

San Francisco 2015 Affordable Housing General Obligation Bond



1990 Folsom St

CGOBOC Report
March 2019

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Affordable Housing Bond – Overview

History of Bond Approval

In November 2015, the Affordable Housing General Obligation Bond (Bond) was passed by voters with the goal of helping to make San Francisco a more affordable place for residents to live. The Bond was proposed by Mayor Lee and San Francisco Board of Supervisors and approved by 74% of voters in the November 2015 election. The Bond is a component of the Mayor's plan to construct 30,000 new and rehabilitated homes throughout the City by 2020, with half available for low- and middle-income San Franciscans.

GO Bond Investment Categories

Program Categories	GO Bond
Public Housing	\$80 Million
Low-Income Housing (up to 80% AMI)	\$100 Million
<i>set aside for Mission Area Plan Investments</i>	\$50 Million
Middle-Income Housing (121%-175% AMI)	\$80 Million
TOTAL	\$310 Million



Need for the Bond

The well-documented housing affordability gap that has arisen and expanded in the local housing market makes it a challenge for the City to ensure that economic diversity can be maintained. High housing costs inhibit healthy, balanced economic growth regionally when individuals and families are increasingly locked out of the local housing market and forced to leave the City and take on increasingly long employment commutes. In recent years, the impact of this affordability gap has expanded beyond the range of low- and moderate-income households for whom assistance has traditionally been provided. Strong housing production and the availability of housing affordable to a broader range of households has become more important than ever. The speed at which affordable housing is produced is also critically relevant to meeting the growing need for affordable housing, and the City is combining Bond revenue with other housing fund sources to expedite production. The 2015 Affordable Housing Bond is helping to address the affordability gap, as well as mitigating the destabilization that occurs when market pressures in specific neighborhoods result in driving long-time residents out of the City. Further, through prioritized spending, the 2015 Housing Bond will help the City to provide housing for the specific income categories identified in the Regional Housing Needs Assessment.



Overview of Allocations and Target Beneficiaries

The Bond is relieving housing market pressure by:

- Investing in neighborhoods to promote and preserve economic diversity;
- Developing and acquiring housing for a broad population, including families, seniors, transitional-aged youth, single working adults, veterans, disabled households, and income levels ranging from extremely low to moderate; and,
- Meeting the need through a range of activities, including new multi-family construction, acquisition of existing apartment buildings, and other efforts that will effectively increase the affordable housing supply.

The Bond targets several priority populations in order to serve the City's vulnerable residents and households at risk of displacement:

- Low-income working families
- Veterans
- Seniors
- Disabled individuals



Overview of how this bond is different from most other City GO bonds



With most General Obligation bonds, the City hires contractors to complete infrastructure improvements. For affordable housing, the City does not engage contractors directly or own the improvements directly. Rather, the City will make loans to developers who then hire contractors and own the improvements through Limited Liability Companies (LLCs). This approach allows projects to leverage outside investment, including Federal Low-Income Housing Tax Credits. City loans help jump start development, as it is usually the least costly funding the project will receive. Loans to developers include affordability covenants to ensure that projects are affordable for the long-term.

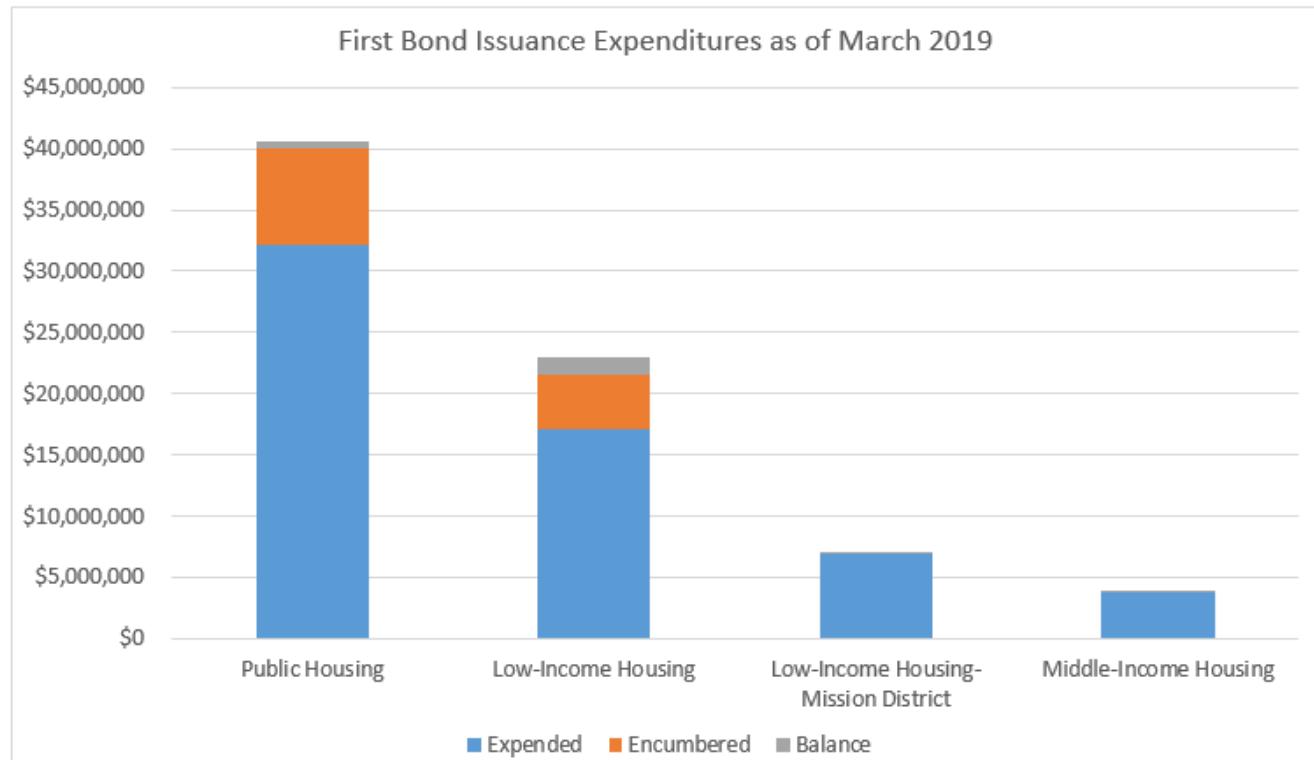
The Bond is also funding down payment assistance loans to individual first-time homebuyers to purchase their homes. Individual loans are directly paid into escrow and a lien is recorded in the title. Down payment assistance loans are repaid in full at time of sale with a proportional share of appreciation coming to the City in lieu of interest payments.

The Bond spending will occur in three major categories: Public Housing, Low-Income Housing (with a portion set aside specifically for the Mission neighborhood), and Middle-Income Housing.

Key Highlights – March 2019

First Issuance

- Over 97% of first issuance funds encumbered and over 80% spent
- First bond issuance is projected to be fully expended by early 2020
- Middle Income Down Payment Assistance Loans (DALP) first issuance fully expended.

