct-24	100	239	108,644	-	108,644	\$ 10,000	\$ 80,087,484	\$ 20,587,449	\$ 100,684,933	\$ 18,660,015	\$ 100,684,933	4% LIHTC	Type IIIA over Type IA 4 stories. Parking at .74 ratio	
88 Bluxome	88 Bluxome	14,800	May-24	107	176	90,132	0	90,132	\$ 0	\$ 50,280,700	\$ 14,969,077	\$ 65,249,777	\$ 29,499,087	\$ 65,249,777	4% LIHTC	No design yet, assumes mid-rise, 4-5 stories Type IIIA over 1-2 Type I air rights parcel, no pkg (10	
160 Frelton	160 Frelton	13,155	May-24	72	127	77,000	5,000	82,000	\$ 20,000	\$ 53,859,263	\$ 15,418,134	\$ 69,297,397	\$ 15,815,754	\$ 69,297,397	4% LIHTC	No design yet, assumes mid-rise, 7 stories, Type I or Type IIIA over I. No pkg. (10/19/21 loan eval	
In Predevelopment				Average:	41,625	106	124,366	12,130	134,090	\$ 8,855,234	\$ 73,956,317	\$ 21,499,159	\$ 98,177,487	\$ 24,064,928	\$ 95,867,282		
ALL PROJECTS	Average:	45,126		115	210	124,839	18,258	136,019	\$ 3,471,308	\$ 71,596,313	\$ 18,986,448	\$ 93,876,829	\$ 26,206,810	\$ 90,498,888			
1515 SVN	1515 South Van Ness	35,714	May-24	122	220	143,000	10,000	153,000	\$ 45,000	\$ 85,240,261	\$ 17,276,677	\$ 102,561,938	\$ 32,816,030	\$ 102,516,938	4% LIHTC	No design yet, assumes mid-rise, 6 stories, 10k sf retail TI, no parking (10/19/21	
PROJECTS COMPLETED				Acquisition by Unit/Bed/SF			Construction by Unit/Bed/SF			Soft Costs By Unit/Bed/SF			Total Development Cost (Incl. Land)			Subsidy	
Project Name	Compl. Date	Acq/Unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft¹	Soft/unit	Soft/BR	Soft/sq.ft²	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft³	Subsidy / unit	Leveraging ⁴		
Hunters View Phase II - Bl 7 & 11	May-17	\$ 818,051	\$ 276,701	\$ 86,654	\$ 469	\$ 38,795	\$ 66	\$ 66,654	\$ 38,795	\$ 66	\$ 704,706	\$ 315,496	\$ 335	\$ 184,460	73.8%		
Hunters View Phase II - Block 10	Jun-18	\$ -	\$ -	\$ -	\$ 550,550	\$ 275,275	\$ 383	\$ 121,284	\$ 60,642	\$ 84	\$ 671,834	\$ 335,917	\$ 467	\$ 241,575	64.0%		
Mission Bay Block 7 West	Apr-17	\$ -	\$ -	\$ -	\$ 440,101	\$ 268,354	\$ 419	\$ 70,474	\$ 42,972	\$ 67	\$ 510,575	\$ 311,328	\$ 486	\$ 84,875	83.4%		
Natalie Gubb Commons (TBT)	Oct-18	\$ 292	\$ 168	\$ 1	\$ 567,010	\$ 327,121	\$ 552	\$ 135,954	\$ 78,436	\$ 132	\$ 703,256	\$ 405,724	\$ 685	\$ 213,000	69.7%		
Mission Bay S&E	Nov-18	\$ 1,036	\$ 537	\$ 2	\$ 822,827	\$ 322,697	\$ 518	\$ 106,454	\$ 55,155	\$ 89	\$ 730,317	\$ 378,389	\$ 608	\$ 250,000	65.8%		
Mission Bay S. Block 3 East	Jan-20	\$ -	\$ -	\$ -	\$ 602,987	\$ 373,727	\$ 578	\$ 59,241	\$ 36,717	\$ 57	\$ 662,228	\$ 410,444	\$ 635	\$ 168,854	74.5%		
Potrero Block X (Vertical)	Sep-19	\$ 288	\$ 149	\$ 1	\$ 937,089	\$ 485,399	\$ 584	\$ 177,309	\$ 91,843	\$ 111	\$ 1,114,685	\$ 577,391	\$ 895	\$ 245,737	78.0%		
Parcel O	Jun-19	\$ -	\$ -	\$ -	\$ 592,151	\$ 387,590	\$ 565	\$ 92,538	\$ 60,570	\$ 211	\$ 671,118	\$ 403,932	\$ 589	\$ 160,271	74.0%		
Sunnydale Parcel Q	Jun-20	\$ -	\$ -	\$ -	\$ 711,820	\$ 383,825	\$ 521	\$ 183,131	\$ 98,747	\$ 129	\$ 894,951	\$ 482,572	\$ 655	\$ 175,494	80.4%		
88 Broadway - Family Housing	Jul-21	\$ 119,200	\$ 67,421	\$ 390	\$ 636,338	\$ 359,919	\$ 534	\$ 222,066	\$ 125,603	\$ 186	\$ 977,603	\$ 552,943	\$ 820	\$ 223,269	77.2%		
691 China Basin (MB South 6W)	Aug-21	\$ -	\$ -	\$ -	\$ 753,379	\$ 389,502	\$ 618	\$ 154,706	\$ 79,984	\$ 127	\$ 908,085	\$ 469,486	\$ 746	\$ 267,940	70.5%		
Completed Projects:				Average:	30,204	17,069	99	\$ 639,300	\$ 350,010	\$ 522	\$ 128,165	\$ 69,951	\$ 114	\$ 772,305	\$ 422,147	\$ 629	74%
PROJECTS UNDER CONSTRUCTION				Acquisition			Construction			Soft Costs			Total Development Cost (Incl. Land)			Subsidy	
Project Name	Compl. Date	Acq/Unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft¹	Soft/unit	Soft/BR	Soft/sq.ft²	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft³	Subsidy / unit	Leveraging ⁴		
1990 Folsom Street	Sep-21	\$ 58,793	\$ 37,201	\$ 289	\$ 515,807	\$ 326,373	\$ 479	\$ 179,136	\$ 113,347	\$ 166	\$ 753,736	\$ 476,921	\$ 700	\$ 326,654	56.7%		
Casa de la Mision	Jun-21	\$ 71,667	\$ 71,667	\$ 480	\$ 378,884	\$ 378,884	\$ 616	\$ 157,912	\$ 157,912	\$ 257	\$ 608,463	\$ 608,463	\$ 989	\$ 29,193	95.2%		
Sunnydale Block 6	Feb-22	\$ 222	\$ 112	\$ 0	\$ 773,207	\$ 390,948	\$ 539	\$ 219,447	\$ 110,956								

Attachment I: Predevelopment Budget

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

MOHCD Proforma - Predevelopment Financing Sources Uses of Funds

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

Don't forget to fill in D135:D138!

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

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

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

Construction line item costs as a % of hard costs

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

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

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

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

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

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

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

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

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

TOTAL DEVELOPMENT COST	4,000,000	0	0	0	0	0	4,000,000	
Development Cost/Unit by Source	32,787	0	0	0	0	0	32,787	
Development Cost/Unit as % of TDC by Source	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	

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

*Possible non-eligible GO Bond/COP Amount: 37,500
 City Subsidy/Unit: 32,787

Tax Credit Equity Pricing: Fill in with value or 'N/A' if not applicable.
 Construction Bond Amount: Fill in with value or 'N/A' if not applicable.
 Construction Loan Term (in months): Fill in with value or 'N/A' if not applicable.
 Construction Loan Interest Rate (as %): Fill in with value or 'N/A' if not applicable.

Attachment J: Development Budget

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

MOHCD Proforma - Permanent Financing Sources Uses of Funds

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

SOURCES	Total Sources							Comments
	32,816,030	44,308,896	20,000,000	4,250,000	500,000	100	686,911	
Name of Sources:	MOHCD/OCII	LIHTC Equity	MHP	IG	GP Equity	GP Contribution	Perm Loan	

USES

ACQUISITION										
Acquisition cost or value										0
Legal / Closing costs / Broker's Fee	15,000									15,000
Holding Costs	5,000									5,000
Transfer Tax	25,000									25,000
TOTAL ACQUISITION	45,000	0	0	0	0	0	0	0	0	45,000

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab	1,779,243	44,308,896	12,175,720	3,675,000	500,000	100	686,911	63,125,870		Include FF&E: Ave 681 F & 2080F/sqft; added complex foundation costs of \$1/mil based off RFQ material. According to National Assn of Home Builders, 10% inflationary cost/year - assumes 15% inflation increase by Year 2024 start
Commercial Shell Construction	3,345,000							3,345,000		Including any Comm space yet but for \$300 Sqft warm shell +\$200/sqft TI Buildout (aver. of 2050&681); According to NAHB, 10% inflationary cost/year - assumes 15% inflation increase by Year 2024 start
Demolition				575,000				575,000		Large warehouse to be removed. Will get soft bid from demo GC. Must confirm if MOHCD to demo prior to prep transfer. According to NAHB, 10% inflationary cost/year - assumes 15% inflation increase by Year 2024 start
Environmental Remediation								0		
Onsite Improvements/Landscaping	1,501,461							1,501,461		Art Costs added; According to NAHB, 10% inflationary cost/year - assumes 15% inflation increase by Year 2024 start
Offsite Improvements								0		
Infrastructure Improvements								0		HOPE SF/OCII costs for streets etc.
Parking								0		
GC Bond Premium/GC Insurance/GC Taxes				1,304,047				1,304,047		In line w/681&2080; 2% of hard cost
GC Overhead & Profit				2,608,093				2,608,093		In line w/681&2080 (<5%) 4% of hard cost
CG General Conditions				3,912,140				3,912,140		In line w/681&2080 (<9% and GC total <14%) 6% of hard cost
Sub-total Construction Costs	6,625,704	44,308,896	20,000,000	4,250,000	500,000	100	686,911	76,717,611		
Design Contingency (remove at DD)	1,893,776							1,893,776		5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)	1,893,776							1,893,776		5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Rev)	1,262,517							1,262,517		14% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency	3,916,581							3,916,581		5% new construction / 15% rehab
Sub-total Construction Contingencies	8,968,650	0	0	0	0	0	0	8,968,650		
TOTAL CONSTRUCTION COSTS	15,494,354	44,308,896	20,000,000	4,250,000	500,000	100	686,911	85,240,261		

