

San Francisco 2019 Affordable Housing General Obligation Bond



2550 Irving Street view from Irving and 27th Avenue, rendering by PYATOK

CGOBOC Report December 2022



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Affordable Housing Bond – Overview

History of Bond Approval

On November 5, 2019, over 71% of San Francisco voters approved Proposition A, a \$600 million General Obligation Bond for affordable housing, to finance the construction, acquisition, improvement, rehabilitation, preservation and repair of affordable housing for extremely-low, low, and middle-income households. The 2019 Affordable Housing Bond builds upon the goals and successes of the 2015 Housing Bond, which will ultimately produce or preserve over 1,400 affordable homes.

The estimated funding program for the 2019 bond is as follows:

| Program Categories | 2019 GO Bond Funding |
|---|---|
| Public Housing | \$150 Million |
| Low-Income Housing (up to 80% AMI) | \$220 Million |
| Affordable Housing Preservation (30% to 120% AMI) & Middle-Income Housing (80% AMI to 175% AMI for first-time homebuyers and 80% to 200% AMI for Teacher Next Door Educators) | <u>\$60 Million:</u> \$30 Million (est.) - preservation \$30 Million (est.) - middle-income |
| Senior Housing (up to 80% AMI) | \$150 Million |
| Educator Housing (30% to 140% AMI) | \$20 Million |
| TOTAL | \$600 Million |

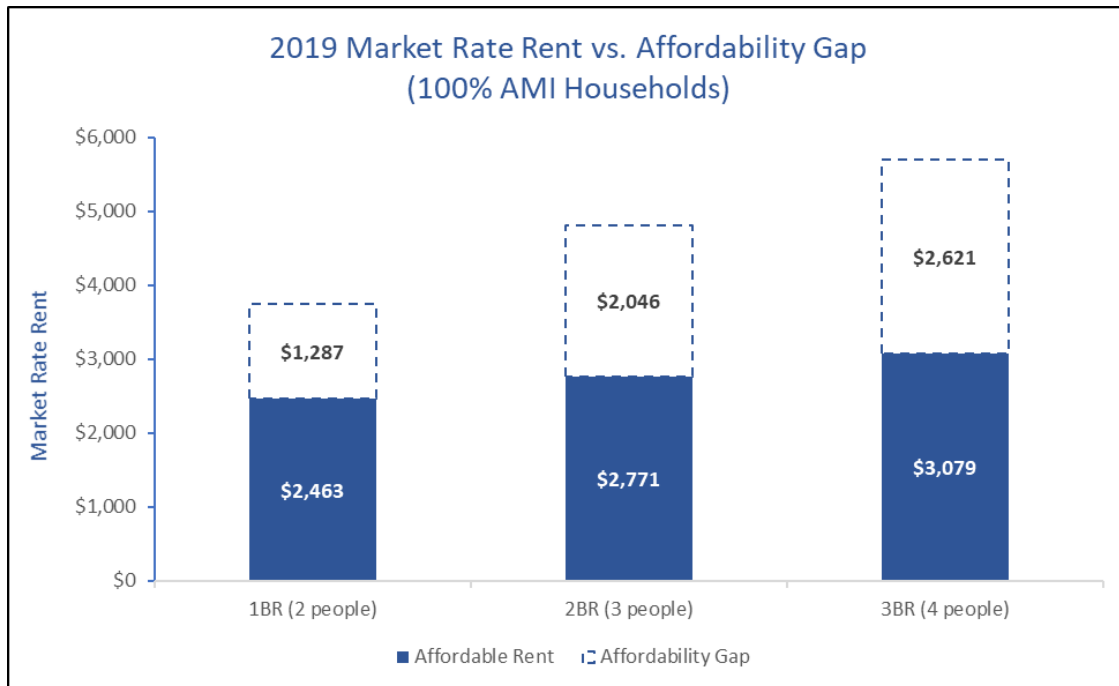


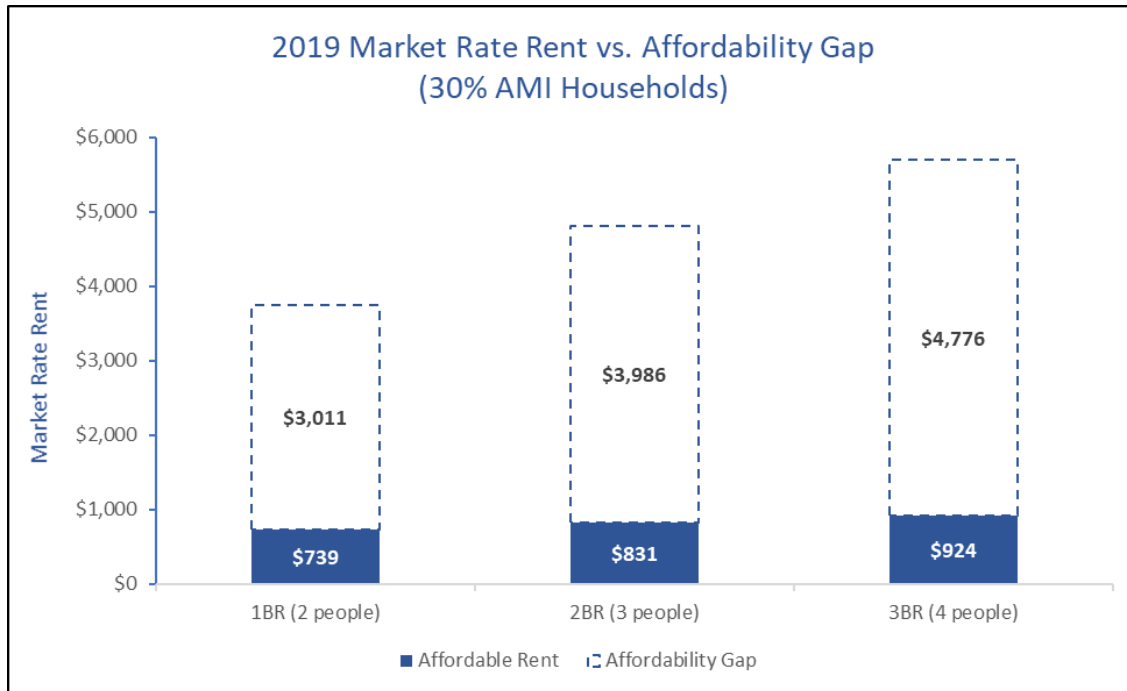
Need for the Bond

Market-rate rental costs and homeownership prices far outpace income increases for most working households. This “Affordability Gap” leaves families and individuals vulnerable to displacement and homelessness. Though there has been significant affordable housing production and preservation in the last five years, a critical need for more affordable housing continues. High costs and low supply bring personal hardship, accelerate displacement, undermine balanced economic growth, and cause environmental damage as workers endure longer daily work commutes.