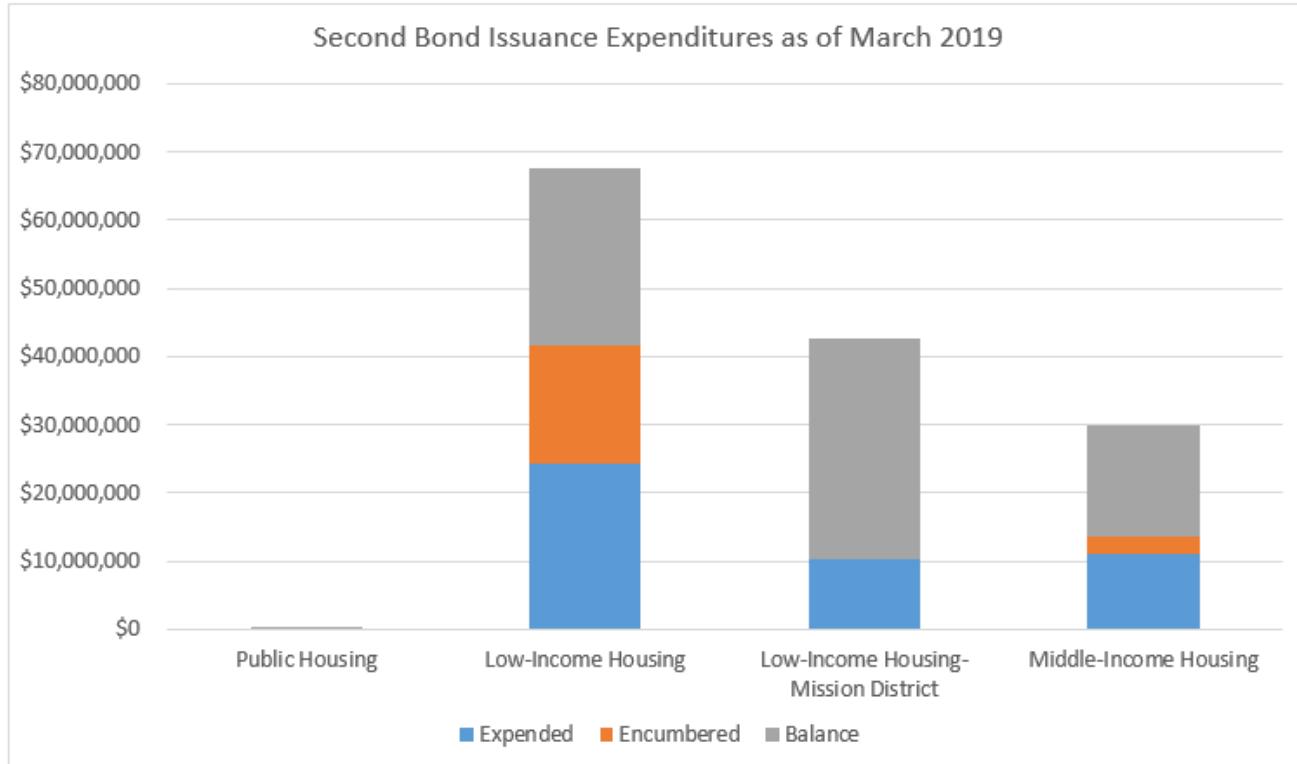


	<i>Public Housing</i>	<i>Low-Income Housing</i>	<i>Low-Income Housing-Mission District</i>	<i>Middle-Income Housing</i>	<i>TOTAL</i>
Expended	\$32,142,437	\$17,037,127	\$7,000,000	\$3,706,028	\$ 59,885,592
Encumbered	\$7,896,515	\$4,523,604	\$0	\$0	\$ 12,420,119
Balance	\$561,048	\$1,414,000	\$25,269	\$96,986	\$ 2,097,303
Total	\$40,600,000	\$22,974,731	\$7,025,269	\$3,803,014	\$74,403,014



Second Issuance

- The second issuance was competitively sold in May 2018
- Almost 47% of second issuance funds encumbered and over 32% spent
- Second bond issuance is projected to be fully expended by late 2020



	<i>Public Housing</i>	<i>Low-Income Housing</i>	<i>Low-Income Housing-Mission District</i>	<i>Middle-Income Housing</i>	<i>TOTAL</i>
Expended	\$158,385	\$24,176,769	\$10,170,027	\$10,916,519	\$ 45,421,700
Encumbered	\$0	\$17,316,136	\$0	\$2,695,069	\$ 20,011,205
Balance	\$241,615	\$26,102,095	\$32,464,973	\$16,245,398	\$ 75,054,081
Total	\$400,000	\$67,595,000	\$42,635,000	\$29,856,986	\$ 140,486,986



Issuance Breakdown

	Issuance 1	Issuance 2	Issuance 3 (late summer/ early fall 2019)	TOTAL
Public Housing	\$ 41.0	\$ 0.4	\$ 38.6	\$ 80.0
Low-Income Housing	\$ 24.2	\$ 68.4	\$ 7.4	\$ 100.0
Low-Income Housing (Mission)	\$ 6.1	\$ 43.1	\$ 0.8	\$ 50.0
Middle-Income Housing	\$ 3.8	\$ 30.2	\$ 46.0	\$ 80.0
TOTAL	\$ 75.1	\$ 142.1	\$ 92.8	\$ 310.0

** Figures include issuance costs



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, much of which was built over 60 years ago, was not designed to be occupied into the 21st Century. The City is now working on two programs to transform public housing – Rental Assistance Demonstration (RAD) and HOPE SF. Bond funds will be used for HOPE SF to accelerate new construction of tax credit affordable and public housing replacement units at two distressed public housing sites, including infrastructure replacement. Bond funds will be spent on the most urgent capital needs and strive for creation of net new units where possible.

RAD and HOPE SF

RAD – RAD is a HUD program which allows public housing authorities to permanently convert public housing to private ownership while maintaining affordability through rental subsidies. In San Francisco, the Housing Authority has transferred ownership and operations of over 3,500 units to private partners. These private partners have access to Low Income Housing Tax Credits and commercial debt which can be used to rehabilitate distressed units. As of April 2019, rehabilitation has been completed on 23 of the 28 RAD projects.

HOPE SF – HOPE SF is the transformation of four of San Francisco's largest and most severely distressed public housing sites into vibrant mixed income communities without displacement of residents. The scope of the work encompasses creating new affordable housing, including public housing replacement units, new market rate units, a new street grid with new infrastructure, new open spaces, retail spaces and community facilities. The four HOPE SF public housing sites are Alice Griffith, Hunters View, Potrero Terrace and Annex, and Sunnydale-Velasco.

Construction is planned or underway on all four HOPE SF sites. As of April 2019, the first phase of vertical development is under construction at Sunnydale (Parcel Q) and will be complete in November 2019; Potrero's first vertical development, Block X, is complete and will be leased by June 2019. At Hunters View, predevelopment activities for approximately 100 additional affordable units is underway. At Alice Griffith, Phase 1, 2 3, and 4 are complete; Phase 4 is leasing up and will house the remaining 19 original Alice Griffith public housing residents, meeting the HOPE SF commitment to rehouse all residents on site with no displacement. Sunnydale and Potrero are the focus of the bond funds to expedite work due to their long development timelines with the goal of improving living conditions for existing residents as soon as possible.

Note: Bond funds will only be used for two of the HOPE SF Sites – Sunnydale & Potrero. Bonds will not be used for RAD.

How Local Public Housing Investment Protects Existing Public Housing Residents

The founding principles of the HOPE SF Initiative specifically address past failures of public housing rebuilding programs that caused mass displacement. Under the HOPE SF Initiative, no existing residents will be displaced, and public housing units will be replaced. Most residents will be relocated on-site while construction proceeds and new units are built. Residents will also be offered options to relocate to units within the MOHCD pipeline with appropriate resident services on a voluntary basis in order to



improve living conditions. Residents relocated off-site will have a right of return once the rebuilding of their original sites are complete.



Project Status Summaries

Potrero Acceleration

EXISTING CONDITIONS



PROPOSED SITE PLAN



Potrero master plan

Project Highlights - Potrero Block X and Block B

Number of units	72 (Block X) & 217 Infrastructure
Total Bond Funding	\$47.9M (all bond issuances)
Total Development Cost	\$68.4M (Block X) & TBD (Block B & Infrastructure)

Project Update

- **Block X** Vertical loan agreement was executed in January 2017 and construction is over 99% complete. Temporary Certificate of Occupancy was issued on December 26, 2018 with approval for residential occupancy March 14, 2019. Final Certificate is expected in May 2019. Block X will be the first building in the 38-acre Potrero Public Housing Site.
- **Block B** Vertical predevelopment loan agreement was executed in June 2017 and design development is underway.