SOFT COSTS

Architecture & Design										See MOHCD A&E Fee Guidelines: http://sfmohod.org/documents-reports-and-forms . References AIA B101 See Chart Max Fee 3.3% & 6.6% w/Eng. Fees 50M/100M/
Architect design fees	2,083,154							2,083,154		
Design Subcontractants to the Architect (incl. Fees)								0		
Architect Construction Admin	700,000							700,000		Average 681 Florida & 2090 Folsom
Reimbursables								0		
Additional Services	90,000							90,000		Average 681 Florida & 2090 Folsom
Sub-total Architect Contract	2,873,154	0	0	0	0	0	0	2,873,154		
Other Third Party design consultants (not included under Architect contract)								0		Consultants not covered under architect contract: Dry Utilities, architect, GPR, LEED Green-Security design,telecom,EBM,PDR,Street Scope, shadow study,Peer Review. On 681F this was listed here and we had \$469K noted
	500,000							500,000		
Total Architecture & Design	3,373,154	0	0	0	0	0	0	3,373,154		
Engineering & Environmental Studies										
Survey	35,000							35,000		In line w/prior CCDC, 681 was 50K
Geotechnical studies	170,000							170,000		In line 681. Keeping high tl know more about site
Phase I & II Reports	45,000							45,000		
CEQA / Environmental Review consultants								0		
NEPA / 106 Review	37,000							37,000		
CNA/PNA (rehab only)								0		
Other environmental consultants								0		
Total Engineering & Environmental Studies	287,000	0	0	0	0	0	0	287,000		
Financing Costs										
Construction Financing Costs										
Construction Loan Origination Fee	315,629							315,629		Total 5% UWF/fees
Construction Loan Interest	3,471,923							3,471,923		Assume: 5.5% Inflation and Overnight rate increasing in net two years
Title & Recording	100,000							100,000		
CDLAC & CD/AC fees	35,000							35,000		01'estim LIHTC
Bond Issuer Fees	25,000							25,000		Estim variable to Bond Amount approx. .005% Loan \$50M
Other Bond Cost of Issuance	150,000							150,000		Assumes MOHCD will pay Performance Dep
Lender Expenses	35,000							35,000		Per 681F
Sub-total Const. Financing Costs	4,132,552	0	0	0	0	0	0	4,132,552		
Permanent Financing Costs										
Permanent Loan Origination Fee	30,000							30,000		Will be approx. 1% of perm, once known
Credit Enhance. & Appl. Fee	25,000							25,000		
Title & Recording	55,000							55,000		Average 681 Florida & 2090 Folsom
Sub-total Perm. Financing Costs	110,000	0	0	0	0	0	0	110,000		
Total Financing Costs	4,187,552	0	0	0	0	0	0	4,187,552		
Legal Costs										
Borrower Legal fees	65,000							65,000		Average 681 Florida & 2090 Folsom
Land Use / CEQA Attorney fees								0		
Tax Credit Counsel	50,000							50,000		Average 681 Florida & 2090 Folsom
Bond Counsel	90,000							90,000		
Construction Lender Counsel	65,000							65,000		Average 681 Florida & 2090 Folsom
Permanent Lender Counsel	45,000							45,000		
Sub-total Legal Costs	315,000	0	0	0	0	0	0	315,000		
Other Development Costs										
Appraisal	30,000							30,000		
Market Study	15,000							15,000		
Insurance	1,020,000							1,020,000		Typical Gallagher Ins 1.5%
Property Taxes								0		
Accounting / Audit	50,000							50,000		Average 681 Florida & 2090 Folsom
Organizational Costs	25,000							25,000		Organization of Partnership
Entitlement / Permit Fees	780,000							780,000		Per Conozco Estimates per CCDC Doc
Marketing / Rent-up	30,000							30,000		Marketing and lease-up
Furnishings	452,000							452,000		\$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohod.org/documents-reports-and-forms
PGE / Utility Fees	800,000							800,000		Average 681 Florida & 2090 Folsom; includes meters; wastewater estim,PGE;
TCAC App / Alloc / Monitor Fees	85,000							85,000		Adj 681F
Financial Consultant fees	85,000							85,000		
Construction Management fees / Owner's Rep	240,000							240,000		Per MOHCD: \$60K/yr max during construction, \$40K pre-con; this project will be 3 year pre-con and 2 year const.
Security during Construction	15,000							15,000		per 681F
Relocation								0		Unknown but commel reloc is not supported?
Special Inspections	310,000							310,000		Average 681 Florida & 2090 Folsom
SFAC Fee Req'd	250,000							250,000		1% per 681F Closing approx amount
Community Outreach	40,000							40,000		Community Outreach/Organizing
Sub-total Other Development Costs	4,207,000	0	0	0	0	0	0	4,207,000		
Soft Cost Contingency										
Contingency (Arch, Eng, Fin, Legal & Other Dev)	1,236,971							1,236,971		Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	13,606,677	0	0	0	0	0	0	13,606,677		10.0%
RESERVES										
Operating Reserves	450,000							450,000		Was \$650k for 681F during Pandemic 6 months reserves but scaled back to 4 months here.
Replacement Reserves								0		
Tenant Improvements Reserves								0		
Other (specify)								0		
Other (specify)								0		
Other (specify)								0		
TOTAL RESERVES	450,000	0	0	0	0	0	0	450,000		
DEVELOPER COSTS										
Developer Fee - Cash-out Paid at Milestones	1,100,000							1,100,000		\$2.2mil max +10K/unit above 100 units = \$200K. Does not include Commercial.
Developer Fee - Cash-out At Risk	1,320,000							1,320,000		Does not include Commercial fees to build.
Commercial Developer Fee	300,000							300,000		Per 681F, 10,000sqft buildout we were paid \$300K.
Developer Fee - GP Equity (also show as source)	500,000							500,000		GP Equity
Developer Fee - Deferred (also show as source)								0		
Development Consultant Fees								0		Need MOHCD approval for this cost, N/A for most projects.
Other (specify)								0		
TOTAL DEVELOPER COSTS	3,220,000	0	0	0	0	0	0	3,220,000		
TOTAL DEVELOPMENT COST	32,816,030	44,308,896	20,000,000	4,250,000	500,000	100	686,911	102,561,938		
Development Cost/Unit by Source	268,984	363,188	163,934	34,836	4,098	1	5,630	840,672		
Development Cost/Unit as % of TDC by Source	32.0%	43.2%	19.5%	4.1%	0.5%	0.0%	0.7%	100.0%		
Acquisition Cost/Unit by Source	0	0	0	0	0	0	0	0		
Construction Cost (inc Const Contingency)/Unit by Source	127,003	363,188	163,934	34,836	4,098	1	5,630	698,691		
Construction Cost (inc Const Contingency)/SF										
*Possible non-eligible GO Bond/COP Amount:	66,434,231									
City Subsidy/Unit	268,984									
Tax Credit Equity Pricing:	1,000									
Construction Bond Amount:	66,434,231									
Construction Loan Term (in months):										

Attachment K: 1st Year Operating Budget

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

MOHCD Proforma - Year 1 Operating Budget

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

Project Name: 1515 South Van Ness
Project Address: 1515 South Van Ness Avenue
Project Sponsor: Chinatown CDC & MEDA

Correct errors noted in Col N!

INCOME	LOSP/non-LOSP Allocation		Total	Comments	Alternative LOSP Split
	25%	75%			
Residential - Tenant Rents	93,000	1,550,196	1,643,196	Links from 'New Proj - Rent & Unit Mix' Worksheet	Residential - Tenant Rents
Residential - Tenant Assistance Payments (Non-LOSP)	0	0	0	Links from 'New Proj - Rent & Unit Mix' Worksheet	Tenant Assistance Payments (N
Commercial - LOSP - Tenant Assistance Payments	484,731		484,731		
Commercial Space			120,000	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
Residential Parking	0	0	0	Links from 'Utilities & Other Income' Worksheet	
Miscellaneous Rent Income	0	0	0	Links from 'Utilities & Other Income' Worksheet	Alternative LOSP Split
Supportive Services Income	0	0	0	Links from 'Utilities & Other Income' Worksheet	Supportive Services Income
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet	
Laundry and Vending	0	0	0	Links from 'Utilities & Other Income' Worksheet	Projected LOSP Split
Tenant Charges	0	0	0	Links from 'Utilities & Other Income' Worksheet	Tenant Charges
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income' Worksheet	
Other Commercial Income	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	Alternative LOSP Split
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0	0		Withdrawal from Capitalized Reserve (deposit
Gross Potential Income	577,731	1,550,196	2,247,927		
Vacancy Loss - Residential - Tenant Rents	(4,850)	(77,510)	(82,360)	Vacancy loss is 5% of Tenant Rents.	
Vacancy Loss - Residential - Tenant Assistance Payments	0	0	0	RD/VO	
Vacancy Loss - Commercial	0	0	(24,000)	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
EFFECTIVE GROSS INCOME	573,081	1,472,686	2,141,767	PUPA: 17,555	

OPERATING EXPENSES					
Management					
Management Fee	24,888	74,664	99,552	\$68 PUPM	Alternative LOSP Split
Asset Management Fee	5,668	17,003	22,670	per MOHCD Fee Schedule	Management Fee
Sub-total Management Expenses	30,556	91,667	122,222	PUPA: 1,002	Asset Management Fee
Salaries/Benefits					
Office Salaries	204,095	51,024	255,119	Assistant Property Manager + Desk Clerk. Assumes 4.6 FTE for Desk Clerk, includes temp.	Alternative LOSP Split
Manager's Salary	18,143	54,430	72,573	1.0 FTE Property Manager	Office Salaries
Health Insurance and Other Benefits	39,680	119,040	158,720		Manager's Salary
Other Salaries/Benefits	2,785	8,354	11,138	403b Employer Contribution	Health Insurance and Other Benefits
Administrative Rent-Free Unit	0	0	0		Other Salaries/Benefits
Sub-total Salaries/Benefits	264,703	232,847	497,550	PUPA: 4,078	Administrative Rent-Free Unit

Administration					
Advertising and Marketing	0	0	0		
Office Expenses	9,853	29,558	39,410	Office Supplies + Computer Services + Telephone + Conferences & Training. Average PUPY	
Office Rent	925	2,775	3,700	Other Rent Expenses. \$2,700 for background checks, \$1,000 for copiers.	Projected LOSP Split
Legal Expense - Property	1,355	4,064	5,418	Average PUPY cost of 5 comparable properties: TFH, 2060 Folsom, Bsan, Ccove, Five88.	Legal Expense - Property
Audit Expense	3,343	10,028	13,370	Based on recent fee proposal from auditor.	
Bookkeeping/Accounting Services	3,420	10,260	13,680	Based on standard rate.	Projected LOSP Split
Bad Debts	3,296	9,887	13,183	9 months of 2-bedroom rent at 50% AMI (assumes 3 units will not pay rent for 3 months).	Bad Debts
Miscellaneous	3,007	9,022	12,029	Average PUPY cost of 5 comparable properties: TFH, 2060 Folsom, Bsan, Ccove, Five88	
Sub-total Administration Expenses	25,198	75,593	100,790	PUPA: 826	Projected LOSP Split