Sizing the Affordability Gap

The Affordability Gap is the difference between what housing costs and what households of various sizes can afford to pay. It is pegged to income level using the percentage of San Francisco’s Area Median Income (AMI) and household size. San Francisco has among the highest AMI in the nation, but for many it is still not enough to afford a market-rate apartment. For example, in 2019 the AMI was \$98,500 for a two-person household, which translates to an affordable rent of approximately \$2,463 for a one-bedroom apartment. Additionally, also in 2019, average one-bedroom market-rate apartments rented for \$3,750, leaving an affordability gap of approximately \$1,287. Larger households with lower incomes face an even greater affordability gap, and for those earning less than 100% AMI, a market-rate apartment can be completely out of reach. For a household of four earning 30% of AMI, the monthly shortfall is nearly \$5,000.





Overview of Allocations and Target Beneficiaries

To address the immediate and serious need for more affordable housing in San Francisco, the 2019 Affordable Housing Bond proposes five categories of investments, each of which supports people earning a range of incomes:

- Public housing
- Low-Income housing
- Affordable housing preservation & Middle-Income housing
- Senior housing
- Educator housing

For all investment categories, State Constitutional requirements regarding eligible uses of general obligation bond funding apply. For each investment, specific eligible uses will be prioritized with the overall goal of protecting our City's most vulnerable residents; stabilizing communities, especially neighborhoods in which there has been limited affordable housing production; enhancing the City's economic health; and planning for a future San Francisco that maintains its diversity and vibrancy.

Public Housing

Value: \$150 million

Projected Units: 965

Projected Year of Completion: 2028



Funds will be used for the repair and rebuilding of distressed public housing and its underlying infrastructure, with a focus on the following groups:

- Existing public housing residents, including families, seniors, and people with disabilities
- New generations of residents earning 0-80% AMI
- Low-Income families living in new units added to public housing sites
- Communities and neighborhoods in which the developments are located

Low-income Housing

Value: \$220 million

Projected Units: 1,050

Projected Year of Completion: 2028

Funds will be used for the construction, acquisition, and rehabilitation of permanently affordable rental housing serving individuals and families earning from 0% to 80% AMI. Low-income housing protects vulnerable populations including:

- Working families
- Veterans
- Seniors
- People with disabilities
- Transitional aged youth
- People experiencing homelessness
- Members of the City's workforce in jobs with traditionally low pay scales, such as school district employees, nonprofit workers, health care attendants, and hotel, restaurant, and retail employees

Affordable Housing Preservation

Value: \$30 million (estimated)

Projected Units: 94

Projected Year of Completion: 2026

Affordable housing preservation funds will be used for the acquisition and/or rehabilitation of rental housing at risk of losing affordability, whether through market forces or a building's physical decline. Affordable housing preservation mainly serves low to middle-income households earning between approximately 30% and 120% of AMI and prioritizes acquisitions or rehabilitation:

- To create or enhance permanent affordability
- For buildings at imminent risk of conversion to market-rate rents
- In neighborhoods with limited affordable housing production
- In neighborhoods with high documented eviction rates



Middle-Income Housing

Value: \$30 million (estimated)

Projected Units: 101

Projected Year of Completion: 2027

Middle-income housing funds will be used for the creation of new affordable housing opportunities through down payment assistance loans and the purchase of buildings or land for new affordable housing construction. The funding will mainly serve the following groups:

- Households earning between 80% and 175% of AMI
- Teacher Next Door-eligible educators earning up to 200% of AMI

Senior Housing

Value: \$150 million

Projected Units: 500

Projected Year of Completion: 2028

Funds will be used for the creation of new affordable senior housing rental opportunities through new construction and acquisition. Seniors living on fixed incomes between 0% of AMI and 80% of AMI are especially vulnerable in San Francisco's inflated housing market. Senior housing currently makes up only 12% of the City's pipeline for affordable housing, but 24% of residents are seniors living under the poverty line.

Educator Housing

Value: \$20 million

Projected Units: 60

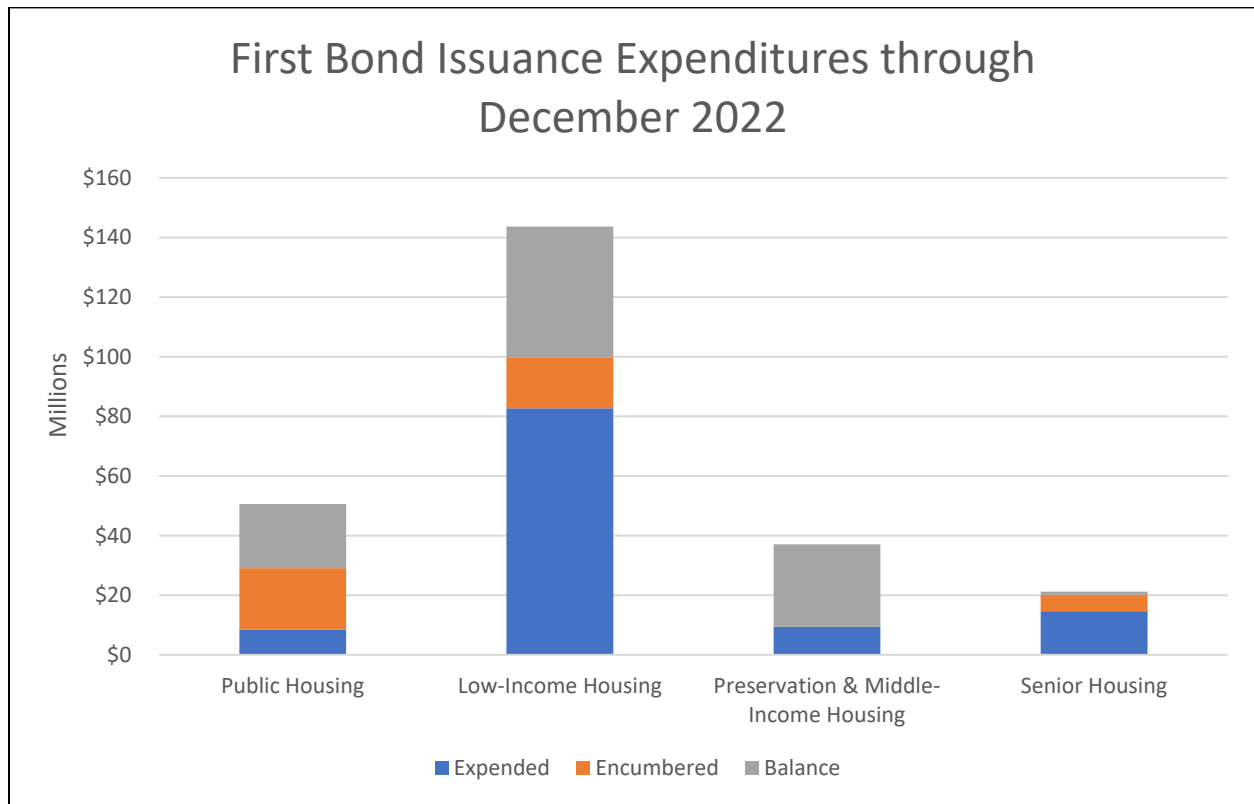
Projected Year of Completion: 2028 (Estimated – no project yet identified. NOFA released Spring 2023)