Potrero residents at Texas Street Farm community garden

Project Budget and Schedule – First Issuance only **

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
Potrero Block X Predev	72	2,251,586	2,251,586	2,251,586	-	-	Jul 2016	Dec 2016	Dec 2018
Potrero Block X Vertical		14,148,414	15,441,507	15,441,507	-	-	Jan 2017	Mar 2018	Dec 2018
Potrero Infrastructure Predev	217	1,200,000	Included above	-	-	-	Jan 2017	Mar 2018	Dec 2018
Potrero Block B Predev	N/A	2,300,000	2,206,907	105,183	2,101,724	-	July 2017	July 2019	July 2019
<i>Potrero Subtotal</i>	289	19,900,000	19,900,000	17,798,276	2,101,724	-			

** Second issuance in May 2018 did not include program budget for Public Housing



Block X (circled in red above)
Grand Opening Scheduled for May 2019

Sunnydale Acceleration



Sunnydale master plan

Project Highlights – Sunnydale Parcel Q and Blocks 6A & 6B, and Infrastructure Phase 1A1/2

Number of units	228
Total Bond Funding	\$30.2M (all bond issuances)
Total Development Cost	\$44.8M Parcel Q; \$140M Block 6; \$28M Infrastructure

Project Update

- Since the **Parcel Q** predevelopment budget was approved by Loan Committee on April 2016, the Sponsor was able to decrease costs, significantly reducing MOHCD's contribution. The savings of \$3,433,153 was shifted to Block 6 for infrastructure. The purchase contract and ground lease were approved the Board of Supervisors in December 2017. Construction financing closed in January 2018. Construction started in February 2018 and is expected to be finished in December 2019.
- Sunnydale **Blocks 6A and 6B** were originally proposed as two separate developments that would be built 6 months apart. Throughout the course of planning, it has become evident that there is a high need for the development to be built sooner, and as one project, which will help bring down costs. The remaining \$1,000,000 in predevelopment was shifted to Block 6 infrastructure. The project has received their site permit and construction start is anticipated in September 2019.
- The **Infrastructure Phase 1A-1 and 1A-2** is an 85,000 sq. ft. rectangular shaped area bordered by two new streets, pedestrian mews, and Blythdale Street. The Block 6 vertical development is located inside the rectangle, so that the surrounding streets and mews provide frontage to the housing development. Design work is ongoing. Residents within this infrastructure foot print have been relocated on site. Abatement and demolition started February 11, 2019, with infrastructure work finalizing by the start of Block 6 in September.

Project Budget and Schedule – First Issuance only **

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
Sunnydale Master Planning	N/A	2,800,000	2,800,000	2,341,468	458,532	-	Jul 2016	Jan 2020	Jan 2020
Sunnydale Parcel Q Predev	55	2,000,000	2,000,000	2,000,000	-	-	Nov 2016	Jan 2018	Dec 2019
		10,900,000	6,905,799	6,859,527	46,272	-	April 2018	Jun 2019	Jun 2020
Sunnydale 6A & 6B Predev	N/A	5,000,000	4,000,000	1,256,885	2,743,115	-	Nov 2017	Dec 2019	Nov 2020
Sunnydale Block 6 Infrastructure Phase 1A-1 and 1A-2	173	-	4,994,201	1,886,282	2,546,871	561,048	Mar 2018	Dec 2019	Oct 2021
<i>Sunnydale Subtotal</i>	228	20,700,000	20,700,000	14,344,161	5,794,791	561,048			

** Second issuance in May 2018 did not include program budget for Public Housing



Investment in Low-Income Housing – New Development

Low-Income Housing in San Francisco

Bond funds will allow the creation of at least four additional buildings in San Francisco which are 100% affordable to individuals and families earning less than 60% of the Area Median Income. Bond funds will accelerate new affordable housing production through quick release of funds.



Eddy and Taylor Family Apartments

Mission Neighborhood Set-Aside

The Mission Neighborhood has been particularly impacted by increased rents and displacement. Neighborhood residents advocated for a set-aside for the Mission in the Bond proposal which went before the voters in order to help preserve the neighborhood as an affordable community. Through a Notice of Funding Availability ("NOFA") process concluded in December 2016, MOHCD selected 1990 Folsom for the Mission neighborhood development set-aside, a 143-unit family development with a childcare center and an artist workspace component that is greatly desired by community members. This initial identification of Low-Income bond funds for a predevelopment loan to 1990 Folsom adds to significant additional MOHCD investments in the Mission in recent years. Please see page 20 for status of 1990 Folsom project.

Due to project savings a portion of the funds budgeted for the 1990 Folsom project has been reallocated to 681 Florida. The 681 Florida development team was procured via an RFP that was published October 13, 2016. Two development teams responded, and the selection panel recommended MEDA/TNDC to be selected on February 15, 2017.



Low-Income Housing Predevelopment and Development

In addition to the Mission set-aside NOFA, MOHCD also concluded its City-wide NOFA process in December 2016. MOHCD formally recommended predevelopment loans for three new multifamily developments located in the Excelsior (4840 Mission), Forest Hill (250 Laguna Honda), and Tenderloin (500 Turk Street) neighborhoods. Since the time of that selection process, one of the developments, 4840 Mission, encountered delays. In the interest of putting the Prop A bond funds to use as quickly as possible, MOHCD reallocated a portion of the funds designated for this site to another low-income family housing development. In addition, predevelopment work conducted for 250 Laguna Honda, a proposed 150-unit senior development in the Forest Hill neighborhood, revealed site conditions that posed risk to the development and potentially prohibitive costs. Funding reserved for this development from the first Bond issuance was therefore reallocated to 500 Turk Street, and the remaining Bond funds allocated for 250 Laguna were allocated to 1296 Shotwell, a low-income senior housing development in the Mission neighborhood.



Project Status Summaries

4840 Mission



Project Highlights

Number of Units	0**
Total Bond Funding	\$3.0M (all issuances)
Total Development Cost	\$71.7M

** Note that since this project is only receiving predevelopment funding, we are not counting the units in our GO Bond accomplishment tracking.

Project Update Highlights

- Developer: Bridge Housing
- Units: 114 affordable family apartments, with 20%-30% set aside for homeless households (replacing a funeral home). Added to this affordable unit count will be approximately 75 family apartments, financed as part of the adjacent developer's inclusionary housing obligation.
- Status: Predevelopment funds were disbursed to Borrower to provide a portion of the purchase price for 4840 Mission. Project to be reviewed by the Planning Commission in 2019.

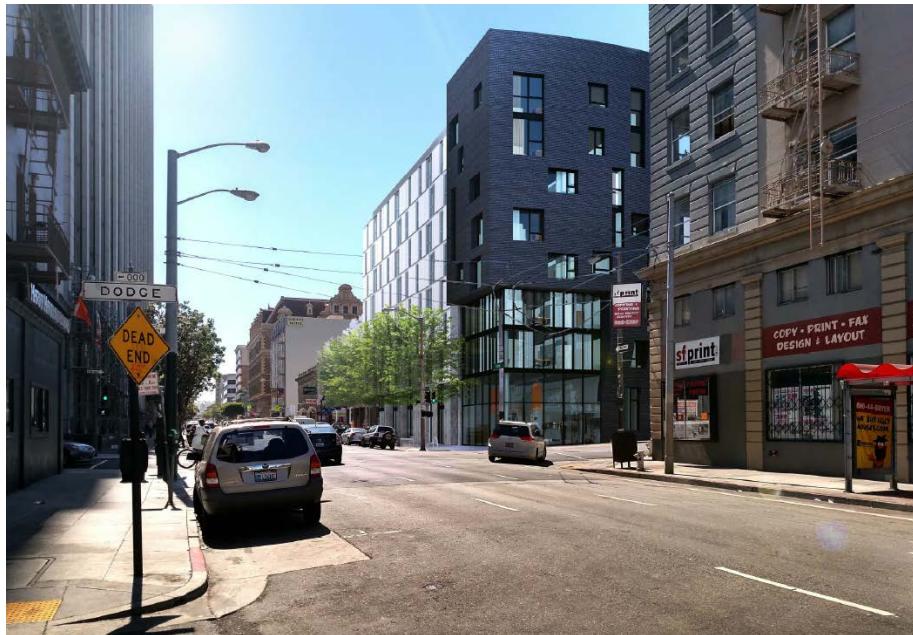
Project Budget and Schedule - First Issuance Only

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
4840 Mission - Predevelopment	-	3,000,000	3,000,000	3,000,000	-	-	Feb 2017	May 2017	Nov 2021



500 Turk



Project Highlights

Number of Units	108
Total Bond Funding	\$24.2M (all issuances)
Total Development Cost	\$77.8M

Project Update Highlights

- Developer: TNDC
- Units: 108 family apartments, with 25% set aside for HOPE SF families
- Status:
 - Project sponsor submitted a February application to the state for Affordable Housing and Sustainable Communities (AHSC) Program. If awarded, the project will receive \$20 million toward project capital improvements and general City transit improvements.
 - Site permit has been issued and pulled.
 - Project continues refining architectural plans with the goal of submitting for tax credits and bond financing in July 2019.