Utilities					
Electricity	16,997	50,992	67,989	All electric building. Electricity + gas. Average of 2021 actual costs from 5 comparable	Projected LOSP Split
Water	17,211	51,632	68,843	Average of 2021 actual costs from 5 comparable properties excluding 2060F.	Electricity
Gas	0	0	0		
Sewer	23,105	69,316	92,421	Average of 2021 actual costs from 5 comparable properties excluding 2060F.	
Sub-total Utilities	57,313	171,940	229,253	PUPA: 1,879	

Taxes and Licenses					
Real Estate Taxes	2,158	6,474	8,632	Residential portion	Alternative LOSP Split
Payroll Taxes	10,651	31,953	42,604		Real Estate Taxes
Miscellaneous Taxes, Licenses and Permits	3,729	11,186	14,914	Average PUPY cost of 5 comparable properties: TFH, 2060 Folsom, Bsan, Ccove, Five88	Payroll Taxes
Sub-total Taxes and Licenses	16,538	49,613	66,150	PUPA: 542	

Insurance					
Property and Liability Insurance	25,953	77,860	103,813	Using the Average PUPY cost of 5 comparable properties as a placeholder. Project-specific	
Fidelity Bond Insurance	0	0	0		Alternative LOSP Split
Worker's Compensation	5,472	16,415	21,887		Worker's Compensation
Director's & Officers' Liability Insurance	0	0	0		
Sub-total Insurance	31,425	94,275	125,700	PUPA: 1,030	

Maintenance & Repair					
Payroll	29,752	89,256	119,008	Repairs Payroll. \$119k based on 2.0 FTE.	Alternative LOSP Split
Supplies	6,841	19,922	26,562	Janitor/Cleaning Supplies + Repairs Supplies + Decorating Supplies. Average PUPY cost of	Payroll
Contracts	58,372	169,715	228,086	Janitor/Cleaning Contract + Estimating Contract + Grounds Contract + Repairs Contract +	Supplies
Garbage and Trash Removal	10,540	31,620	42,160	Average of 2021 actuals from 5 comparable properties excluding 2060F.	Contracts
Security Payroll/Contract	3,368	10,104	13,472		Alternative LOSP Split
HVAC Repairs and Maintenance	0	0	0		Security Payroll/Contract
Vehicle and Maintenance Equipment Operation and Repairs	0	0	0		
Miscellaneous Operating and Maintenance Expenses	140	419	559		
Sub-total Maintenance & Repair Expenses	107,612	321,035	428,047	PUPA: 3,509	

Supportive Services	0	105,300	105,300	Tenant Services. Assumes 1.5 FTE CCDC RSC	Alternative LOSP Split
Commercial Expenses			67,200	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	Supportive Services

TOTAL OPERATING EXPENSES	532,743	1,142,269	1,742,212	PUPA: 14,280	
Reserves/Ground Lease Base Rent/Bond Fees					
Ground Lease Base Rent	3,750	11,250	15,000	Ground lease with MOHCD	Provide additional comments here, if needed.
Bond Monitoring Fee	625	1,875	2,500		
Replacement Reserve Deposit	15,250	45,750	61,000	\$500 PUPY per 2017 UMRS	Alternative LOSP Split
Operating Reserve Deposit	0	0	0		Replacement Reserve Deposit
Other Required Reserve 1 Deposit	0	0	0		Operating Reserve Deposit
Other Required Reserve 2 Deposit	0	0	0		Other Required Reserve 1 Deposit
Required Reserve Deposits, Commercial	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	19,625	58,875	78,500	PUPA: 643	

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	552,368	1,201,144	1,820,712	PUPA: 14,924	
NET OPERATING INCOME (INCOME minus OP EXPENSES)	20,713	271,543	321,055	PUPA: 2,632	

DEBT SERVICE/MUST PAY PAYMENTS (hard debt/amortized loans)					
Hard Debt - First Lender	0	36,803	36,803	Permanent Loan	Alternative LOSP Split
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	21,000	63,000	84,000	MHP	Provide additional comments here, if needed.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0		Hard Debt - Second Lender (HCD Program 0
Hard Debt - Fourth Lender	0	0	0		Provide additional comments here, if needed.
Commercial Hard Debt Service	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	Hard Debt - Third Lender (Other HCD Program
TOTAL HARD DEBT SERVICE	21,000	99,803	120,803	PUPA: 990	Hard Debt - Fourth Lender

CASH FLOW (NOI minus DEBT SERVICE)	(288)	171,740	200,252		
Commercial Only Cash Flow			28,800		
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)	7,200	21,600			Allocation of Commercial Surplus to LOSP/n
AVAILABLE CASH FLOW	6,913	193,340	200,252	266	

USES OF CASH FLOW BELOW (This row also shows DSCR.)					
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL					
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0	0	0		
Partnership Management Fee (see policy for limits)	5,663	16,988	22,650		
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	1,250	3,750	5,000		Alternative LOSP Split
Other Payments	0	0	0		Other Payments
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	0	0	0	Provide additional comments here, if needed.	Non-amortizing Loan Pmnt - Lender 1 (select
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	0	0	0	Provide additional comments here, if needed.	Provide additional comments here, if needed.
Deferred Developer Fee (Enter amt => Max Fee from call 1130)	0	0	0	Def. Develop. Fee split: 0%	Deferred Developer Fee (Enter amt => Max F
TOTAL PAYMENTS PRECEDING MOHCD	6,913	20,738	27,650	PUPA: 227	

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	0	172,602	172,602		
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Residual Receipts Calculation
 Does Project have a MOHCD Residual Receipt Obligation? **Yes** Project has MOHCD ground lease? **Yes**
 Will Project Defer Developer Fee? **No**
 Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1: **33%**
 % of Residual Receipts available for distribution to soft debt lenders in **67%**
 Sum of DD F from LOSP and non-LOSP:
 Ratio of Sum of DDF and calculated 50%:

Soft Debt Lenders with Residual Receipts Obligations	(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans
MOHCD/OClI - Soft Debt Loans	All MOHCD/OClI Loans payable from res. recs	\$32,816,030	61.96%
MOHCD/OClI - Ground Lease Value or Land Acq Cost	Ground Lease Value	\$150,000	0.28%
HCD (soft debt loan) - Lender 3	MHP	\$20,000,000	37.76%
Other Soft Debt Lender - Lender 4			0.00%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE			
MOHCD Residual Receipts Amount Due	71,618	71,618	67% of residual receipts, multiplied by 62.24% - MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	71,618	71,618	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	0	0 If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repaymt.

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	100,984		
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NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE			
HCD Residual Receipts Amount Due		43,450	67% of residual receipts, multiplied by 37.76% - MHP's pro rata share of all soft debt
Lender 4 Residual Receipts Due		0	
Lender 5 Residual Receipts Due		0	
Total Non-MOHCD Residual Receipts Debt Service		43,450	

REMAINDER (should be zero unless there are distributions below)			
Owner Distributions/Incentive Management Fee		57,534	100% of Borrower share of 33% of residual receipts
Other Distributions/Uses		0	
Final Balance (should be zero)		0	

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

MOHCD Proforma - Year 1 Operating Budget

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

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

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

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

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

Taxes and Licenses			
Real Estate Taxes			
Payroll Taxes			
Miscellaneous Taxes, Licenses and Permits			
Sub-total Taxes and Licenses			

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

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

Supportive Services			
Commercial Expenses	0.00%	100.00%	Approved By (reqd)

TOTAL OPERATING EXPENSES

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

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

NET OPERATING INCOME (INCOME minus OP EXPENSES)

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

CASH FLOW (NOI minus DEBT SERVICE)

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

AVAILABLE CASH FLOW

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

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			
Partnership Management Fee (see policy for limits)			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	LOSP	non-LOSP	Approved By (reqd)
Other Payments			
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	lender in comments field		
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)			
Deferred Developer Fee (Enter amt => Max Fee from call 1130)	0.00%	100.00%	
TOTAL PAYMENTS PRECEDING MOHCD			

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?

Will Project Defer Developer Fee?

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

0

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

#VALUE!

Soft Debt Lenders with Residual Receipts Obligations

MOHCD/OClI - Soft Debt Loans	
MOHCD/OClI - Ground Lease Value or Land Acq Cost	
HCD (soft debt loan) - Lender 3	
Other Soft Debt Lender - Lender 4	
Other Soft Debt Lender - Lender 5	