Funds will be used for pre-development and construction of permanently affordable rental housing serving San Francisco Unified School District and City College of San Francisco educators and employees earning between 30% and 140% of AMI.



First Issuance

- First issuance closed in March 2021
- Approximately 46% of first issuance spent through December 31, 2022 compared to 38% spent through June 30, 2022
- Approximately 63% spent and encumbered as of December 31, 2022



| | <i>Public Housing</i> | <i>Low-Income Housing</i> | <i>Preservation & Middle-Income Housing</i> | <i>Senior Housing</i> | TOTAL |
|-------------------|-----------------------|---------------------------|---|-----------------------|----------------|
| Expended | \$8,401,512 | \$82,699,477 | \$9,416,195 | \$14,660,342 | \$ 115,177,526 |
| Encumbered | \$20,663,143 | \$16,940,822 | \$3,427 | \$5,502,064 | \$ 43,109,455 |
| Balance | \$21,555,345 | \$44,059,701 | \$27,680,378 | \$1,037,594 | \$ 94,333,019 |
| Total | \$50,620,000 | \$143,700,000 | \$37,100,000 | \$21,200,000 | \$ 252,620,000 |

*Does not include cost of issuance.



Investment in Public Housing

Public Housing in San Francisco – Overview of the Problems We are Trying to Solve

The majority of San Francisco’s public housing stock, much of which was built over 60 years ago, was not designed to be occupied into the 21st century. The 2019 Affordable Housing Bond will primarily continue to fund the HOPE SF program to accelerate the reconstruction and rehabilitation of distressed public housing, including infrastructure replacement. Bond funds will be spent on the most urgent capital needs and strive for creation of net new units where possible.

HOPE SF is the revitalization of four of San Francisco’s most severely distressed public housing sites by completely rebuilding them and creating thriving, mixed-income communities. The four public housing sites are Alice Griffith, Hunters View, Potrero, and Sunnydale, with Potrero and Sunnydale being partially funded by the 2019 Affordable Housing Bond.

As part of the HOPE SF program, no existing residents will be displaced, and there will be no loss of public housing. Most residents will be relocated on-site while construction proceeds and new units are built. Any resident relocated off-site will have a right of return and any permanent relocation off-site will be purely voluntary.



Sunnydale

Sunnydale, San Francisco’s largest public housing community, is undergoing a transformation into a mixed-income development of new affordable and market rate housing, street and utility infrastructure and open spaces.

Project Highlights:

Infrastructure Phase 1A3, including 174 units (Block 3A and 3B)

Total 2019 Bond Funding: \$30.7M (First Issuance)

Total Development Cost: Phase 1A3 \$27M

Block 3A \$78M

Block 3B \$89M

Infrastructure Phase 3, including 169 units (Blocks 7 and 9)

Total 2019 Bond Funding: \$8.1M (First Issuance)

Total Development Cost: Phase 3 \$40M

Block 7 \$73M

Block 9 \$101M

Project Update:

- Infrastructure Phase 1A3 began construction in Spring 2022. Soon after, Sunnydale Block 3 housing also started construction. Block 3 will be two developments, 3B and 3A. Both projects are also funded by the 2015 Affordable Housing Bond and began construction in mid-2022.
- Infrastructure Phase 3 has started predevelopment work and is expected to start construction in 2023, with Blocks 7 and 9 housing following within 6 months of construction start. All three projects are expected to request gap funding in 2023 in order for construction to start.

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|---|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| HOPE SF - Sunnydale Ph 3 Infra Predev, Blk 7 & 9 Vertical | 169 | 8,120,000 | 8,120,000 | 2,128,968 | 5,991,032 | - | Oct 2021 | Oct 2024 | Oct 2026 |
| HOPE SF - Sunnydale 1A-3 Infrastructure Gap | - | 14,672,111 | 14,672,111 | - | 14,672,111 | - | Feb 2022 | Feb 2023 | Feb 2024 |
| SFHA Potrero & Sunnydale Accelerated Conversion HQS | 125 | 5,000,000 | 5,000,000 | - | - | 5,000,000 | May 2023 | Aug 2023 | Sept 2023 |
| HOPE SF - Sunnydale Blk 3A Vertical Gap | 84 | 14,500,000 | 14,500,000 | - | - | 14,500,000 | Mar 2023 | Dec 2023 | March 2025 |
| HOPE SF - Sunnydale Blk 3B Vertical Gap | 90 | 1,500,000 | 1,777,295 | - | - | 1,777,295 | May 2023 | Feb 2024 | March 2025 |



Potrero Block B

Like Sunnydale, Potrero Terrace and Annex is undergoing a transformation into a mixed-income development of new affordable and market rate housing, street and utility infrastructure and open spaces. The Potrero Block B project will be the second affordable housing project to be built at Potrero.

Project Highlights:

| | |
|--------------------------|-------------------------|
| Number of Units: | 282** |
| Total 2019 Bond Funding: | \$1.3M (First Issuance) |
| Total Development Cost: | TBD |

** We will track infrastructure related units together with Block B construction. We note that infrastructure investment will support 157 affordable housing units and 125 market rate units. We are including the market rate units in the unit count as they provide cross-subsidy for affordable housing units.

Project Update:

- Vertical predevelopment loan agreement was executed in mid-2017. The project started construction in summer 2022.

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|-------------------------------|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|--|--|-----------------------------|
| HOPE SF - Potrero Block B Gap | 282 | 1,327,889 | 1,050,594 | 1,050,594 | | - | Aug 2022 | Dec 2022 | Dec 2024 |



Public Housing Scattered Sites

Project Highlights:

| | |
|--------------------------|---|
| Number of Units: | 69 (5 properties: 2 in Ocean Beach, 1 in the Castro, 1 in the Fillmore, and 1 in OMI) |
| Total 2019 Bond Funding: | \$5.0M (First Issuance) |
| Total Development Cost: | \$81.6M |



With the exception of remaining public housing units at Sunnydale and Potrero, these units represent the last public housing units yet to convert to the Section 8 program, as part of the SF Housing Authority and City's joint strategy to exit the public housing program due to chronic underfunding by the federal government.