Project Budget and Schedule - First & Second Issuance

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
500 Turk - Predevelopment (First Issuance)	108	3,000,000	3,000,000	3,000,000	-	-	Jan 2017	Dec 2018	Mar 2022
500 Turk - Reallocated Predev (First Issuance)		1,974,731	1,974,731	-	1,974,731	-	Nov 2018	Dec 2019	Mar 2022
500 Turk - Construction (Second Issuance)		15,500,000	15,500,000	13,576,672	1,923,328	-	Sep 2019	Dec 2019	Mar 2022
<i>500 Turk Subtotal</i>	108	20,474,731	20,474,731	16,576,672	3,898,059	-			



1990 Folsom



Project Highlights

Number of Units	143
Total Bond Funding	\$45.8M (all issuances)
Total Development Cost	\$112M

Project Update Highlights

- Developer: MEDA and TNDC joint venture
- Units: 143 family apartments, with 25% set aside for HOPE SF families wishing to relocate from Hope SF sites.
- Status: Project is replacing a vacant banked goods manufacturing plant with affordable housing, a childcare center, and community arts space. The project closed in March 2019 and construction has started. Groundbreaking ceremony scheduled for May 2019.

Project Budget and Schedule – First and Second Issuance

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
1990 Folsom - Acquisition & Predev (Low Income - First Issuance)	143	1,025,269	1,000,000	1,000,000	-	-	Dec 2018	Dec 2018	Sep 2020
1990 Folsom - Predevelopment (Mission Set Aside - First Issuance)		2,000,000	3,622,300	3,622,300	-	-	Dec 2018	Dec 2018	Sep 2020
1990 Folsom - Acquisition (Mission Set Aside - First Issuance)		4,000,000	2,377,700	2,377,700	-	-	Apr 2015	Apr 2017	Sep 2020
1990 Folsom - Construction (Second Issuance)		41,359,731	39,033,659	10,164,114	-	28,869,545	Jun 2018	Jun 2020	Sep 2020
<i>1990 Folsom Subtotal</i>	<i>143</i>	<i>48,385,000</i>	<i>46,033,659</i>	<i>17,164,114</i>	<i>-</i>	<i>28,869,545</i>			



1296 Shotwell



Project Highlights

Number of Units	94
Total Bond Funding	\$22.2M (all issuances)
Total Development Cost	\$55.8M

Project Update Highlights

- Developer: MEDA and CCDC joint venture
- Units: 94 Affordable Senior Housing, with 20% set aside for formerly homeless seniors
- Status: Project funding was encumbered and construction began in May 2018. The project intends to disburse fully at conversion to permanent financing, which will be about May 2020.



Project Budget and Schedule – Second Issuance

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
1296 Shotwell - Construction	94	22,205,269	22,205,269	6,768,953	15,390,713	45,603	May 2018	May 2020	May 2020



Groundbreaking Ceremony - June 2018

88 Broadway/ 735 Davis



Project Highlights

Number of Units	178, incl. 21 middle income (see below)
Total Bond Funding	\$24.1M (all issuances)
Total Development Cost	\$90.7M

Project Update Highlights

- Developer: Bridge Housing and John Stewart Co. joint venture
- Units: 125 units for low-income families of which 21 units are for middle income residents, and childcare center at 88 Broadway. 53 units for seniors at 735 Davis
- Status: Project expected to be encumbered by June 2019 and completed in December 2020. Groundbreaking ceremony scheduled for June 2019.

Project Budget and Schedule – Second Issuance

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
88 Broadway/ 735 Davis - Low-Income Construction	157	21,180,000	17,064,844	-	-	17,064,844	Jun 2019	Mar 2020	Dec 2020
88 Broadway/ 735 Davis - Middle Income Construction	21	10,000,000	7,043,832	-	-	7,043,832	Jun 2019	Mar 2020	Dec 2020
88 Broadway/ 735 Davis Subtotal	178	31,180,000	24,108,676			24,108,676			



681 Florida



Project Highlights

Number of Units	0**
Total Bond Funding	\$2.4M (all issuances)
Total Development Cost	\$89.1

** Note that since this project is only receiving predevelopment funding, we are not counting the units in our GO Bond accomplishment tracking.

Project Update Highlights

- Developer: MEDA and TNDC joint venture
- Units: 130 units for low-income families, with 30% set aside for formerly homeless families; 8,000 sf of ground floor commercial space for community-based arts organizations.
- Status: Project expected to be encumbered by March 2020 and completed in March 2022.

Project Budget and Schedule – Second Issuance

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
681 Florida - Predevelopment	-	-	2,351,341	-	-	2,351,341	Mar 2020	Sep 2020	Mar 2022



482 Geneva – Upper Yard



Childcare Play Space Childcare Entrance Childcare Windows Residential Lobby Residential Roof Garden Community Services Neighborhood-Serving Commercial Space

Project Highlights

Number of Units	TBD
Total Bond Funding, Second Issuance	\$7.1M (all issuances)
Total Development Cost	TBD

Project Update Highlights

- Developer: Mission Housing and Related California joint venture
- Units: 130
- Status: Project expected to be encumbered in 2021 and construction to complete in 2023

Project Budget and Schedule – Second Issuance

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
482 Geneva - Low-Income	112	-	4,115,156	-	-	4,115,156	Mar 2021	Mar 2022	Mar 2023
482 Geneva - Middle-Income	18	-	2,956,168	-	-	2,956,168	Mar 2021	Mar 2022	Mar 2023
482 Geneva Subtotal	130	-	7,071,324	-	-	7,071,324			



Investment in Low-Income Housing – Rehabilitation of Small Sites

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 of up to 25 units 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



Ani Rivera - Small Sites Property

Ani is Director of Galeria de la Raza

Renter for 20 years



Project Status Summary

- All but one project to be funded by first issuance has an executed loan agreement.
- The previously included 305 San Carlos St site will be funded by the third bond issuance.
- Adjusted schedules are highlighted in blue.

March 2019

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
344 Precita	3	1,385,000	1,385,000	921,008	463,992	-	Aug 2017	Aug 2019	Aug 2019
3198 24 th Street	8	4,050,000	4,050,000	2,478,375	1,571,625	-	Mar 2017	Jun 2019	Jun 2019
3800 Mission	5	2,099,000	2,099,000	1,585,744	513,256	-	Feb 2017	Jun 2019	Jun 2019
269 Richland	6	2,100,000	2,100,000	2,100,000	-	-	Jun 2016	Jun 2018	Jun 2018
4042 Fulton	5	2,125,000	2,125,000	2,125,000	-	-	May 2016	May 2018	May 2018
63 Lapidge	6	1,827,000	1,827,000	1,827,000	-	-	Jul 2016	Jul 2018	Jul 2018
60 28th Street (First Issuance)	6	1,414,000	1,414,000	-	-	1,414,000	May 2019	May 2019	May 2019
Second Issuance Pool		9,235,000	-	-	-	-			
289 9th Avenue	16	-	3,749,973	3,747,878	2,095	-	Aug 2019	Aug 2019	Aug 2019
60 28th Street (Second Issuance)		-	677,000			677,000	May 2019	May 2019	May 2019
1411 Florida	11	-	1,780,327	-	-	1,780,327	Apr 2019	Apr 2019	Apr 2019
3280 17th Street	11	-	3,027,700	-	-	3,027,700	Jun 2019	Jun 2019	Jun 2019
<i>Small Sites Program Subtotal</i>	<i>77</i>	<i>24,235,000</i>	<i>24,235,000</i>	<i>14,785,005</i>	<i>2,550,968</i>	<i>6,899,027</i>			

** We note that projects with the same encumbrance, disbursement, and completion dates are permanent loan funding swap only. Unlike regular rehab loans where MOHCD does periodic disbursements, for some small sites projects the initial rehab funding is first done through the San Francisco Housing Accelerator Fund (SFHAF) which allows for quicker loan approval as it is only bridge funding. Once the rehab is complete the SFHAF loan is refinanced using bond funds.