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

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

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

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

Attachment L: 20-year Operating Proforma

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

1515 South Van Ness

		LOSP Units 122	Non-LOSP Units 91				Year 1 2026			Year 2 2027			Year 3 2028		
		25.00%	75.00%				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
		inc	% annual increase	Comments (related to annual inc assumptions)			LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME															
Residential - Tenant Rents		1.0%	2.5%				93,000	1,550,196	1,643,196	93,930	1,588,951	1,682,881	94,869	1,628,075	1,723,544
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a				-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments		n/a	n/a			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	484,731	-	484,731	495,569	-	495,569	513,969	-	513,969
Commercial Space		n/a	2.5%				-	120,000	-	-	123,000	-	-	126,075	-
Residential Parking		2.5%	2.5%				-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income		2.5%	2.5%				-	-	-	-	-	-	-	-	-
Supportive Services Income		2.5%	2.5%				-	-	-	-	-	-	-	-	-
Interest Income - Project Operations		2.5%	2.5%				-	-	-	-	-	-	-	-	-
Laundry and Vending		2.5%	2.5%				-	-	-	-	-	-	-	-	-
Tenant Charges		2.5%	2.5%				-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income		2.5%	2.5%				-	-	-	-	-	-	-	-	-
Other Commercial Income		n/a	2.5%			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)		n/a	n/a			Link from Reserve Section below, as applicable	-	-	-	-	-	-	-	-	-
Gross Potential Income							577,731	1,550,196	2,247,927	589,499	1,588,951	2,301,450	608,838	1,628,075	2,363,588
Vacancy Loss - Residential - Tenant Rents		n/a	n/a			Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(4,650)	(77,510)	(82,160)	(4,697)	(79,448)	(84,144)	(4,743)	(61,434)	(86,177)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a				-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial		n/a	n/a				-	(24,000)	-	-	-	-	-	(25,215)	-
EFFECTIVE GROSS INCOME							573,081	1,472,686	2,141,767	584,802	1,509,503	2,192,706	604,095	1,547,241	2,252,196
OPERATING EXPENSES															
Management															
Management Fee		3.5%	3.5%			1st Year to be set according to HUD schedule	24,888	74,664	99,552	25,750	77,277	103,036	26,661	79,982	106,643
Asset Management Fee		3.5%	3.5%			per MOHCD policy	5,669	17,003	22,670	5,866	17,598	23,463	6,071	18,214	24,285
Sub-total Management Expenses							30,556	91,667	122,222	31,625	94,875	126,500	32,732	98,195	130,927
Salaries/Benefits															
Office Salaries		3.5%	3.5%				204,095	51,024	255,119	211,238	52,810	264,048	218,632	54,658	273,290
Manager's Salary		3.5%	3.5%				18,143	54,430	72,573	18,778	56,335	75,113	19,436	58,307	77,742
Health Insurance and Other Benefits		3.5%	3.5%				39,680	119,040	158,720	41,069	123,208	164,275	42,536	127,519	170,025
Other Salaries/Benefits		3.5%	3.5%				2,785	8,354	11,138	2,882	8,646	11,528	2,983	8,949	11,931
Administrative Rent-Free Unit		3.5%	3.5%				-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits							264,703	232,847	497,550	273,968	249,997	514,984	283,556	249,432	532,988
Administration															
Advertising and Marketing		3.5%	3.5%				-	-	-	-	-	-	-	-	-
Office Expenses		3.5%	3.5%				9,853	29,558	39,410	10,197	30,592	40,789	10,554	31,663	42,217
Office Rent		3.5%	3.5%				925	2,775	3,700	957	2,872	3,830	991	2,973	3,964
Legal Expense - Property		3.5%	3.5%				1,355	4,064	5,418	1,402	4,206	5,608	1,451	4,353	5,804
Audit Expense		3.5%	3.5%				3,343	10,028	13,370	3,459	10,378	13,838	3,581	10,742	14,322
Bookkeeping/Accounting Services		3.5%	3.5%				3,420	10,260	13,680	3,540	10,619	14,159	3,664	10,991	14,654
Bad Debts		3.5%	3.5%				3,296	9,887	13,183	3,411	10,233	13,644	3,530	10,991	14,122
Miscellaneous		3.5%	3.5%				3,007	9,022	12,029	3,113	9,338	12,450	3,221	9,664	12,886
Sub-total Administration Expenses							25,198	75,593	100,790	26,079	78,238	104,318	26,992	80,977	107,969
Utilities															
Electricity		3.5%	3.5%				16,997	50,992	67,989	17,592	52,776	70,369	18,208	54,624	72,832
Water		3.5%	3.5%				17,211	51,632	68,843	17,813	53,439	71,253	18,437	55,310	73,746
Gas		3.5%	3.5%				-	-	-	-	-	-	-	-	-
Sewer		3.5%	3.5%				23,105	69,316	92,421	23,914	71,742	95,656	24,751	74,253	99,004
Sub-total Utilities							57,313	171,940	229,253	59,319	177,958	237,277	61,395	184,186	245,582
Taxes and Licenses															
Real Estate Taxes		3.5%	3.5%				2,158	6,474	8,632	2,234	6,701	9,034	2,312	6,935	9,247
Payroll Taxes		3.5%	3.5%				10,851	31,953	42,804	11,024	33,071	44,095	11,410	34,229	45,638
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%				3,229	11,186	14,914	3,859	11,577	15,436	3,994	11,982	15,978
Sub-total Taxes and Licenses							16,538	49,613	66,150	17,116	51,349	68,465	17,715	53,146	70,862
Insurance															
Property and Liability Insurance		3.5%	3.5%				25,953	77,860	103,813	26,862	80,585	107,446	27,802	83,405	111,207
Fidelity Bond Insurance		3.5%	3.5%				-	-	-	-	-	-	-	-	-
Worker's Compensation		3.5%	3.5%				5,472	16,415	21,887	5,663	16,990	22,653	5,861	17,584	23,446
Director's & Officers' Liability Insurance		3.5%	3.5%				-	-	-	-	-	-	-	-	-
Sub-total Insurance							31,425	94,275	125,700	32,525	97,575	130,100	33,663	100,990	134,653
Maintenance & Repair															
Payroll		3.5%	3.5%				29,752	89,256	119,008	30,793	92,380	123,173	31,871	95,613	127,484
Supplies		3.5%	3.5%				6,641	19,922	26,562	6,873	20,619	27,492	7,113	21,340	28,454
Contracts		3.5%	3.5%				56,572	169,715	226,286	58,552	175,655	234,206	60,601	181,802	242,403
Garbage and Trash Removal		3.5%	3.5%				10,540	31,620	42,160	10,909	32,727	43,636	11,291	33,872	45,163
Security Payroll/Contract		3.5%	3.5%				3,369	10,104	13,472	3,486	10,458	13,944	3,608	10,824	

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

Total # Units: 122
 Units: 31
 Units: 91

	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 1 2026			Year 2 2027			Year 3 2028		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME												
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance												
Other Reserve 2 Deposits												
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
<i>Other Required Reserve 2 Running Balance</i>												

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

1515 South Van Ness

Total # Units: LOSP Units 122, Non-LOSP Units 91
 25.00% 75.00%

	LOSP		Non-LOSP		Year 4 2029			Year 5 2030			Year 6 2031		
	inc LOSP	% annual increase	LOSP	non-LOSP	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME													
Residential - Tenant Rents	1.0%	2.5%	95,618	1,669,392	1,765,210	96,776	1,711,126	1,807,903	97,744	1,753,904	1,851,648		
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	533,041	-	533,041	552,810	-	552,810	573,300	-	573,300	-	573,300
Commercial Space	n/a	2.5%	-	-	129,227	-	129,227	132,458	-	132,458	-	-	135,769
Residential Parking	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-
Tenant Charges	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			628,859	1,669,392	2,427,478	649,586	1,711,126	2,493,170	671,044	1,753,904	2,560,717		
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(4,791)	(83,470)	(88,260)	(4,639)	(85,556)	(90,395)	(4,887)	(87,695)	(92,582)		
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	(25,845)	-	-	(25,845)	-	-	-	-	(27,154)
EFFECTIVE GROSS INCOME			624,068	1,585,922	2,313,372	644,747	1,625,570	2,376,283	666,156	1,666,209	2,440,981		
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%	27,594	82,781	110,375	28,560	85,679	114,238	29,559	86,677	118,237		
Asset Management Fee	3.5%	3.5%	6,284	18,851	25,135	6,504	19,511	26,014	6,731	20,194	26,925		
Sub-total Management Expenses			33,877	101,632	135,510	35,063	105,189	140,253	36,290	106,871	145,161		
Salaries/Benefits													
Office Salaries	3.5%	3.5%	226,284	56,571	282,855	234,204	58,551	292,755	242,401	60,600	303,001		
Manager's Salary	3.5%	3.5%	20,116	60,347	80,463	20,820	62,459	83,279	21,548	64,645	85,194		
Health Insurance and Other Benefits	3.5%	3.5%	43,994	131,982	175,976	45,334	136,601	182,135	47,127	141,382	188,510		
Other Salaries/Benefits	3.5%	3.5%	3,087	9,262	12,349	3,195	9,586	12,781	3,307	9,921	13,228		
Administrative Rent-Free Unit	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits			293,481	258,162	551,643	303,753	267,197	570,950	314,384	276,549	590,933		
Administration													
Advertising and Marketing	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%	10,924	32,771	43,695	11,306	33,918	45,224	11,702	35,105	46,807		
Office Rent	3.5%	3.5%	1,026	3,077	4,102	1,061	3,184	4,246	1,099	3,296	4,394		
Legal Expense - Property	3.5%	3.5%	1,502	4,505	6,007	1,554	4,663	6,217	1,609	4,826	6,434		
Audit Expense	3.5%	3.5%	3,706	11,118	14,824	3,836	11,507	15,342	3,970	11,910	15,879		
Bookkeeping/Accounting Services	3.5%	3.5%	3,792	11,375	15,167	3,925	11,774	15,698	4,062	12,186	16,248		
Bad Debts	3.5%	3.5%	3,654	10,962	14,616	3,782	11,346	15,128	3,914	11,743	15,657		
Miscellaneous	3.5%	3.5%	3,334	10,003	13,337	3,451	10,353	13,804	3,572	10,715	14,287		
Sub-total Administration Expenses			27,937	83,811	111,748	28,915	86,744	115,659	29,927	89,780	119,707		
Utilities													
Electricity	3.5%	3.5%	18,845	56,535	75,381	19,505	58,514	78,019	20,187	60,562	80,750		
Water	3.5%	3.5%	19,082	57,246	76,327	19,590	59,249	78,999	20,441	61,323	81,764		
Gas	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%	25,617	76,882	102,489	26,514	79,541	106,055	27,442	82,325	109,787		
Sub-total Utilities			63,544	190,663	254,177	65,768	197,305	263,073	68,070	204,210	272,281		
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%	2,393	7,178	9,570	2,476	7,429	9,905	2,563	7,689	10,252		
Payroll Taxes	3.5%	3.5%	11,809	35,427	47,236	12,222	36,667	48,889	12,650	37,950	50,600		
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%	4,134	12,402	16,535	4,270	12,836	17,114	4,428	13,285	17,713		
Sub-total Taxes and Licenses			18,335	55,006	73,342	18,977	56,931	75,909	19,641	58,924	78,565		
Insurance													
Property and Liability Insurance	3.5%	3.5%	28,775	86,324	115,099	29,782	89,346	119,128	30,824	92,473	123,297		
Fidelity Bond Insurance	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%	6,067	18,200	24,267	6,279	18,837	25,116	6,499	19,496	25,995		
Director's & Officers' Liability Insurance	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance			34,841	104,524	139,366	36,061	108,183	144,244	37,323	111,969	149,292		
Maintenance & Repair													
Payroll	3.5%	3.5%	32,987	98,960	131,946	34,141	102,423	136,584	35,336	106,008	141,344		
Supplies	3.5%	3.5%	7,362	22,087	29,450	7,620	22,860	30,481	7,887	23,660	31,547		
Contracts	3.5%	3.5%	62,722	188,165	250,887	64,917	194,751	259,668	67,189	201,568	268,757		
Garbage and Trash Removal	3.5%	3.5%	11,686	35,058	46,744	12,095	36,285	48,380	12,518	37,555	50,073		
Security Payroll/Contract	3.5%	3.5%	3,734	11,202	14,937	3,865	11,595	15,459	4,000	12,000	16,001		
HVAC Repairs and Maintenance	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%	155	465	620	160	481	641	168	498	664		
Sub-total Maintenance & Repair Expenses			118,646	355,938	474,583	122,798	368,935	491,194	127,096	381,289	508,396		
Supportive Services	3.5%	3.5%	-	116,748	116,748	-	120,834	120,834	-	125,063	125,063		
Commercial Expenses			-	-	74,506	-	-	77,114	-	-	79,813		
TOTAL OPERATING EXPENSES			590,662	1,266,454	1,931,622	611,335	1,310,779	1,999,228	632,732	1,356,657	2,069,201		
RESERVES/GROUND LEASE BASE RENT/BOND FEES													
<i>e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.</i>													
Ground Lease Base Rent	3.750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000	
Bond Monitoring Fee	625	1,875	2,500	625	1,875	2,500	625	1,875	2,500	625	1,875	2,500	
Replacement Reserve Deposit	15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000	
Operating Reserve Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-
Required Reserve Deposits/Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500		
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			610,287	1,325,329	2,010,122	630,960	1,369,654	2,077,728	652,357	1,415,532	2,147,701		
NET OPERATING INCOME (INCOME minus OP EXPENSES)													
			13,781	260,593	303,250	13,787	255,916	298,555	13,799	250,678	293,280		
DEBT SERVICE/INCOME PAY PAYMENTS ("hard debt"/amortized loans)													
<i>e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.</i>													
Hard Debt - First Lender	-	36,803	36,803	-	36,803	36,803	-	36,803	36,803	-	36,803	36,803	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service	21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803	
TOTAL HARD DEBT SERVICE			42,000	163,603	207,606	42,000	163,603	207,606	42,000	163,603	207,606		
CASH FLOW (NOI minus DEBT SERVICE)			(28,219)	96,990	95,644	(28,213)	92,313	90,949	(26,847)	87,075	85,674		
Commercial Only Cash Flow													
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	7,219	21,657	28,876	7,213	21,639	28,852	7,201	21,602	28,769	7,194	21,584	28,753	
AVAILABLE CASH FLOW			0	118,710	124,320	0	119,126	119,901	0	118,877	118,227		
USES OF CASH FLOW BELOW (This row also shows DSCR.)													
<i>e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.</i>													
"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%	-	-									