The public housing units are being "disposed" from the public housing program to the Section Project Based Voucher (PBV) program through HUD's Section 18 disposition program, which will provide project-based Section 8 subsidies for units for 20 years minimum.

The conversion and rehabilitation of the units is being accomplished in the RAD model implemented by the City in 2016-2020, which adds resident services to the sites and follows best practices for occupied rehabilitation and relocation.



Project Update:

- In 2019, MOHCD provided \$2.5M in predevelopment funding to the project. The project closed financing and began rehabilitation of this occupied, five-site project in February 2022. As of June 2022, all funds allocated to the project from the first issuance of the 2019 Affordable Housing bond were spent.
- The scattered sites project is an occupied-rehab project of five buildings with 69 units, located in four diverse San Francisco neighborhoods. Of the 69 units, 66 are affordable units and 3 are on site staff units in buildings with 16 or more units.

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|--------------------------------|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| Public Housing Scattered Sites | 69 | 5,000,000 | 5,000,000 | 5,000,000 | - | - | Feb 2022 | June 2022 | Dec 2024 |



Investment in Low-Income Housing

921 Howard (includes Low Income and Middle Income Housing)



Project Highlights:

| | |
|--------------------------|---|
| Number of Units: | 102 low-income units; 101 middle-income units |
| Total 2019 Bond Funding: | \$22.8M (First Issuance) |
| Total Development Cost: | \$148.5M |

Project Update:

- Developer: Tenderloin Neighborhood Development Corporation & Curtis Development
- 203 units total
 - 102 units at 75% AMI (\$99,900 for family of four),
 - 48 units at 90% AMI (\$119,900 for family of four),
 - 51 units at 120% AMI (\$159,850 for family of four).
 - There are 2 on site staff units.
- Construction started in June 2021 and scheduled to be completed in December 2023.
- The project will include 1,970 square feet for ground-floor retail with the remaining space entirely dedicated to affordable housing.

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|-------------------------------|-----------------|-------------------|-------------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| Low Income: 921 Howard Gap | 102 | 15,314,050 | 15,314,050 | 15,232,215 | - | 81,835 | June 2021 | Sept 2021 | Dec 2023 |
| Middle Income: 921 Howard Gap | 101 | 7,500,000 | 7,500,000 | 7,459,922 | - | 40,078 | June 2021 | Dec 2021 | Dec 2023 |
| Total | 203 | 22,814,050 | 22,814,050 | 22,692,137 | - | 121,913 | | | |



Balboa Park Upper Yard

Project Highlights:

| | |
|--------------------------|--------------------------|
| Number of Units: | 130 |
| Total 2019 Bond Funding: | \$15.6M (First Issuance) |
| Total Development Cost: | \$130.0M |

Project Update:

- Developer: Mission Housing and Related California
- The development includes 130 low-income housing units, 39 of which are set aside for existing HOPE SF residents voluntarily relocating from the Sunnydale public housing site.
- Construction started in July 2021 and is expected to be completed in July 2023.
- Additional State and SF County Transportation Authority funding will allow for adjacent transportation improvements through BART and SFMTA.



Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|----------------------------|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| Balboa Park Upper Yard Gap | 130 | 15,600,000 | 15,600,000 | 15,600,000 | - | - | Sept 2021 | June 2022 | July 2023 |

4840 Mission

Project Highlights:

Number of Units: 137 including 135 affordable housing units and 2 on site staff units
 Total 2019 Bond Funding: \$24.4M (First Issuance)
 Total Development Cost: \$105.0M

Project Update:

- Developer: Bridge Housing
- The development includes a 10,000 square foot clinic serving low-income households and a 6,000 square foot commercial space.
- Of the 137 low-income units, 35 are set aside for existing HOPE SF residents relocating from Potrero Terrance and Potrero Annex.
- Building permits were issued for the project in June 2020 and construction began in June 2021.



VIEW FROM ALEMANY BOULEVARD

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|------------------|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| 4840 Mission Gap | 137 | 24,391,653 | 26,577,603 | 24,391,653 | - | 2,185,950 | May 2021 | Mar 2023 | Nov 2023 |

Treasure Island C3.1

Project Highlights:

| | |
|--------------------------|--|
| Number of Units: | 138 including 137 affordable housing units and 1 onsite staff unit |
| Total 2019 Bond Funding: | \$33.0M (First Issuance) |
| Total Development Cost: | \$122.0M |

Project Update:

- Developer: Mercy Housing California
- The Treasure Island C3.1 project is the second affordable project to move forward on the island, with construction beginning in summer 2022.
- Of the 138 affordable units, 71 units to be designated for formerly homeless households

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|-------------------------------------|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| Treasure Island C3.1 Mercy + CC Gap | 138 | 38,000,000 | 33,000,000 | 14,154,362 | 12,761,135 | 6,084,503 | May 2022 | May 2023 | Oct 2024 |



Permanent Supportive Housing for Single Adults – Maceo May

Project Highlights:

| | |
|--------------------------|--------------------------|
| Number of Units: | 105 |
| Total 2019 Bond Funding: | \$10.0M (First Issuance) |
| Total Development Cost: | \$110.6M |

Project Update:

- Developer: Swords to Plowshares in partnership with Chinatown Community Development Center
- Located on Treasure Island parcel 3.2, Maceo May was the first affordable housing project to begin on the island and will be completed in January 2023.
- Partial gap financing for Maceo May was anticipated from 2019 Affordable Housing bond first issuance due to savings in the 921 Howard project but was reallocated to 4840 Mission gap financing due to timing and need.