4042 Fulton Street - completed May 2018

Investment in Middle-Income Housing – Down Payment Assistance & Teacher Next Door

Middle Income DALP – 112 Total units

The Middle-Income Down Payment Assistance Loan Program (DALP) provides down payment assistance, in the form of a deferred payment loan up to \$375,000, to qualified middle-income (120% - 175% AMI), first-time homebuyers for the purchase of a market-rate principal residence in San Francisco. The DALP is a “silent second” loan that requires no monthly payments for 30 years. The principal amount plus an equitable share of appreciation are due and payable at the end of the term, or repaid upon sale or transfer.

Teacher Next Door – 60 Total units

The Teacher Next Door (TND) Program helps educators employed by the San Francisco Unified School District (SFUSD) to purchase their first home in San Francisco. Educators can use TND funds to cover closing costs or for a down payment on a below market-rate (BMR) or a market-rate home. The term of the TND is 10 years. There is no interest, nor shared appreciation. After the 5th year, the loan is forgiven at rate of 20% per year, and at the end of the 10th year, the loan is forgiven in its entirety. In addition to TND funds, bond funds for teachers may also be utilized to fund full DALP loans for SFUSD educators.

Why do middle-income households need help?

- San Francisco’s median home price exceeds \$1M
- High home prices require a higher proportion of income for housing expenses
- High rent prevents middle-income households from saving for a down payment
- Prior to the Affordable Housing Bond, highest household income assisted was at 120% AMI

Annual Target Incomes (120% - 175% AMI)

- \$97K - \$141K for individuals
- \$111K - \$161K for a family of two
- \$138K - \$202K for family of four



Project Status Summary

March 2019

	Number of Loans	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance
DALP Loan Expansion - First Issuance	9	2,900,000	2,900,000	2,900,000		-
DALP Loan Expansion - Second Issuance	29	15,260,000	15,260,000	9,399,803		5,860,197
Teacher Next Door - First Issuance	19	903,014	903,014	903,014		-
Teacher Next Door - Second Issuance	10	1,196,986	1,196,986	1,196,986		-
	67	20,260,000	20,260,000	14,399,803		5,860,197



Ruiz Family - DALP & TND Recipients

Maria is a pre-school teacher and Rony is a driver

Purchased home rented for over 20 years

Investment in Middle-Income Housing

88 Broadway/ 735 Davis

- 21 units for middle income residents
- Please see project update on page 25

43rd and Irving

- 82 units for middle income SFUSD teachers
- MOHCD and SFUSD issued a Request for Development Proposals for educator rental housing on 1360 43rd (Francis Scott Key Annex) on October 3, 2017. At the recommendation of a selection panel, MOHCD awarded development rights to MidPen Housing in April 2018. Construction completion is expected by 2022.

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed - March 31, 2019	Amount Encumbered - March 31, 2019	Balance	Date Encumbered/ Est. First Encumbrance	Final Disbursement / Est. Final Disbursement	Completion/ Est. Completion
43rd & Irving	82	3,000,000	3,000,000	304,931	2,695,069	-	Dec 2018	Dec 2020	Nov 2022