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

Total # Units: 122
 Units: 31
 Units: 91

INCOME	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 4 2029			Year 5 2030			Year 6 2031		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						-		-		-		-
Other Reserve 2 Deposits						-		-		-		-
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
<i>Other Required Reserve 2 Running Balance</i>						-		-		-		-

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

1515 South Van Ness

Total # Units:	LOSP Units		Non-LOSP Units		Year 7 2032			Year 8 2033			Year 9 2034		
	122	31 25.00%	91 75.00%										
	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
INCOME													
Residential - Tenant Rents	1.0%	2.5%		98,721	1,797,752	1,896,473	99,709	1,842,696	1,942,404	700,706	1,888,763	1,989,469	
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-	-	-	-	
Residential - LOSP Tenant Assistance Payments	n/a	n/a		594,536		594,536	616,546		616,546	639,357		639,357	
Commercial Space	n/a	2.5%	from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%			139,163			142,642			146,208	
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Laundry and Vending	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Other Commercial Income	n/a	2.5%	from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%										
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable										
Gross Potential Income				693,258	1,797,752	2,630,173	716,255	1,842,696	2,701,593	740,062	1,888,763	2,775,034	
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(4,936)	(89,888)	(94,824)	(4,985)	(92,138)	(97,120)	(5,035)	(94,438)	(99,473)	
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a											
Vacancy Loss - Commercial	n/a	n/a				(27,833)			(28,528)			(29,242)	
EFFECTIVE GROSS INCOME				688,322	1,707,864	2,607,517	711,269	1,750,558	2,675,944	735,027	1,794,325	2,646,319	
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	30,594	91,781	122,375	31,664	94,993	126,658	32,773	98,318	131,091	
Asset Management Fee	3.5%	3.5%	per MOHCD policy	6,967	20,900	27,867	7,211	21,632	28,843	7,463	22,389	29,852	
Sub-total Management Expenses				37,561	112,682	150,242	38,875	116,625	155,501	40,236	120,707	160,943	
Salaries/Benefits													
Office Salaries	3.5%	3.5%		250,885	62,721	313,606	259,666	64,917	324,583	268,754	67,189	335,943	
Manager's Salary	3.5%	3.5%		22,303	66,908	89,211	23,083	69,250	92,333	23,891	71,674	95,365	
Health Insurance and Other Benefits	3.5%	3.5%		48,777	146,331	195,107	50,494	151,453	201,938	32,291	156,793	209,004	
Other Salaries/Benefits	3.5%	3.5%		3,423	10,269	13,691	3,543	10,628	14,171	3,667	11,000	14,687	
Administrative Rent-Free Unit	3.5%	3.5%											
Sub-total Salaries/Benefits				325,387	286,228	611,616	336,776	296,246	633,022	348,563	306,615	655,178	
Administration													
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Office Expenses	3.5%	3.5%		12,111	36,334	48,445	12,535	37,605	50,141	12,974	39,322	51,895	
Office Rent	3.5%	3.5%		1,137	3,411	4,548	1,177	3,531	4,707	1,218	3,654	4,872	
Legal Expense - Property	3.5%	3.5%		1,665	4,995	6,660	1,723	5,170	6,893	1,784	5,351	7,134	
Audit Expense	3.5%	3.5%		4,109	12,326	16,435	4,253	12,758	17,010	4,401	13,204	17,606	
Bookkeeping/Accounting Services	3.5%	3.5%		4,204	12,612	16,816	4,351	13,054	17,405	4,503	13,510	18,014	
Bad Debts	3.5%	3.5%		4,051	12,154	16,205	4,193	12,579	16,772	4,340	13,020	17,359	
Miscellaneous	3.5%	3.5%		3,697	11,090	14,787	3,826	11,478	15,304	3,960	11,880	15,840	
Sub-total Administration Expenses				30,974	92,922	123,897	32,058	96,175	128,233	33,180	99,541	132,721	
Utilities													
Electricity	3.5%	3.5%		20,894	62,682	83,576	21,625	64,876	86,501	22,382	67,146	89,529	
Water	3.5%	3.5%		21,156	63,469	84,626	21,897	65,691	87,588	22,663	67,990	90,653	
Gas	3.5%	3.5%											
Sewer	3.5%	3.5%		28,402	85,207	113,609	29,396	88,109	117,585	30,425	91,278	121,701	
Sub-total Utilities				70,453	211,358	281,810	72,918	218,755	291,674	75,471	226,412	301,882	
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		2,683	7,958	10,611	2,746	8,237	10,982	2,842	8,525	11,387	
Payroll Taxes	3.5%	3.5%		13,093	39,278	52,371	13,551	40,653	54,204	14,025	42,076	56,101	
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		4,583	13,750	18,333	4,744	14,231	18,975	4,910	14,729	19,639	
Sub-total Taxes and Licenses				20,329	60,986	81,315	21,040	63,121	84,161	21,777	65,330	87,107	
Insurance													
Property and Liability Insurance	3.5%	3.5%		31,903	95,710	127,613	33,020	99,059	132,079	34,175	102,526	136,702	
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Worker's Compensation	3.5%	3.5%		6,726	20,179	26,905	6,962	20,885	27,846	7,205	21,616	28,821	
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Sub-total Insurance				38,629	115,888	154,517	39,981	119,944	159,926	41,381	124,142	165,523	
Maintenance & Repair													
Payroll	3.5%	3.5%		36,573	109,718	146,291	37,853	113,559	151,411	39,178	117,533	156,711	
Supplies	3.5%	3.5%		8,163	24,489	32,651	8,449	25,346	33,794	8,744	26,233	34,977	
Contracts	3.5%	3.5%		69,541	208,622	278,163	71,975	215,924	287,899	74,494	223,462	297,975	
Garbage and Trash Removal	3.5%	3.5%		12,956	38,869	51,825	13,410	40,229	53,639	13,879	41,638	55,517	
Security Payroll/Contract	3.5%	3.5%		4,140	12,420	16,561	4,285	12,855	17,140	4,435	13,305	17,740	
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		172	515	687	178	533	711	184	532	736	
Sub-total Maintenance & Repair Expenses				131,545	394,634	526,179	136,149	408,446	544,595	140,914	422,742	563,856	
Supportive Services	3.5%	3.5%		-	129,441	129,441	-	133,971	133,971	-	138,660	138,660	
Commercial Expenses													
from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%				-	-	82,606	-	-	85,497	-	-	88,490	
TOTAL OPERATING EXPENSES				654,878	1,404,140	2,141,623	677,798	1,453,285	2,216,580	701,521	1,504,150	2,294,160	
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent				3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000	
Bond Monitoring Fee				625	1,875	2,500	625	1,875	2,500	625	1,875	2,500	
Replacement Reserve Deposit				15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000	
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	
Required Reserve Deposits/Commercial				-	-	-	-	-	-	-	-	-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				674,503	1,463,015	2,220,123	697,423	1,512,160	2,295,080	721,146	1,563,025	2,372,660	
NET OPERATING INCOME (INCOME minus OP EXPENSES)				13,819	244,850	287,393	13,846	238,402	280,864	13,881	231,301	273,658	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	36,803	36,803	-	36,803	36,803	-	36,803	36,803	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	
Commercial Hard Debt Service			from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803	
TOTAL HARD DEBT SERVICE				21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803	
CASH FLOW (NOI minus DEBT SERVICE)				(7,181)	145,047	166,590	(7,154)	138,599	160,061	(7,119)	131,498	152,855	
Commercial Only Cash Flow						28,725			28				

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Total # Units: 122
 Units: 31
 Units: 91

INCOME	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 7 2032			Year 8 2033			Year 9 2034		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						-			-			-
Other Reserve 2 Deposits						-			-			-
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
<i>Other Required Reserve 2 Running Balance</i>						-			-			-