Maceo May rendering by Mithun

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|---|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| Perm Supportive for Single Adults - Maceo May | 105 | 10,000,000 | 10,000,000 | - | - | 10,000,000 | Apr 2023 | Apr 2024 | Dec 2025 |
| Perm Supportive for Single Adults - Gap | - | 2,185,950 | - | - | - | - | | | |

Perm Supportive for People with Chronic Mental Illness

Project Highlights:

| | |
|--------------------------|-------------------------|
| Number of Units: | 8 |
| Total 2019 Bond Funding: | \$5.0M (First Issuance) |
| Total Development Cost: | \$5.0M |

Project Update:

- Developer: Conard House, Inc.
- Two projects acquired by Conard House, Inc., at 139-145 Dore St and 1140-1142 Florida St, currently undergoing rehab/renovations with non-City funding.
- Projects will be permanently funded by the 2019 Affordable Housing bond in 2023.
- The two projects (with additional \$4.1M from other non-Bond City fund sources) will provide housing plus services to 26 formerly homeless individuals.
- Conard will provide on-site services through an operating contract with the Department of Public Health (DPH)

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|--|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| Perm Supportive for People With Chronic Mental Illness | 8 | 5,000,000 | 5,000,000 | - | - | 5,000,000 | May 2023 | Dec 2023 | June 2024 |



78 Haight

Project Highlights:

| | |
|--------------------------|-------------------------|
| Number of Units: | 63 |
| Total 2019 Bond Funding: | \$4.0M (First Issuance) |
| Total Development Cost: | \$51.2M |

Project Update:

- Developer: Tenderloin Neighborhood Development Corporation (TNDC)
- 63 units of affordable housing, including 32 units for Transition Age Youth (TAY) experiencing or at risk of homelessness.
- Units for TAY will be supported by Larkin Street Youth Services.
- Project won a competitive award of 9% Low Income Housing Tax Credits and officially broke ground in April 2022. Construction is projected to be complete in spring 2024.

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|------------------------------------|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| 78 Haight - Parcels (R, S & U) Gap | 63 | 4,000,000 | 4,000,000 | 1,646,903 | 2,353,097 | - | July 2022 | Mar 2023 | Mar 2024 |



78 Haight Street roof deck, rendering by Paulett Taggart Architects

730 Stanyan

Project Highlights:

| | |
|--------------------------|--------------------------|
| Number of Units: | 160 |
| Total 2019 Bond Funding: | \$13.6M (First Issuance) |
| Total Development Cost: | \$170.9M |



Project Update:

- Developer: Tenderloin Neighborhood Development Corporation and Chinatown CDC
- The project includes 160 affordable units, including 50 units for permanent supportive housing and 20 units for adults and families previously experiencing homelessness.
- The proposed development includes ground-floor space for childcare, a proposed senior center and transitional aged youth drop-in support center.
- Construction is expected to start in late 2023 with completion expected in 2025.

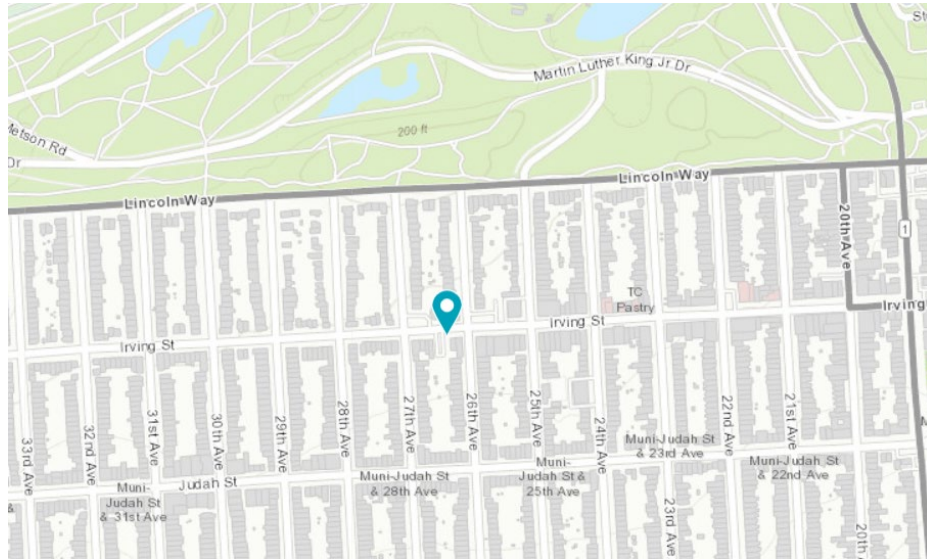
Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|-----------------|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| 730 Stanyan Gap | 160 | - | 13,608,347 | - | - | 13,608,347 | Jul 2023 | Jul 2025 | Oct 2025 |



2550 Irving

2550 Irving is a proposed 90-unit family housing development in the Sunset neighborhood. It is 100% affordable and includes units set aside for families experiencing homelessness.



Project Highlights:

| | |
|--------------------------|---------|
| Number of Units: | 90 |
| Total 2019 Bond Funding: | \$15.0M |
| Total Development Cost: | \$94.0M |

Project Update:

- The first disbursement of 2019 bond funding took place in the fall of 2021 with the execution of a predevelopment and acquisition loan to the project.
- 28 units in the building will serve low-income households and 61 units will serve very low-income households. Additionally, there will be one on-site manager's unit. Of the total 90 units, 37 will also be reserved for families and individuals who have experienced homelessness.

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|--|-----------------|-------------------|-------------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| Geographic Equity Family Acquisition - 2550 Irving | 90 | 13,378,718 | 13,378,718 | 11,552,128 | 1,826,590 | - | Sept 2021 | Dec 2023 | Nov 2025 |
| 2550 Irving Gap | | 1,621,282 | 1,621,282 | - | - | 1,621,282 | April 2024 | Jan 2025 | Nov 2025 |
| Total | 90 | 15,000,000 | 15,000,000 | 11,552,128 | 1,826,590 | 1,621,282 | | | |



Investment in Preservation and Middle-Income Housing

Small Sites NOFA

Description of Small Sites program

The Small Sites Program (SSP) is an acquisition and rehabilitation loan program created to protect older, typically rent-controlled, buildings throughout San Francisco. In the face of increasing pressure on tenants who are particularly vulnerable to property sales, increased evictions and rising rents, the City developed the Small Sites Program in order to support non-profit and for-profit entities to successfully remove these sites from the market and restrict them as long-term affordable housing. The overarching program goals are to:

- 1) Protect and stabilize housing for current tenants at a range of income levels
- 2) Remove SSP properties from the speculative market while increasing the supply of permanently affordable rental housing
- 3) Create financially stable, self-sustaining housing that serves multiple generations of low to moderate income households

As of December 2022, approximately \$20 million has been set aside for seven identified small sites projects.