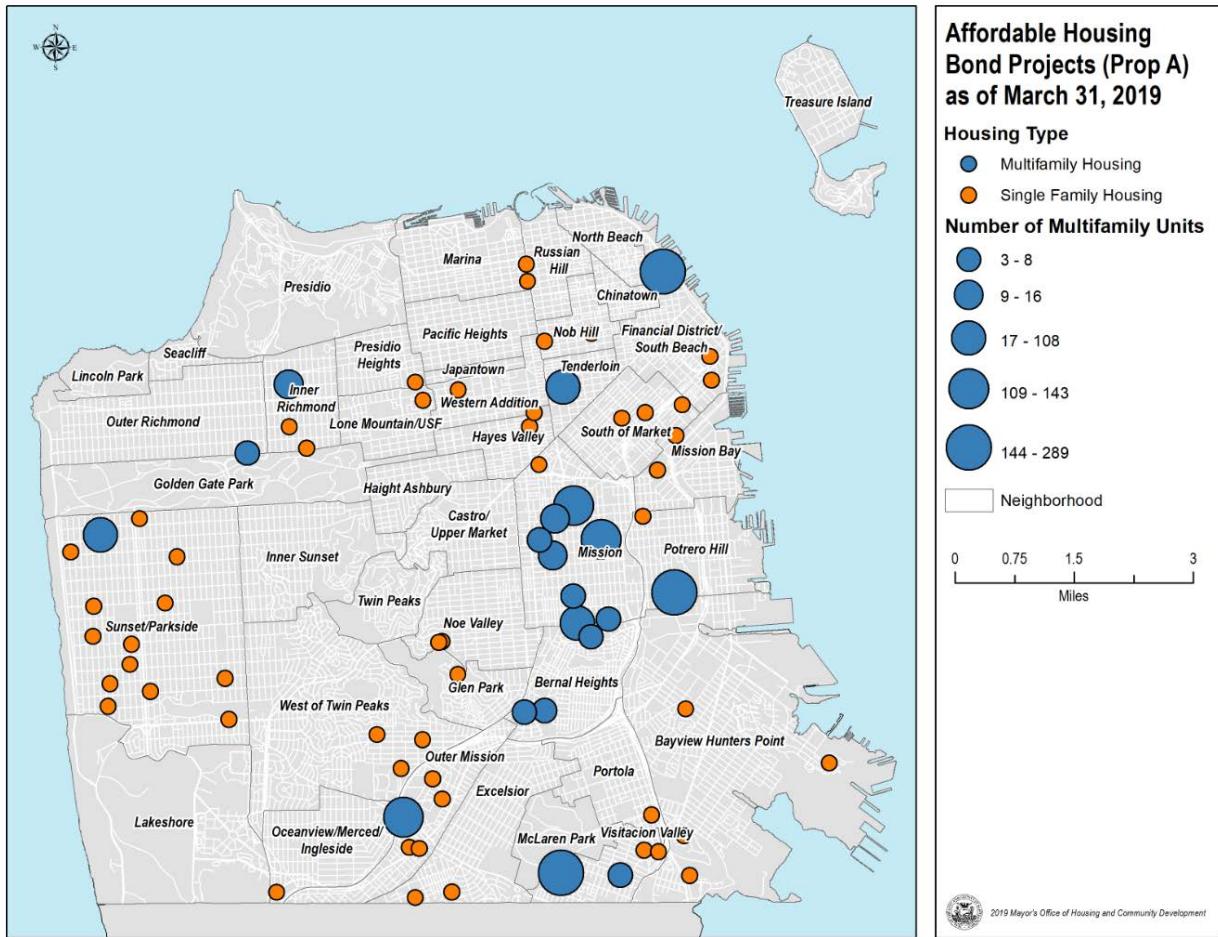
Francis Scott Key Site

Specific Housing Bonds Uses, by Issuance

			Projected		
	ISSUANCE #1	ISSUANCE #2	ISSUANCE #3		
	16-17	17-18	18-19 / 19-20	Total	Units
Public Housing: \$80MM					
Potrero Parcel X Predev	2,251,586			2,251,586	
Potrero Parcel X Vertical Gap	14,241,507			14,241,507	72
Potrero Infrastructure Predev	1,200,000			1,200,000	
Potrero Block B Predev	2,206,907			2,206,907	
Potrero Phase II Infrastructure Development			20,503,000	20,503,000	217
Potrero Block B Gap			1,920,000	1,920,000	<i>(above includes 125 market rate units)</i>
Potrero Block Q Predev Infrastructure			4,000,000	4,000,000	
Potrero Block R Predev Vertical and Infrastructure			1,600,000	1,600,000	
Sunnydale Master Planning	2,800,000			2,800,000	
Sunnydale 6A & 6B Predev	5,000,000			5,000,000	
Sunnydale Parcel Q Predev	2,000,000			2,000,000	
Sunnydale Parcel Q Vertical/Block 6 Infra Predev	10,900,000			10,900,000	55
Sunnydale 3A/B Predev Vertical & Infrastructure			9,500,000	9,500,000	173
<i>Legal and other incidentals</i>		400,000	60,000	460,000	
<i>Cost of issuance</i>	396,700	4,721	1,014,741	1,418,162	
<i>Reserve/bonding/agency</i>			838	838	
<i>Subtotal</i>	40,396,700	404,721	38,598,579	80,000,000	517
Low-Income Housing: \$100MM					
4840 Mission Predevelopment Only	3,000,000			3,000,000	
250 Laguna Predevelopment, reallocated to 500 Turk	1,974,731			1,974,731	
Small Sites Program	15,000,000	9,235,000	1,498,000	25,733,000	77
500 Turk Street Predevelopment, Acq & Con Financing	3,000,000	15,500,000	5,680,000	24,180,000	108
1296 Shotwell Construction Financing		22,205,269		22,205,269	34
88 Broadway/735 Davis Construction Financing		17,064,844		17,064,844	157
Adjustment for 1990 Folsom	1,000,000	(1,000,000)		-	
482 Geneva		4,115,156			112
<i>Legal and other incidentals</i>		500,000		500,000	
<i>Cost of issuance</i>	234,502	797,750	193,806	1,226,058	
<i>Reserve/bonding/agency</i>			942	942	
<i>Subtotal</i>	24,209,233	68,418,019	7,372,748	95,884,844	548
Mission Neighb. Housing: \$50MM: 1990 Folsom					
Predevelopment Costs	6,000,000			6,000,000	
Predevelopment, Acq & Con Financing		39,033,659	782,000	39,815,659	143
Adjustment for 1990 Folsom		1,000,000		1,000,000	
681 Florida	25,269	2,326,072			
<i>Legal and other incidentals</i>		250,000		250,000	
<i>Cost of issuance</i>	53,625	503,174	21,114	532,913	
<i>Reserve/bonding/agency</i>			87	87	
<i>Subtotal</i>	6,083,894	43,112,905	803,201	47,648,659	143
Middle-Income Housing: \$80MM					
DALP Loan Expansion	2,900,000	15,260,000	16,270,000	34,430,000	112
Teacher Next Door	903,014	1,196,986	2,900,000	5,000,000	60
Middle-Income Teacher Housing: 43rd & Irving		3,000,000	26,000,000	29,000,000	82
Middle-Income MOHCD Production: 88 Broadway		7,043,832	-	7,043,832	21
Middle-Income MOHCD Production: 482 Geneva		2,956,168			18
<i>Legal and other incidentals</i>		400,000		400,000	
<i>Cost of issuance</i>	37,153	352,369	780,300	1,169,828	
<i>Reserve/bonding/agency</i>			172	172	
<i>Subtotal</i>	3,840,173	30,209,355	45,950,472	77,043,832	293
GRAND TOTAL	75,130,000	142,145,000	92,725,000	310,000,000	1,501



Map of Affordable Housing Bond Projects



Change in Unit Counts

MOHCD has made several changes in the allocation of funds and corrections to the methodology in how units are counted. Please see table below comparing current unit count to first CGOBOC report as of 12/31/16.

	Number of Units as of 12/31/16 GOBOC Report	Number of Units as of 03/31/19 GOBOC Report	Variance	Variance	Comments
Potrero Parcel X Vertical Gap	72	72	-	0%	
Potrero Block B Predev	94	-	(94)	-100%	Predev funding only - no further bond investment
Potrero Infrastructure Development		217	217	100%	Extensive infrastructure investments will support 92 affordable units and 125 market rate units
Sunnydale Parcel Q Vertical	55	55	-	0%	
Sunnydale Infrastructure Development	187	173	(14)	-7%	Size of supported buildings decreased slightly
Public Housing Subtotal	408	517	109	27%	
Project # 1 Predev - 250 Laguna	150	-	(150)	-100%	No bond funds spent on 250 Laguna; 2016 report should not have counted units with predev funding.
Project # 2 Predev - 500 Turk Street	122	-	(122)	-100%	Predev funding only; 2016 report should not have counted units with predev funding.
Project # 3 Predev - 4840 Mission	114	-	(114)	-100%	Predev funding only - no further bond investment; 2016 report should not have counted units with predev funding.
Project # 1 Acquisition & Development - 1296 Shotwell	97	94	(3)	-3%	
Project # 2 Acquisition & Development - 500 Turk	96	108	12	13%	
Project # 3 Acquisition & Development - 88 Broadway/ 735 Davis	97	157	60	62%	Project scope has increased
482 Geneva (Upper Yard)	-	112	112	100%	Savings from 88 Broadway/ 735 Davis reallocated to 482 Geneva
Small Sites Program	81	77	(4)	-5%	
Low Income Housing Subtotal	757	548	(209)	-28%	
Mission set aside -1990 Folsom	143	143	-	0%	
Mission set aside - 681 Florida	-	-	-	0%	
Mission Set-aside Subtotal	143	143	-	0%	
DALP Loan Expansion	49	112	63	129%	Increase in funding for DALP from \$15M to \$33M
Teacher Next Door	75	60	(15)	-20%	Increase in loan amount size
Middle Income Teacher Housing - 43rd & Irving	30	82	52	173%	Increase in funding for teacher housing from \$7M to \$29M
Middle Income Production - 88 Broadway	166	21	(145)	-87%	Decrease in funding for middle income production from \$50M to \$10M
482 Geneva (Upper Yard)	-	18	18	100%	Savings from 88 Broadway/ 735 Davis reallocated to 482 Geneva
Middle Income Subtotal	320	293	(27)	-8%	
Total	1,628	1,501	(127)	-8%	



Metric of Success

The primary metric of success for the Affordable Housing Bond is number of units produced, protected, or assisted. We have estimated the projected number of affordable units through all phases of the bond process, and will track progress and provide regular updates accordingly.

It's important to note that new housing development in San Francisco can easily take five years from start to finish. Newly constructed public housing units are projected to be completed in 2019-2020, low income units are projected to be completed in 2021-2022, and middle income units may be completed in 2022-2023.



Unit Production Summary as of 03/31/19 (All Issuances)

	Affordable Units in Predevelopment	Affordable Units in Construction	Affordable Units Completed	Projected Total Affordable Units
Public Housing – Potrero Parcel X Vertical	0	72	0	72
Public Housing – Potrero Infrastructure	0	217	0	217
Public Housing – Sunnydale Parcel Q Vertical	0	55	0	55
Public Housing – Sunnydale Infrastructure	0	173	0	173
Low Income Housing – 500 Turk	108	0	0	108
Low Income Housing – 1296 Shotwell	0	94	0	94
Low Income Housing – 88 Broadway/ 735 Davis	157	0	0	157
Low Income Housing – 482 Geneva	112	0	0	112
Low Income Housing - Small Sites (Rehab)	28	32	17	77
Low Income - Mission Set Aside 1990 Folsom	0	143	0	143
Middle Income DALP ***	74	N/A	38	112
Middle Income TND ***	42	N/A	18	60
Middle Income Teacher Housing	82	0	0	82
Middle Income Prod – 88 Broadway/ 735 Davis	21	0	0	21
Middle Income Prod – 482 Geneva	18	0	0	18
TOTAL	642	786	73**	1,501
Percent of Phase	43%	52%	5%	100%

** We note that several units received both DALP and TND Loans. For the purposes of this summary we only counted units receiving both types of loans once as a DALP loan.