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	Total # Units:		LOSP Units	Non-LOSP Units	Comments (related to annual inc assumptions)	Year 10 2035			Year 11 2036			Year 12 2037		
	25.00%	75.00%	31	91		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	inc	% annual increase												
Residential - Tenant Rents	1.0%	2.5%				101,713	1,935,982	2,037,695	102,730	1,984,382	2,087,112	103,757	2,033,991	2,137,749
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a				-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	662,996	-	662,996	687,495	-	687,495	712,882	-	712,882
Commercial Space	n/a	2.5%				-	-	149,864	-	-	153,810	-	-	157,450
Residential Parking	2.5%	2.5%				-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%				-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%				-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%				-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%				-	-	-	-	-	-	-	-	-
Tenant Charges	2.5%	2.5%				-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%				-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a			Link from Reserve Section below, as applicable	-	-	-	-	-	-	-	-	-
Gross Potential Income						764,709	1,935,982	2,850,656	790,225	1,984,382	2,928,217	816,640	2,033,991	3,008,081
Vacancy Loss - Residential - Tenant Rents	n/a	n/a			Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(5,086)	(96,790)	(101,885)	(5,136)	(99,210)	(104,356)	(5,188)	(101,700)	(106,887)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a				-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a				-	-	(29,973)	-	-	(30,722)	-	-	(31,490)
EFFECTIVE GROSS INCOME						759,624	1,839,193	2,718,698	785,088	1,885,163	2,793,139	811,452	1,932,292	2,869,704
OPERATING EXPENSES														
Management														
Management Fee	3.5%	3.5%			1st Year to be set according to HUD schedule	33,920	101,759	135,679	35,107	105,321	140,428	36,336	109,007	145,343
Asset Management Fee	3.5%	3.5%			per MOHCD policy	7,724	23,173	30,897	7,995	23,984	31,978	8,274	24,823	33,098
Sub-total Management Expenses						41,644	124,932	166,576	43,102	129,305	172,406	44,610	133,830	178,440
Salaries/Benefits														
Office Salaries	3.5%	3.5%				278,161	69,540	347,701	287,896	71,974	359,870	297,973	74,493	372,466
Manager's Salary	3.5%	3.5%				24,727	74,182	98,910	25,593	76,779	102,371	26,469	79,466	105,954
Health Insurance and Other Benefits	3.5%	3.5%				54,080	162,239	216,319	55,973	167,916	223,880	57,932	173,795	231,728
Other Salaries/Benefits	3.5%	3.5%				3,795	11,385	15,180	3,828	11,763	15,711	4,065	12,186	16,281
Administrative Rent-Free Unit	3.5%	3.5%				-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits						360,763	317,347	678,110	373,390	328,454	701,843	386,458	339,950	726,408
Administration														
Advertising and Marketing	3.5%	3.5%				-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%				13,428	40,284	53,712	13,898	41,694	55,992	14,384	43,153	57,537
Office Rent	3.5%	3.5%				1,261	3,782	5,043	1,305	3,914	5,219	1,350	4,051	5,402
Legal Expense - Property	3.5%	3.5%				1,846	5,538	7,384	1,911	5,732	7,643	1,978	5,933	7,910
Audit Expense	3.5%	3.5%				4,555	13,666	18,222	4,715	14,145	18,860	4,880	14,640	19,520
Bookkeeping/Accounting Services	3.5%	3.5%				4,661	13,983	18,644	4,824	14,473	19,297	4,993	14,979	19,972
Bad Debts	3.5%	3.5%				4,492	13,475	17,967	4,649	13,947	18,596	4,812	14,435	19,247
Miscellaneous	3.5%	3.5%				4,099	12,296	16,394	4,242	12,726	16,968	4,390	13,171	17,562
Sub-total Administration Expenses						34,342	103,025	137,366	35,544	106,631	142,174	36,788	110,363	147,150
Utilities														
Electricity	3.5%	3.5%				23,166	69,497	92,662	23,976	71,929	95,905	24,815	74,446	99,262
Water	3.5%	3.5%				23,456	70,369	93,826	24,277	72,832	97,110	25,127	73,382	100,509
Gas	3.5%	3.5%				-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%				31,490	94,470	125,960	32,592	97,777	130,369	33,733	101,199	134,932
Sub-total Utilities						78,112	234,336	312,448	80,846	242,538	323,384	83,676	251,027	334,702
Taxes and Licenses														
Real Estate Taxes	3.5%	3.5%				2,941	8,823	11,765	3,044	9,132	12,176	3,151	9,452	12,602
Payroll Taxes	3.5%	3.5%				14,516	43,549	58,065	15,024	45,073	60,097	15,550	46,650	62,201
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%				5,082	15,245	20,328	5,259	15,778	21,038	5,443	16,330	21,774
Sub-total Taxes and Licenses						22,539	67,617	90,156	23,328	69,983	93,311	24,144	72,433	96,577
Insurance														
Property and Liability Insurance	3.5%	3.5%				35,372	106,115	141,486	36,610	109,829	146,438	37,891	113,673	151,564
Fidelity Bond Insurance	3.5%	3.5%				-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%				7,457	22,372	29,830	7,718	23,155	30,874	7,989	23,966	31,954
Director's & Officers' Liability Insurance	3.5%	3.5%				-	-	-	-	-	-	-	-	-
Sub-total Insurance						42,829	128,487	171,316	44,328	132,984	177,312	45,880	137,639	183,518
Maintenance & Repair														
Payroll	3.5%	3.5%				40,549	121,647	162,196	41,968	125,904	167,873	43,437	130,311	173,748
Supplies	3.5%	3.5%				9,050	27,151	36,201	9,367	28,101	37,488	9,695	29,085	38,780
Contracts	3.5%	3.5%				77,101	231,303	308,405	79,800	239,399	319,199	82,593	247,778	330,371
Garbage and Trash Removal	3.5%	3.5%				14,365	43,095	57,460	14,868	44,603	59,471	15,388	46,164	61,552
Security Payroll/Contract	3.5%	3.5%				4,500	13,771	18,361	4,751	14,253	19,004	4,917	14,752	19,669
HVAC Repairs and Maintenance	3.5%	3.5%				-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%				-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%				190	571	762	197	591	789	204	612	816
Sub-total Maintenance & Repair Expenses						145,846	437,538	583,384	150,951	452,852	603,803	156,234	468,702	624,936
Supportive Services	3.5%	3.5%			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	143,513	143,513	-	148,536	148,536	-	153,735	153,735
Commercial Expenses						-	-	91,587	-	-	94,792	-	-	98,110
TOTAL OPERATING EXPENSES						726,075	1,556,795	2,374,456	751,487	1,611,283	2,457,562	777,789	1,667,677	2,543,577
RESERVES/GROUND LEASE BASE RENT/BOND FEES														
Ground Lease Base Rent						3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000
Bond Monitoring Fee						625	1,875	2,500	625	1,875	2,500	625	1,875	2,500
Replacement Reserve Deposit						15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000
Operating Reserve Deposit						-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit						-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit						-	-	-	-	-	-	-	-	-
Required Reserve Deposits/Commercial					from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees						19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)						745,700	1,615,670	2,452,956	771,112	1,670,158	2,536,062	797,414	1,726,552	2,622,077
NET OPERATING INCOME (INCOME minus OP EXPENSES)														
						13,924	223,513	265,742	13,976	215,005	257,077	14,037	205,739	247,627
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)														
Hard Debt - First Lender					Enter comments re: annual increase, etc.	-	36,803	36,803	-	36,803	36,803	-	36,803	36,803
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					Enter comments re: annual increase, etc.	21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender					Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service					from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803
TOTAL HARD DEBT SERVICE						21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

Total # Units: 122
 Units: 31
 Units: 91

INCOME	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 10 2035			Year 11 2036			Year 12 2037		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						-			-			-
Other Reserve 2 Deposits						-			-			-
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
<i>Other Required Reserve 2 Running Balance</i>						-			-			-

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

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INCOME	Total # Units:		Comments (related to annual inc assumptions)	Year 13 2038			Year 14 2039			Year 15 2040		
	LOSP Units	Non-LOSP Units		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents	122	31		104,796	2,084,841	2,189,636	105,843	2,136,962	2,242,805	106,901	2,190,386	2,297,287
Residential - Tenant Assistance Payments (Non-LOSP)												
Residential - LOSP Tenant Assistance Payments				739,191		739,191	766,452		766,452	794,701		794,701
Commercial Space			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%			161,387			165,421			169,557
Residential Parking												
Miscellaneous Rent Income												
Supportive Services Income												
Interest Income - Project Operations												
Laundry and Vending												
Tenant Charges												
Miscellaneous Residential Income												
Other Commercial Income			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%									
Withdrawal from Capitalized Reserve (deposit to operating account)			Link from Reserve Section below, as applicable									
Gross Potential Income				843,985	2,084,841	3,090,213	872,295	2,136,962	3,174,678	901,602	2,190,386	3,261,545
Vacancy Loss - Residential - Tenant Rents			Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(5,240)	(104,242)	(109,482)	(5,292)	(106,648)	(112,140)	(5,345)	(109,519)	(114,864)
Vacancy Loss - Residential - Tenant Assistance Payments												
Vacancy Loss - Commercial						(32,277)			(33,084)			(33,911)
EFFECTIVE GROSS INCOME				838,746	1,980,599	2,980,731	867,002	2,030,314	3,062,538	896,257	2,080,867	3,117,680
OPERATING EXPENSES												
Management												
Management Fee			1st Year to be set according to HUD schedule	37,607	112,822	150,430	38,924	116,771	155,695	40,286	120,858	161,144
Asset Management Fee			per MOHCD policy	8,564	25,692	34,256	8,864	26,591	35,455	9,174	27,522	36,696
Sub-total Management Expenses				46,171	138,514	184,686	47,788	143,362	191,150	49,460	148,380	197,840
Salaries/Benefits												
Office Salaries				308,402	77,100	385,502	319,196	79,799	398,995	330,368	82,592	412,960
Manager's Salary				27,416	82,247	109,663	28,375	85,126	113,501	29,368	88,105	117,474
Health Insurance and Other Benefits				59,959	179,878	239,837	62,058	186,173	248,231	64,230	192,688	256,919
Other Salaries/Benefits				4,208	12,623	16,830	4,355	13,065	17,419	4,507	13,322	18,029
Administrative Rent-Free Unit												
Sub-total Salaries/Benefits				399,984	351,848	751,832	413,984	364,163	778,146	428,473	376,908	805,381
Administration												
Advertising and Marketing												
Office Expenses				14,888	44,663	59,551	15,409	46,227	61,636	15,948	47,845	63,793
Office Rent				1,398	4,193	5,591	1,447	4,340	5,787	1,497	4,492	5,989
Legal Expense - Property				2,047	6,140	8,187	2,118	6,355	8,474	2,193	6,578	8,770
Audit Expense				5,051	15,152	20,203	5,228	15,683	20,910	5,410	16,231	21,642
Bookkeeping/Accounting Services				5,168	15,504	20,671	5,349	16,046	21,395	5,536	16,608	22,144
Bad Debts				4,980	14,940	19,920	5,154	15,463	20,618	5,335	16,004	21,339
Miscellaneous				4,544	13,632	18,177	4,703	14,110	18,813	4,868	14,603	19,471
Sub-total Administration Expenses				38,075	114,225	152,301	39,408	118,223	157,631	40,787	122,361	163,148
Utilities												
Electricity				25,684	77,052	102,736	26,583	79,749	106,332	27,513	82,540	110,053
Water				26,007	78,020	104,026	26,917	80,751	107,667	27,859	83,577	111,436
Gas												
Sewer				34,914	104,741	139,654	36,136	108,407	144,542	37,400	112,291	149,801
Sub-total Utilities				86,604	259,813	346,417	89,635	268,906	358,542	92,773	278,318	371,091
Taxes and Licenses												
Real Estate Taxes				3,261	9,783	13,044	3,375	10,125	13,500	3,493	10,479	13,973
Payroll Taxes				16,094	48,283	64,378	16,658	49,972	66,831	17,241	51,722	69,863
Miscellaneous Taxes, Licenses and Permits				5,634	16,902	22,536	5,831	17,494	23,325	6,035	18,106	24,141
Sub-total Taxes and Licenses				24,989	74,968	99,957	25,864	77,592	103,456	26,769	80,307	107,977
Insurance												
Property and Liability Insurance				39,217	117,651	156,869	40,590	121,769	162,359	42,010	126,031	168,042
Fidelity Bond Insurance												
Worker's Compensation				8,268	24,805	33,073	8,558	25,673	34,230	8,857	26,571	35,428
Director's & Officers' Liability Insurance												
Sub-total Insurance				47,485	142,456	189,941	49,147	147,442	196,589	50,867	152,602	203,470
Maintenance & Repair												
Payroll				44,957	134,872	179,829	46,531	139,592	186,123	48,159	144,478	192,638
Supplies				10,034	30,103	40,137	10,385	31,156	41,542	10,749	32,247	42,996
Contracts				85,483	256,450	341,934	88,475	265,426	353,901	91,572	274,716	366,288
Garbage and Trash Removal				15,927	47,780	63,707	16,484	49,452	65,936	17,061	51,183	68,244
Security Payroll/Contract				5,089	15,268	20,357	5,267	15,802	21,070	5,452	16,355	21,807
HVAC Repairs and Maintenance												
Vehicle and Maintenance Equipment Operation and Repairs												
Miscellaneous Operating and Maintenance Expenses				211	634	845	219	656	874	226	679	905
Sub-total Maintenance & Repair Expenses				161,702	485,106	646,808	167,362	502,085	669,447	173,219	519,658	692,877
Supportive Services												
Commercial Expenses			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%		159,116	159,116		164,685	164,685		170,449	170,449
TOTAL OPERATING EXPENSES				805,012	1,726,046	2,632,602	833,187	1,786,458	2,724,743	862,349	1,848,984	2,820,109
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees												
Ground Lease Base Rent				3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000
Bond Monitoring Fee				625	1,875	2,500	625	1,875	2,500	625	1,875	2,500
Replacement Reserve Deposit				15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000
Operating Reserve Deposit												
Other Required Reserve 1 Deposit												
Other Required Reserve 2 Deposit												
Required Reserve Deposits/Commercial			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%									
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				824,637	1,784,921	2,711,102	852,812	1,845,333	2,803,243	881,974	1,907,859	2,898,609
NET OPERATING INCOME (INCOME minus OP EXPENSES)				14,109	195,678	237,352	14,190	184,781	226,211	14,283	173,008	214,160
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)												
Hard Debt - First Lender					36,803	36,803		36,803	36,803		36,803	36,803
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)												
Hard Debt - Fourth Lender												
Commercial Hard Debt Service			from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%									
TOTAL HARD DEBT SERVICE				21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803
CASH FLOW (NOI minus DEBT SERVICE)				(6,891)	95,875	116,549	(6,810)	84,978	105,408	(6,717)	73,205	93,357
Commercial Only Cash Flow						27,566			27,239			26,869
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				6,891	20,674		6,810	20,429		6,717	20,152	
AVAILABLE CASH FLOW				0	116,549	116,549	0	105,408	105,408	0	93,357	93,357
USES OF CASH FLOW BELOW (This row also shows DSCR.)												
USES THAT PRECEED MOHCD DEBT SERVICE IN WATERFALL												
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			per MOHCD policy									
Partnership Management Fee (see policy for limits)			per MOHCD policy									
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase									
Other Payments												
Non-amortizing Loan Pmnt - Lender 1												
Non-amortizing Loan Pmnt - Lender 2												
Deferred Developer Fee (Enter amt <= Max Fee from row 131)												
TOTAL PAYMENTS PRECEDING MOHCD												
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				0	116,549	116,549	0	105,408	105,408	0	93,357	93,357
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due				62.24%		48,360		43,737		38,737		
Proposed MOHCD Residual Receipts Amount to Loan Repayment						48,360		43,737		38,737		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease												
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
HCD Residual Receipts Amount Due				37.76%		29,339		26,535		23,501		
Lender 4 Residual Receipts Due				0.00%				</				