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement / Est. Final Disbursement | Completion/ Est. Completion |
|---------------------|-----------------|-------------------|-------------------|--------------------------|---------------------------|------------------------|---|--|-----------------------------|
| First Issuance Pool | | 29,400,000 | | | | | | | |
| 168 Sickles | 12 | | 1,959,700 | 1,956,273 | 3,427 | - | Oct 2022 | Oct 2022 | Oct 2022 |
| 3225 24th Street | 6 | | 2,320,000 | - | - | 2,320,000 | Feb 2023 | Feb 2023 | Feb 2023 |
| 1140-1142 Florida | 2 | | 2,320,000 | - | - | 2,320,000 | Apr 2023 | Apr 2023 | Apr 2023 |
| 139 Dore | 6 | | 1,465,000 | - | - | 1,465,000 | May 2023 | May 2023 | May 2023 |
| 2425 Post | 3 | | 2,691,000 | - | - | 2,691,000 | Apr 2023 | Apr 2023 | Apr 2023 |
| 2676 Folsom Street | 10 | | 844,000 | - | - | 844,000 | July 2023 | July 2023 | July 2023 |
| 375 14th Street | 16 | | 4,800,000 | - | - | 4,800,000 | Aug 2023 | Aug 2023 | Aug 2023 |
| 300 Ocean Avenue | 8 | | 3,000,000 | - | - | 3,000,000 | Aug 2024 | Aug 2024 | Aug 2024 |
| 3661 19th Street | 12 | | 3,000,000 | - | - | 3,000,000 | Feb 2023 | Feb 2023 | Feb 2023 |
| 936 Geary | 31 | | 1,570,000 | - | - | 1,570,000 | June 2023 | June 2023 | June 2023 |
| TBD | | | 5,430,300 | - | - | 5,430,300 | Aug 2024 | Aug 2024 | Aug 2024 |
| Total | 106 | 29,400,000 | 29,400,000 | 1,956,273 | 3,427 | 27,440,300 | | | |



Investment in Senior Housing

4200 Geary

Project Highlights:

| | |
|--------------------------|--------------------------|
| Number of Units: | 98 |
| Total 2019 Bond Funding: | \$15.0M (First Issuance) |
| Total Development Cost: | \$81.0M |



Project Update:

- Developer: TNDC
- 7-story, 100% affordable senior housing development
- Includes 20 Local Operating Subsidy Program units for formerly homeless individuals
- Spending through December 2022 is mainly related to property acquisition costs
- Construction is expected to begin in spring 2023 and to be completed by late 2024

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|---|-----------------|-------------------|-------------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| Geographic Equity Senior Acquisition - 4200 Geary | 98 | 14,776,200 | 14,236,200 | 14,038,669 | 197,531 | - | May 2021 | Feb 2023 | Dec 2024 |
| Geographic Equity - 4200 Geary Gap | | 223,800 | 763,800 | - | - | 763,800 | May 2023 | July 2023 | Dec 2024 |
| Total | 98 | 15,000,000 | 15,000,000 | 14,038,669 | 197,531 | 763,800 | | | |



Laguna Honda Hospital Senior Housing

Project Highlights:

Number of Units: 200 Senior units plus Assisted Living affordable units (TBD)
 Total 2019 Bond Funding: \$3.0M (First Issuance)
 Total Development Cost: \$118.0 for senior units; assisted living units TBD

Project Update:

- Developer: Mercy Housing CA
- \$2.9M disbursed or encumbered as of December 31, 2022
- Mercy Housing California is working with City departments to create a master plan for the site that includes 1) senior independent affordable housing; 2) affordable assisted living units or a licensed residential care facility for the elderly; 3) an early childcare education center; and 4) an adult day health center, as proposed in their application under the Laguna Honda Hospital Campus Request for Qualifications issued on November 18, 2019.

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|---|-----------------|------------------|------------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| Laguna Honda Hospital Senior Housing Predev | 200 | 2,900,000 | 2,900,000 | 595,467 | 2,304,533 | - | June 2021 | June 2023 | Sept 2025 |
| Laguna Honda Hospital Senior Housing Gap | - | 100,000 | 100,000 | - | - | 100,000 | July 2023 | Sept 2023 | Sept 2025 |
| Total | 200 | 3,000,000 | 3,000,000 | 595,467 | 2,304,533 | 100,000 | | | |



772 Pacific

Project Highlights:

Number of Units: 70
Total 2019 Bond Funding: \$3.0M (First Issuance)
Total Development Cost: \$75.4M

Project Update:

- Developer: Chinatown CDC
- Building is currently leased on a month-to-month basis.
- MOHCD provided a \$4.1M predevelopment loan in Summer 2022 to Chinatown CDC for predevelopment planning, of which \$3.0M will be funded by the Bond.
- Predevelopment is underway, starting with procurement of the design team and community outreach.

Project Budget & Schedule – First Issuance

| | Number of Units | Proposed Budget | Revised Budget | Disbursed as of 12/31/22 | Encumbered as of 12/31/22 | Balance as of 12/31/22 | Date Encumbered/ Est. First Encumbrance | Final Disbursement/ Est. Final Disbursement | Completion/ Est. Completion |
|--------------------|-----------------|-----------------|----------------|--------------------------|---------------------------|------------------------|---|---|-----------------------------|
| 772 Pacific Predev | 70 | 3,000,000 | 3,000,000 | - | 3,000,000 | - | Aug 2022 | Dec 2023 | Dec 2025 |