*** We note that loans not yet issued are tracked under Predevelopment so that the percentages will equal to 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
Vertical Gap and/or Vertical Development:	Costs starting with actual construction through and including occupancy and conversion to permanent financing



Preservation and Seismic Safety Program (PASS) General Obligation Bond



**CGOBOC Report
May 2019**



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Executive Summary

In November of 2016, the San Francisco voters authorized the City and County of San Francisco to repurpose existing bond authority, and issue up to \$260.7 million of general obligation bonds to address critical housing needs, protect residents, and stabilize communities. The bonds will fund the Preservation and Seismic Safety Program (PASS), and enable the City, acting by and through its Mayor's Office of Housing and Community Development (MOHCD), to:

- **Preserve affordability in existing housing at risk of market-rate conversion**
- **Protect San Franciscans living in apartments at risk of displacement**
- **Improve the earthquake resilience of San Francisco's building stock**

The estimated PASS program funding is as follows:

Program Categories	PASS Program Funding ¹
Affordable (average of 80% AMI & up to 120% AMI)	\$90 million – Below Market Rate Loans \$14.7 million – Deferred Loans \$104.7 million
Affordable (average of 80% AMI & up to 120% AMI) & Market Rate (unrestricted)	\$156 million – Market Rate Loans
TOTAL	\$260.7 million

¹ PASS Program Funding (Below Market Rate Loans, Deferred Loans, and Market Rate Loans) is expected to be combined with to maximize the total bond proceeds available to preserve affordable housing.



Background

Since 2012, City leaders and voters have repeatedly demonstrated their support for policies and investments that address the housing needs of San Francisco's workforce and vulnerable residents. In 2012, voters approved the creation of the Housing Trust Fund. In 2015, 74% of voters approved Proposition A, a \$310 million general obligation affordable housing bond. Then in 2016, 76% of voters approved Proposition C to repurpose \$260.7 million in unused bond capacity to fund the Preservation and Seismic Safety Program (PASS).

The repurposed bond capacity originated from the Seismic Safety Loan Program (SSL), which was passed by the voters in 1992 Proposition A. The SSL provided low-cost financing for property owners to perform seismic retrofits after the 1989 Loma Prieta earthquake. A total of \$350 million of SSL funding was authorized to finance affordable and market rate buildings, as follows:

- \$150 million for affordable buildings
 - \$90 million for Below Market Rate Loans
 - \$60 million for Deferred Loans
- \$200 million for Market Rate Loans to unrestricted buildings

Over the 20 years that followed, the SSL was underutilized with only \$89.3 million of bonds issued, of the original \$350 million in bond authority. Affordable housing advocates, in partnership with MOHCD, responded with a proposal to broaden the scope of the unused funding to finance the acquisition, improvement, and rehabilitation of at-risk multifamily residential buildings and to convert those buildings to permanent affordable housing. The 2016 approval to expand the eligible uses of the SSL has resulted in the development of the PASS Program.



Key Differences From Other City Bonds



With most General Obligation bonds, the City hires contractors to complete infrastructure improvements. For affordable housing, the City does not engage contractors directly or own the improvements directly. Rather, the City will make loans to developers who then hire contractors and own the improvements through Limited Liability Companies (LLCs). This approach allows projects to leverage outside investment. City loans help jump start development, as it is usually the least costly funding the project will receive. Loans to developers include affordability covenants to ensure that projects are affordable for the long-term.

Need for the Investment

Since 2011, market-rate rental costs have far outpaced 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.

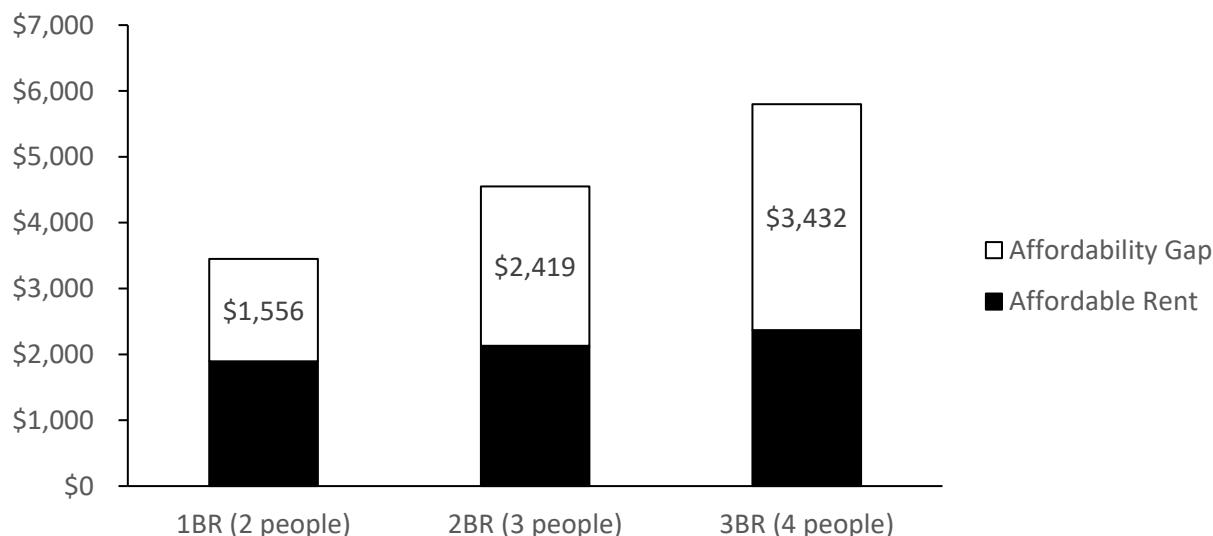
Further, as housing prices have risen, market pressures on the existing housing stock has increased. This Bond will assist in the acquisition and preservation of multifamily properties throughout San Francisco that are particularly vulnerable to market pressure resulting in property sales, increased evictions and rising tenant rents.

Widening 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 2018, a two-person household at 80% AMI earned \$75,750, which translates to an affordable rent of approximately \$1,894 for a one-bedroom apartment. Average one-bedroom market-rate apartments rent for \$3,450, leaving a gap of approximately \$1,556 more than is affordable. Larger households face an even greater affordability gap. For a household of four earning 80% of AMI, the monthly shortfall is \$3,432. For those earning less than 80% AMI a market-rate apartment can be completely out of reach.

**Market Rate Rent vs. Affordable Rent
(80% AMI Households)**



Target Populations

The PASS Program funds will expand and preserve the affordable housing supply by:

- Taking at-risk multifamily properties off the speculative market and preserving them as permanent affordable housing
- Investing in properties with years of deferred maintenance to make them safer and healthier homes for San Franciscans
- Investing in neighborhoods to promote and preserve economic diversity
- Creating housing opportunities for a broad population, including families, seniors, single working adults, veterans, disabled households, and income levels ranging from extremely low- to moderate.



PASS Program Overview

PASS plays a critical role in the City's anti-eviction and preservation strategy to finance the acquisition and rehabilitation of at-risk multifamily buildings, remove them from the speculative market, and preserve them as permanently affordable housing. Specifically, PASS provides access to a nimble source of low-cost and long-term financing that is not currently available on the conventional market, or through MOHCD's existing financing programs. It is anticipated that in aggregate, the PASS Program will facilitate the preservation of up to 1,400 apartments, reduce the need for other public resources, support the long-term financial feasibility of participating developments, and allow preservation-oriented sponsors to compete more effectively in the acquisition of at-risk buildings offered in the open market.

PASS provides MOHCD's borrowers with low-cost and long-term access to debt financing to acquire, rehabilitate, and preserve existing buildings as permanently affordable housing. Eligible projects may be small buildings like those typically funded by the City's Small Sites Program (e.g. 5 to 25 units), larger multifamily structures (e.g. 25+ units), or Single Room Occupancy hotels (SROs) of all sizes.

Eligible Uses

- Acquisition/rehabilitation, preservation of affordable housing, and seismic retrofits
- Small sites (5 to 25 unit buildings)
- Larger multifamily and mixed-use residential buildings (25+ units)
- Single-Room Occupancy hotels

What is not PASS Eligible?

- New construction
- Acquisition without rehabilitation

PASS loans shall be fully secured by a first-position lien against the fee interest of the property and may be structured as either Acquisition/Construction Loans (Direct Financing), or Permanent Loans (Take-out Financing). Loans may be comprised of a combination of (i) Below Market Rate Loans, (ii) Deferred Loans, or (iii) Market Rate Loans. With little to no anticipated demand for market rate properties, MOHCD staff expect that each eligible affordable property will be financed with a combination of all three funding sources to maximize the utilization of the bond proceeds at the lowest interest rate to borrowers.