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

Total # Units: 122
 Units: 31
 Units: 91

INCOME	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 13 2038			Year 14 2039			Year 15 2040		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						-			-			-
Other Reserve 2 Deposits						-			-			-
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
<i>Other Required Reserve 2 Running Balance</i>						-			-			-

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

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Total # Units:
 LOSP Units: 122 (25.00%)
 Non-LOSP Units: 91 (75.00%)

INCOME	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 16 2021			Year 17 2022			Year 18 2023		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents	1.0%	2.5%		107,970	2,245,146	2,353,116	109,050	2,301,275	2,410,324	110,140	2,358,807	2,468,947
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	823,971	-	823,971	854,300	-	854,300	885,725	-	885,725
Commercial Space	n/a	2.5%		-	-	173,798	-	-	178,141	-	-	182,594
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%	from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-	-	-	-	-
Gross Potential Income				931,941	2,245,146	3,350,883	963,350	2,301,275	3,442,765	995,865	2,358,807	3,537,266
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(5,309)	(112,257)	(117,566)	(5,462)	(115,064)	(120,516)	(5,507)	(117,940)	(123,447)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	(34,759)	-	-	(35,628)	-	-	(36,519)
EFFECTIVE GROSS INCOME				926,543	2,132,889	3,198,468	957,897	2,186,211	3,286,621	990,358	2,240,866	3,377,300
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	41,696	125,088	166,784	43,155	129,466	172,622	44,666	133,996	178,664
Asset Management Fee	3.5%	3.5%	per MOHCD policy	9,495	28,485	37,980	9,827	29,482	39,309	10,171	30,514	40,685
Sub-total Management Expenses				51,191	153,573	204,764	52,983	158,948	211,931	54,837	164,512	219,349
Salaries/Benefits												
Office Salaries	3.5%	3.5%		341,931	85,483	427,413	353,898	88,475	442,373	366,285	91,571	457,856
Manager's Salary	3.5%	3.5%		30,396	91,189	121,585	31,460	94,380	125,841	32,561	97,684	130,245
Health Insurance and Other Benefits	3.5%	3.5%		66,478	199,434	265,911	68,895	206,414	275,218	71,213	213,688	284,651
Other Salaries/Benefits	3.5%	3.5%		4,665	13,985	18,650	4,828	14,485	19,313	4,997	14,992	19,989
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				443,470	390,100	833,570	458,991	403,754	862,745	475,056	417,885	892,941
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		16,506	49,519	66,025	17,084	51,252	68,336	17,682	53,046	70,728
Office Rent	3.5%	3.5%		1,550	4,649	6,199	1,604	4,812	6,416	1,660	4,980	6,640
Legal Expense - Property	3.5%	3.5%		2,269	6,808	9,077	2,349	7,046	9,395	2,431	7,293	9,724
Audit Expense	3.5%	3.5%		5,600	16,800	22,399	5,796	17,388	23,183	5,999	17,996	23,995
Bookkeeping/Accounting Services	3.5%	3.5%		5,730	17,189	22,919	5,930	17,791	23,721	6,138	18,413	24,551
Bad Debts	3.5%	3.5%		5,522	16,565	22,086	5,715	17,144	22,859	5,915	17,744	23,659
Miscellaneous	3.5%	3.5%		5,038	15,115	20,153	5,215	15,644	20,858	5,397	16,191	21,588
Sub-total Administration Expenses				42,215	126,644	168,858	43,692	131,076	174,768	45,221	135,664	180,885
Utilities												
Electricity	3.5%	3.5%		28,476	85,429	113,905	29,473	88,419	117,892	30,505	91,514	122,018
Water	3.5%	3.5%		28,834	86,502	115,336	29,843	89,530	119,373	30,888	92,663	123,551
Gas	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%		38,709	116,128	154,837	40,064	120,193	160,257	41,466	124,399	165,866
Sub-total Utilities				96,020	288,059	384,079	99,380	298,141	397,522	102,859	308,576	411,435
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		3,615	10,848	14,462	3,742	11,228	14,968	3,873	11,619	15,492
Payroll Taxes	3.5%	3.5%		17,944	53,532	71,377	18,489	55,406	73,875	19,115	57,245	76,480
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		6,247	18,740	24,988	6,465	19,396	25,861	6,691	20,074	26,786
Sub-total Taxes and Licenses				27,706	83,118	110,824	28,676	86,027	114,703	29,679	89,038	118,718
Insurance												
Property and Liability Insurance	3.5%	3.5%		43,481	130,442	173,923	45,003	135,008	180,010	46,578	139,733	186,311
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		9,167	27,501	36,668	9,488	28,464	37,952	9,820	29,460	39,280
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				52,648	157,944	210,591	54,491	163,472	217,962	56,398	169,193	225,591
Maintenance & Repair												
Payroll	3.5%	3.5%		49,845	149,535	199,380	51,590	154,769	206,358	53,395	160,186	213,581
Supplies	3.5%	3.5%		11,125	33,375	44,501	11,515	34,544	46,058	35,753	47,670	62,851
Contracts	3.5%	3.5%		94,777	284,331	379,108	98,094	294,283	392,377	101,527	304,582	406,110
Garbage and Trash Removal	3.5%	3.5%		17,658	52,975	70,633	18,276	54,829	73,105	18,916	56,748	75,664
Security Payroll/Contract	3.5%	3.5%		5,643	16,928	22,570	5,840	17,520	23,360	6,044	18,133	24,178
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		234	702	937	242	727	969	251	752	1,003
Sub-total Maintenance & Repair Expenses				179,282	537,846	717,128	185,557	556,671	742,228	192,051	576,154	768,205
Supportive Services	3.5%	3.5%		-	176,414	176,414	-	182,589	182,589	-	188,979	188,979
Commercial Expenses			from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	112,583	-	-	116,524	-	-	120,602
TOTAL OPERATING EXPENSES				892,531	1,913,698	2,918,813	923,770	1,980,678	3,020,971	956,102	2,050,001	3,126,705
RESERVES/GROUND LEASE BASE RENT/BOND FEES												
Ground Lease Base Rent				3,750	11,250	15,000	3,750	11,250	15,000	3,750	11,250	15,000
Bond Monitoring Fee				625	1,875	2,500	625	1,875	2,500	625	1,875	2,500
Replacement Reserve Deposit				15,250	45,750	61,000	15,250	45,750	61,000	15,250	45,750	61,000
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposits/Commercial			from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				19,625	58,875	78,500	19,625	58,875	78,500	19,625	58,875	78,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				912,156	1,972,573	2,997,313	943,395	2,039,553	3,099,471	975,727	2,108,876	3,205,205
NET OPERATING INCOME (INCOME minus OP EXPENSES)												
				14,387	160,315	201,155	14,503	146,658	187,150	14,632	131,990	172,095
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)												
Hard Debt - First Lender				-	36,803	36,803	-	36,803	36,803	-	36,803	36,803
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				21,000	63,000	84,000	21,000	63,000	84,000	21,000	63,000	84,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803
TOTAL HARD DEBT SERVICE				21,000	99,803	120,803	21,000	99,803	120,803	21,000	99,803	120,803
CASH FLOW (NOI minus DEBT SERVICE)												
				(6,613)	60,512	80,352	(6,497)	46,855	66,347	(6,368)	32,187	51,292
Commercial Only Cash Flow				-	-	26,453	-	-	25,989	-	-	25,473
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				6,613	19,840	-	6,497	19,492	-	6,368	19,105	-
AVAILABLE CASH FLOW				0	80,352	80,352	0	66,347	66,347	(0)	51,292	51,292
USES OF CASH FLOW BELOW (This row also shows DSCR.)												
			DSCR:			1.665			1.549			1.425
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL												
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)												