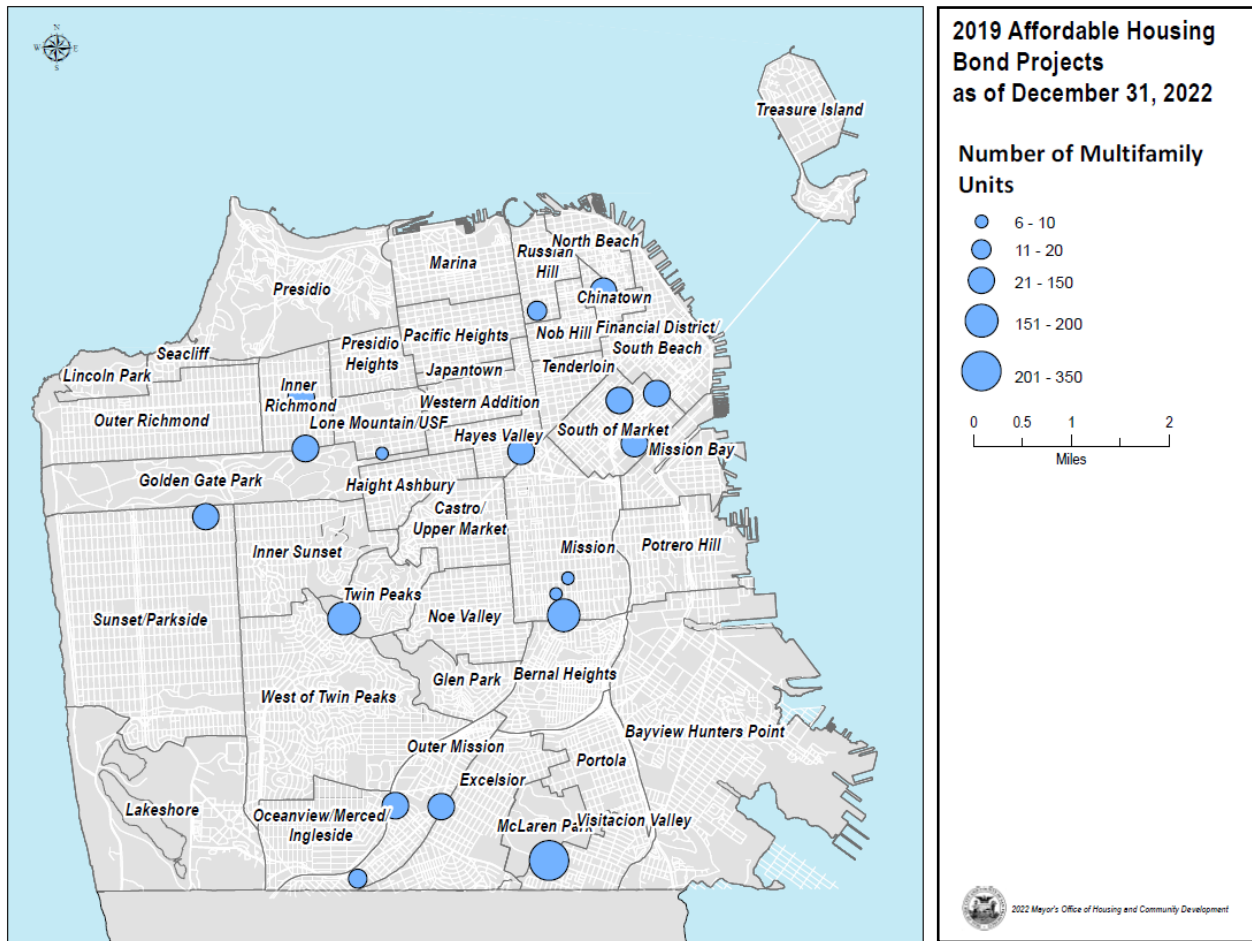
Specific Housing Bond Uses, by Issuance

The table below shows the original and current budgets per project and will be updated in each report to reflect any additional revisions and future issuances.

| | ISSUANCE #1 | | |
|---|--------------------|------------------|--------------------|
| Public Housing: \$150MM | 20-21 | Revisions | Total |
| HOPE SF - Sunnydale Ph 3 Infra Predev, Blk 7 & 9 Vertical | 8,120,000 | | 8,120,000 |
| HOPE SF - Sunnydale 1A-3 Infrastructure Gap | 14,672,111 | | 14,672,111 |
| HOPE SF - Potrero Block B Gap | 1,327,889 | (277,295) | 1,050,594 |
| SFHA Potrero & Sunnydale Accelerated Conversion HQS | 5,000,000 | (5,000,000) | - |
| HOPE SF - Sunnydale Blk 3A Vertical Gap | 14,500,000 | | 14,500,000 |
| HOPE SF - Sunnydale Blk 3B Vertical Gap | 1,500,000 | 277,295 | 1,777,295 |
| Public Housing Scattered Sites | 5,000,000 | | 5,000,000 |
| TBD | - | 5,000,000 | 5,000,000 |
| <i>Legal, and other incidentals</i> | 500,000 | | 500,000 |
| <i>Cost of Issuance</i> | 303,376 | | 303,376 |
| <i>Subtotal</i> | 50,923,376 | - | 50,923,376 |
| Low-Income Housing: \$220MM | 20-21 | | Total |
| 921 Howard Gap | 15,314,050 | | 15,314,050 |
| Balboa Park Upper Yard Gap | 15,600,000 | | 15,600,000 |
| 4840 Mission Gap | 24,391,653 | 2,185,950 | 26,577,603 |
| Treasure Island C3.1 Mercy + CC Gap | 38,000,000 | (5,000,000) | 33,000,000 |
| Perm Supportive for Single Adults - Maceo May | 10,000,000 | | 10,000,000 |
| Perm Supportive Housing for Single Adults Gap | 2,185,950 | (2,185,950) | - |
| Perm Supportive for People With Chronic Mental Illness | 5,000,000 | | 5,000,000 |
| 78 Haight - Parcels (R, S & U) Gap | 4,000,000 | | 4,000,000 |
| 1515 South Van Ness Gap | 13,608,347 | (13,608,347) | - |
| Geographic Equity Family Acquisition - 2550 Irving | 13,378,718 | | 13,378,718 |
| 2550 Irving Gap | 1,621,282 | | 1,621,282 |
| 730 Stanyan Gap | | 13,608,347 | 13,608,347 |
| TBD | | 5,000,000 | 5,000,000 |
| <i>Legal and other incidentals</i> | 600,000 | | 600,000 |
| <i>Cost of Issuance</i> | 861,223 | | 861,223 |
| <i>Subtotal</i> | 144,561,223 | - | 144,561,223 |
| Preservation and Middle Income Housing: \$60MM | 20-21 | | Total |
| Preservation: Small Sites NOFA | 29,400,000 | | 29,400,000 |
| Middle Income: 921 Howard Gap | 7,500,000 | | 7,500,000 |
| <i>Legal and other incidentals</i> | 200,000 | | 200,000 |
| <i>Cost of Issuance</i> | 222,348 | | 222,348 |
| <i>Subtotal</i> | 37,322,348 | | 37,322,348 |
| Senior Housing: \$150MM | 20-21 | | Total |
| Laguna Honda Hospital Senior Housing Predev | 2,900,000 | | 2,900,000 |
| Laguna Honda Hospital Senior Housing Gap | 100,000 | | 100,000 |
| Geographic Equity Senior Acquisition - 4200 Geary | 14,776,200 | (540,000) | 14,236,200 |
| 4200 Geary Gap | 223,800 | 540,000 | 763,800 |
| 772 Pacific Predev | 3,000,000 | | 3,000,000 |
| <i>Legal and other incidentals</i> | 200,000 | | 200,000 |
| <i>Cost of Issuance</i> | 127,056 | | 127,056 |
| <i>Subtotal</i> | 21,327,056 | - | 21,327,056 |
| Educator Housing: \$20MM | 20-21 | | Total |
| <i>Legal and other incidentals</i> | - | | - |
| <i>Cost of Issuance</i> | - | | - |
| <i>Subtotal</i> | - | | - |
| GRAND TOTAL | 254,134,002 | - | 254,134,002 |



Map of Affordable Housing Bond Projects



Change in Unit Counts

The table below shows the estimated units as of the first CGOBOC report dated 12/31/21 as well as current estimated units per project.

| | Number of Units as of 12/31/21 CGOBOC Report | Number of Units as of 12/31/22 CGOBOC Report | Unit Variance | Percentage Variance | Comments |
|---|--|--|------------------|------------------------|--|
| Public Housing: \$150MM | | | | | |
| HOPE SF - Sunnydale Ph 3 Infra Predev, Blk 7 & 9 Vertical | 169 | 169 | - | 0% | |
| HOPE SF - Sunnydale 1A-3 Infrastructure Gap | - | - | - | 0% | |
| HOPE SF - Potrero Block B Gap | 282 | 282 | - | 0% | |
| SFHA Potrero & Sunnydale Accelerated Conversion HQS | 125 | - | (125) | -100% | GO Bond funding no longer needed |
| HOPE SF - Sunnydale Blk 3A Vertical Gap | 84 | 84 | - | 0% | |
| HOPE SF - Sunnydale Blk 3B Vertical Gap | 90 | 90 | - | 0% | |
| Public Housing Scattered Sites | 69 | 69 | - | 0% | |
| <i>Subtotal</i> | 819 | 694 | (125) | -15% | |
| Low-Income Housing: \$220MM | | | | | |
| 921 Howard Gap | 102 | 102 | - | 0% | |
| Balboa Park Upper Yard Gap | 130 | 130 | - | 0% | |
| 4840 Mission Gap | 137 | 137 | - | 0% | |
| Treasure Island C3.1 Mercy + CC Gap | 138 | 138 | - | 0% | |
| Perm Supportive for Single Adults - Maceo May | 220 | 105 | (115) | -52% | Funds to be used for Treasure Island Maceo May project |
| Perm Supportive Housing for Single Adults Gap | - | - | - | 0% | |
| Perm Supportive for People With Chronic Mental Illness | 8 | 8 | - | 0% | |
| 78 Haight - Parcels (R, S & U) Gap | 63 | 63 | - | 0% | |
| 1515 South Van Ness Gap-Part 1 | 122 | - | (122) | -100% | Funds reallocated to 730 Stanyan |
| Geographic Equity Family Acquisition - 2550 Irving | 90 | 90 | - | 0% | |
| 2550 Irving Gap | - | - | - | 0% | |
| 730 Stanyan Gap | - | 160 | 160 | 100% | Funds reallocated from 1515 S Van Ness |
| <i>Subtotal</i> | 1,010 | 933 | (77) | -8% | |
| Preservation and Middle Income Housing: \$60MM | | | | | |
| Preservation: Small Sites NOFA | 94 | 106 | 12 | 13% | Funding more properties than anticipated |
| Middle Income: 921 Howard Gap | 101 | 101 | - | 0% | |
| <i>Subtotal</i> | 195 | 207 | 12 | 6% | |
| Senior Housing: \$150MM | | | | | |
| Laguna Honda Hospital Senior Housing Predev | 200 | 200 | - | 0% | |
| Geographic Equity Senior Acquisition - 4200 Geary | 98 | 98 | - | 0% | |
| 4200 Geary Gap | - | - | - | 0% | |
| 772 Pacific Predev | 70 | 70 | - | 0% | |
| <i>Subtotal</i> | 368 | 368 | - | 0% | |
| GRAND TOTAL | 2,392 | 2,202 | (190) | -8% | |



Unit Production Summary as of December 31, 2022

| | Affordable Units in Predevelopment | Affordable Units in Construction | Affordable Units Completed | Projected Total Affordable Units |
|---|---------------------------------------|--|----------------------------------|-------------------------------------|
| Public Housing - HOPE SF - Sunnydale Ph 3 Infra Predev, Blk 7 & 9 Vertical | 169 | 0 | 0 | 169 |
| Public Housing - HOPE SF - Potrero Block B Gap | 0 | 282 | 0 | 282 |
| Public Housing - HOPE SF - Sunnydale Blk 3A Vertical Gap | 84 | 0 | 0 | 84 |
| Public Housing - HOPE SF - Sunnydale Blk 3B Vertical Gap | 90 | 0 | 0 | 90 |
| Public Housing - Scattered Sites | 0 | 69 | 0 | 69 |
| Low Income - 921 Howard Gap | 0 | 102 | 0 | 102 |
| Low Income - Balboa Park Upper Yard Gap | 0 | 130 | 0 | 130 |
| Low Income - 4840 Mission Gap | 0 | 137 | 0 | 137 |
| Low Income - Treasure Island C3.1 Mercy + CC Gap | 0 | 138 | 0 | 138 |
| Low Income - Perm Supportive for Single Adults Maceo May | 0 | 105 | 0 | 105 |
| Low Income - Perm Supportive for People With Chronic Mental Illness | 0 | 8 | 0 | 8 |
| Low Income - 78 Haight - Parcels (R, S & U) Gap | 0 | 63 | 0 | 63 |
| Low Income - Geographic Equity Family Acquisition - 2550 Irving | 90 | 0 | 0 | 90 |
| Low Income - 730 Stanyan Gap | 160 | 0 | 0 | 160 |
| Middle Income - Preservation: Small Sites NOFA | 94 | 12 | 0 | 106 |
| Middle Income - 921 Howard Gap | 0 | 101 | 0 | 101 |
| Senior Housing - Laguna Honda Hospital Senior Housing Predev | 200 | 0 | 0 | 200 |
| Senior Housing - Geographic Equity Senior Acquisition - 4200 Geary | 98 | 0 | 0 | 98 |
| Senior Housing - 772 Pacific Predev | 70 | 0 | 0 | 70 |
| TOTAL | 1,055 | 1,147 | 0 | 2,202 |
| Percent of Phase | 48% | 52% | 0% | 100% |



Glossary

| | |
|--|--|
| Acquisition: | Costs associated with acquisition of real property |
| Estimated Completion: | Building completed and units leased |
| Infrastructure: | Costs which are secondarily related to housing development, including large-scale site grading, streets, sidewalks, utility work, etc. Predominantly needed in the HOPE SF context where we are creating entire new neighborhoods. |
| Master Planning: | Development of an overall strategy for the complete transformation of a public housing site. Master Planning work sets forth a comprehensive vision, schedule, communications plan, financing strategy, services program, and, most importantly, stakeholder participation process that highlights resident needs. |
| NOFA: | Notice of Funding Availability, a competitive process used to identify projects and developers |
| Predevelopment: | Costs prior to actual construction, including architectural, engineering, environmental, and permitting costs. May be related directly to housing development or may be infrastructure predevelopment which supports future housing development. |
| Vertical Gap and/or Vertical Development: | Costs starting with actual construction through and including occupancy and conversion to permanent financing |