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

Total # Units: 122
 Units: 31
 Units: 91

INCOME	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 16 2041			Year 17 2042			Year 18 2043		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						-			-			-
Other Reserve 2 Deposits						-			-			-
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
<i>Other Required Reserve 2 Running Balance</i>						-			-			-

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Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

	Total # Units:	LOSP Units		Non-LOSP Units		Year 19 2044			Year 20 2045		
		122	31	91	25.00%	75.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP
INCOME	inc	% annual increase	Comments (related to annual inc assumptions)								
Residential - Tenant Rents	1.0%	2.5%			111,242	2,417,777	2,529,018	112,354	2,478,221	2,590,575	
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a			-	-	-	-	-	-	
Residential - LOSP Tenant Assistance Payments	n/a	n/a			918,285	-	918,285	952,019	-	952,019	
Commercial Space	n/a	2.5%		from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	187,159	-	-	187,159	
Residential Parking	2.5%	2.5%			-	-	-	-	-	-	
Miscellaneous Rent Income	2.5%	2.5%			-	-	-	-	-	-	
Supportive Services Income	2.5%	2.5%			-	-	-	-	-	-	
Interest Income - Project Operations	2.5%	2.5%			-	-	-	-	-	-	
Laundry and Vending	2.5%	2.5%			-	-	-	-	-	-	
Tenant Charges	2.5%	2.5%			-	-	-	-	-	-	
Miscellaneous Residential Income	2.5%	2.5%			-	-	-	-	-	-	
Other Commercial Income	n/a	2.5%		from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a		Link from Reserve Section below, as applicable	-	-	-	-	-	-	
Gross Potential Income					1,029,526	2,417,777	3,634,462	1,064,373	2,478,221	3,734,432	
Vacancy Loss - Residential - Tenant Rents	n/a	n/a		Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(5,562)	(120,889)	(126,451)	(5,618)	(123,911)	(129,529)	
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a			-	-	-	-	-	-	
Vacancy Loss - Commercial	n/a	n/a			-	-	(37,432)	-	-	(38,368)	
EFFECTIVE GROSS INCOME					1,023,964	2,296,888	3,470,579	1,058,755	2,354,310	3,566,536	
OPERATING EXPENSES											
Management											
Management Fee	3.5%	3.5%		1st Year to be set according to HUD schedule	46,229	138,688	184,917	47,847	143,542	191,389	
Asset Management Fee	3.5%	3.5%		per MOHCD policy	10,527	31,582	42,109	10,896	32,687	43,583	
Sub-total Management Expenses					56,757	170,270	227,026	58,743	176,229	234,972	
Salaries/Benefits											
Office Salaries	3.5%	3.5%			379,105	94,776	473,881	392,373	98,093	490,467	
Manager's Salary	3.5%	3.5%			33,701	101,103	134,804	34,880	104,641	139,522	
Health Insurance and Other Benefits	3.5%	3.5%			73,705	221,116	294,821	76,285	228,855	305,139	
Other Salaries/Benefits	3.5%	3.5%			5,172	15,517	20,689	5,353	16,060	21,413	
Administrative Rent-Free Unit	3.5%	3.5%			-	-	-	-	-	-	
Sub-total Salaries/Benefits					491,683	432,511	924,194	508,892	447,649	956,540	
Administration											
Advertising and Marketing	3.5%	3.5%			-	-	-	-	-	-	
Office Expenses	3.5%	3.5%			18,301	54,903	73,204	18,941	56,624	75,766	
Office Rent	3.5%	3.5%			1,718	5,155	6,873	1,779	5,335	7,113	
Legal Expense - Property	3.5%	3.5%			2,516	7,548	10,064	2,604	7,812	10,416	
Audit Expense	3.5%	3.5%			6,209	18,626	24,835	6,426	19,278	25,704	
Bookkeeping/Accounting Services	3.5%	3.5%			6,353	19,058	25,410	6,575	19,725	26,300	
Bad Debts	3.5%	3.5%			6,122	18,365	24,487	6,336	19,008	25,344	
Miscellaneous	3.5%	3.5%			5,586	16,758	22,344	5,781	17,344	23,126	
Sub-total Administration Expenses					46,804	140,412	187,216	48,442	145,327	193,769	
Utilities											
Electricity	3.5%	3.5%			31,572	94,717	126,289	32,677	98,032	130,709	
Water	3.5%	3.5%			31,969	95,906	127,875	33,088	99,263	132,351	
Gas	3.5%	3.5%			-	-	-	-	-	-	
Sewer	3.5%	3.5%			42,918	128,753	171,671	44,420	133,280	177,879	
Sub-total Utilities					106,459	319,376	425,835	110,185	330,554	440,739	
Taxes and Licenses											
Real Estate Taxes	3.5%	3.5%			4,008	12,025	16,034	4,149	12,446	16,595	
Payroll Taxes	3.5%	3.5%			19,794	59,352	79,136	20,477	61,430	81,906	
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%			6,926	20,777	27,703	7,168	21,504	28,672	
Sub-total Taxes and Licenses					30,718	92,155	122,873	31,793	95,380	127,173	
Insurance											
Property and Liability Insurance	3.5%	3.5%			48,208	144,624	192,832	49,895	149,685	199,581	
Fidelity Bond Insurance	3.5%	3.5%			-	-	-	-	-	-	
Worker's Compensation	3.5%	3.5%			10,164	30,491	40,655	10,519	31,558	42,078	
Director's & Officers' Liability Insurance	3.5%	3.5%			-	-	-	-	-	-	
Sub-total Insurance					58,372	175,115	233,486	60,415	181,244	241,658	
Maintenance & Repair											
Payroll	3.5%	3.5%			55,264	165,792	221,056	57,198	171,595	228,793	
Supplies	3.5%	3.5%			12,335	37,004	49,339	12,766	38,299	51,065	
Contracts	3.5%	3.5%			105,081	315,243	420,324	108,759	326,276	435,035	
Garbage and Trash Removal	3.5%	3.5%			19,578	58,734	78,312	20,263	60,789	81,053	
Security Payroll/Contract	3.5%	3.5%			6,256	18,768	25,024	6,475	19,425	25,900	
HVAC Repairs and Maintenance	3.5%	3.5%			-	-	-	-	-	-	
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%			-	-	-	-	-	-	
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%			260	779	1,038	269	806	1,075	
Sub-total Maintenance & Repair Expenses					198,773	596,320	795,093	205,730	617,191	822,921	
Supportive Services	3.5%	3.5%			-	195,594	195,594	-	202,439	202,439	
Commercial Expenses											
TOTAL OPERATING EXPENSES					989,565	2,121,751	3,236,140	1,024,200	2,196,013	3,349,405	
RESERVES/GROUND LEASE BASE RENT/BOND FEES											
Ground Lease Base Rent					3,750	11,250	15,000	3,750	11,250	15,000	
Bond Monitoring Fee					625	1,875	2,500	625	1,875	2,500	
Replacement Reserve Deposit					15,250	45,750	61,000	15,250	45,750	61,000	
Operating Reserve Deposit					-	-	-	-	-	-	
Other Required Reserve 1 Deposit					-	-	-	-	-	-	
Other Required Reserve 2 Deposit					-	-	-	-	-	-	
Required Reserve Deposits/Commercial					-	-	-	-	-	-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					19,625	58,875	78,500	19,625	58,875	78,500	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					1,009,190	2,180,626	3,314,640	1,043,825	2,254,888	3,427,905	
NET OPERATING INCOME (INCOME minus OP EXPENSES)					14,774	116,261	155,939	14,930	99,422	138,631	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)											
Hard Debt - First Lender					-	36,803	36,803	-	36,803	36,803	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					21,000	63,000	84,000	21,000	63,000	84,000	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					-	-	-	-	-	-	
Hard Debt - Fourth Lender					-	-	-	-	-	-	
Commercial Hard Debt Service					-	-	-	-	-	-	
TOTAL HARD DEBT SERVICE					21,000	99,803	120,803	21,000	99,803	120,803	
CASH FLOW (NOI minus DEBT SERVICE)					(6,226)	16,458	35,136	(6,070)	(381)	17,828	
Commercial Only Cash Flow					-	-	24,904	-	-	24,278	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					6,226	18,678	-	6,070	18,209	-	
AVAILABLE CASH FLOW					(0)	35,136	35,136	(0)	17,828	17,828	
USES OF CASH FLOW BELOW (This row also shows DSCR.)											
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL											
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%		per MOHCD policy	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%		per MOHCD policy	-	-	-	-	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase	-	-	-	-	-	-	
Other Payments					-	-	-	-	-	-	
Non-amortizing Loan Pmt - Lender 1					-	-	-	-	-	-	
Non-amortizing Loan Pmt - Lender 2					-	-	-	-	-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	-	-	-	-	-	
TOTAL PAYMENTS PRECEDING MOHCD					-	-	-	-	-	-	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					(0)	35,136	35,136	(0)	17,828	17,828	
Does Project have a MOHCD Residual Receipt Obligation?	Yes										
Will Project Defer Developer Fee?	No										
Residual Receipts split for all years. - Lender/Owner	67% / 33%										
MOHCD RESIDUAL RECEIPTS DEBT SERVICE											
MOHCD Residual Receipts Amount Due	62.24%			Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			14,579		7,397		
Proposed MOHCD Residual Receipts Amount to Loan Repayment							14,579		7,397		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease							-		-		
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE											
HCD Residual Receipts Amount Due	37.76%			Allocation per pro rata share of all soft debt			8,845		4,488		
Lender 4 Residual Receipts Due	0.00%						-		-		
Lender 5 Residual Receipts Due	0.00%						-		-		
Total Non-MOHCD Residual Receipts Debt Service											

Attachment I - Preliminary Predevelopment Loan Memo dated December 3, 2021

Total # Units: 122
 Units: 31
 Units: 91

	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 19 2044			Year 20 2045		
				LOSP	non- LOSP	Total	LOSP	non- LOSP	Total
INCOME									
OTHER RESERVE 2 - RUNNING BALANCE									
Other Reserve 2 Starting Balance									
Other Reserve 2 Deposits						-			-
Other Reserve 2 Withdrawals						-			-
Other Reserve 2 Interest									
<i>Other Required Reserve 2 Running Balance</i>						-			-