MOHCD's occupancy restrictions will be recorded against the deed and permanently restrict all units to households earning no more than 120% of AMI at turnover, and require that the project's combined average rents are no higher than 80% of AMI.



PASS and the Small Sites Program

The Small Sites Program (SSP) is an acquisition and rehabilitation subsidy loan program for existing, typically rent-controlled, buildings of up to 25 units. The program was created to protect and establish long-term affordable housing in smaller properties throughout San Francisco that are particularly vulnerable to market pressure resulting in property sales, increased evictions and rising tenant rents. In the face of this increasing pressure on tenants, 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 for the long-term. 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**

To date, SSP has provided \$62.78 million in financing to preserve 29 developments with 211 residential units, and 13 commercial spaces. The PASS Program will complement and enhance MOHCD's ongoing anti-displacement and preservation work under the SSP Program. By replacing more expensive conventional debt with low-cost, long-term senior PASS financing, the City will significantly reduce borrowing costs and the need for other public resources such as SSP. Additional benefits include improved financial feasibility, deeper levels of affordability, and new tools to enable preservation-oriented developers to compete more effectively in the acquisition of at-risk buildings offered in the open market.



Ani Rivera - Small Sites Property

Ani is Director of Galeria de la Raza

Renter for 20 years



First Issuance – Series 2019A

Highlights

- February 2019 – the City issued the first round of funding for the PASS Program in the amount of \$72.42 million.
- March 2019 – PASS Program Regulations adopted by Citywide Affordable Housing Loan Committee
- May 2019 – First PASS loan closing of 30 project pipeline

	Total Amount	Below Market Rate Loans	Deferred Loans	Market Rate Loans
<u>SOURCES AND USES</u>				
<u>Sources:</u>				
Series 2019A Par Amount	<u>72,420,000</u>	<u>26,683,149</u>	<u>4,353,890</u>	<u>41,382,961</u>
Total Sources	72,420,000	26,683,149	4,353,890	41,382,961
<u>Uses:</u>				
Project Fund Deposits				
Project Fund	71,461,128	26,329,853	4,296,243	40,835,032
CSA Audit Fee	<u>142,922</u>	<u>52,660</u>	<u>8,592</u>	<u>81,670</u>
Total Project Fund Deposits	71,604,050	26,382,512	4,304,836	40,916,702
Cost of Issuance	538,011	198,230	32,345	307,435
Underwriter's Discount	205,519	75,723	12,356	117,440
CGOBOC Fee	<u>72,420</u>	<u>26,683</u>	<u>4,354</u>	<u>41,383</u>
Total Delivery Expense	814,839	300,227	48,988	465,623
Total Uses	72,420,000	26,683,149	4,353,890	41,382,961



First Issuance – Series 2019A Pipeline

Issuance #	Project Name	Sponsor	Units	Loan Disbursement Date	Market Rate Loan	Below Market Rate Loan	Deferred Loan	Total PASS Loans
1	60 28th Street	MEDA	6	5/31/2019	583,971	376,607	61,422	1,022,000
1	4830 Mission Street	MEDA	21	6/30/2019	6,336,826	4,086,665	666,509	11,090,000
1	Purple House	SFCLT	10	6/30/2019	639,968	412,720	67,312	1,120,000
1	1411 Florida Street	MEDA	7	7/31/2019	942,810	608,025	99,165	1,650,000
1	3280 17th Street	MEDA	11	7/31/2019	3,296,978	2,126,245	346,777	5,770,000
1	65-69 Woodward	MEDA	6	7/31/2019	874,242	563,805	91,953	1,530,000
1	1201 Powell Street	CCDC	17	7/31/2019	1,165,656	751,740	122,604	2,040,000
1	462 Green Street	CCDC	6	8/31/2019	268,558	173,195	28,247	470,000
1	3840 Folsom Street	MEDA	4	9/30/2019	377,124	243,210	39,666	660,000
1	937 Clay Street	CCDC	73	9/30/2019	2,125,608	1,370,820	223,572	3,720,000
1	654 Capp Street	MEDA	6	10/31/2019	1,222,796	788,590	128,614	2,140,000
1	305 San Carlos Street	MEDA	10	10/31/2019	1,474,212	950,730	155,058	2,580,000
1	534 Natoma Street	SFCLT	5	12/31/2019	697,108	449,570	73,322	1,220,000
1	1500 Cortland Avenue	MEDA	4	12/31/2019	428,550	276,375	45,075	750,000
1	3800 Mission Street	MEDA	5	2/29/2020	742,820	479,050	78,130	1,300,000
1	270 Turk Street	TNDC	86	3/31/2020	7,485,340	4,827,350	787,310	13,100,000
1	568 Natoma Street	SFCLT	5	3/31/2020	565,686	364,815	59,499	990,000
1	Merry-Go-Round House	SFCLT	14	6/30/2020	1,165,656	751,740	122,604	2,040,000
1	1535 Jackson Street	CCDC	19	6/30/2020	1,017,092	655,930	106,978	1,780,000
1	Pigeon Palace	SFCLT	6	9/30/2020	937,096	604,340	98,564	1,640,000
1	1049 Market Street	THC	15	12/31/2020	371,410	239,525	39,065	650,000
1	151 Duboce Avenue	SFCLT	4	12/31/2020	342,840	221,100	36,060	600,000
1	344 Precita Avenue	MEDA	3	3/31/2021	531,402	342,705	55,893	930,000
1	Gran Oriente Filipino	MHDC	24	6/30/2021	3,119,844	2,012,010	328,146	5,460,000
1	308 Turk Street	SFCLT	20	6/30/2021	1,725,628	1,112,870	181,502	3,020,000
1	1684 Grove Street	SFCLT	3	12/31/2021	479,976	309,540	50,484	840,000
1	1353 Folsom Street	SFCLT	3	12/31/2021	497,118	320,595	52,287	870,000
1	70 Belcher Street	SFCLT	5	1/31/2022	645,682	416,405	67,913	1,130,000
1	380 San Jose Avenue	MEDA	4	1/31/2022	457,120	294,800	48,080	800,000
1	644 Guerrero Street	MEDA	4	1/31/2022	382,838	246,895	40,267	670,000
Subtotal		30 projects	406		40,901,955	26,377,967	4,302,078	71,582,000



Second Issuance – Prospects

Issuance #	Project Name	Sponsor	Units	Loan Disbursement Date
2	3329 20th Street	MEDA	10	11/30/2022
2	269 Richland Avenue	MEDA	6	3/31/2023
2	4042 Fulton Street	SFCLT	5	3/31/2023
2	63 Lapidge Street	MEDA	6	4/30/2023
2	3198 24th Street	MEDA	8	5/31/2023
2	1015 Shotwell Street	MEDA	10	5/31/2023
2	2217 Mission Street	MEDA	8	5/31/2023
2	19 Precita Avenue	MEDA	3	6/30/2023
2	35 Fair Avenue	MEDA	4	7/31/2023
2	3353 26th Street	MEDA	10	11/30/2023
Subtotal		10 projects	70	



Project Summaries

60 28th Street



Project Details

Sponsor	Mission Economic Development Agency
Location	60 28 th Street
Neighborhood	Bernal Heights, District 8
Loan Closing Date	5/8/2019
Program Type	PASS, SSP
Number of Units	4 one bedrooms <u>2 two bedrooms</u> 6 total units
Total Bond Funding	\$1.022 million
Total Development Cost	\$3.213 million

Project Highlights

- Households Served: Average rent affordable at 69% AMI, low- and moderate-income families with children, low-income seniors, multigenerational building residents.
- Takeout financing of a SFHAF loan, which funded the acquisition, moderate rehabilitation, and soft-story retrofit of a two-story building.
- Low-cost PASS financing facilitated a more comprehensive rehabilitation, while reducing the SSP subsidy by \$59,000.

4830 Mission Street



Project Details

Sponsor	Mission Economic Development Agency
Location	4830 Mission Street
Neighborhood	Outer Mission, District 11
Loan Closing Date	Expected in July 2019
Program Type	PASS, SSP
Number of Units	6 one bedrooms <u>15 two bedrooms</u> 21 total units 6 commercial units
Total Bond Funding	\$11.1 million
Total Development Cost	\$15.4 million

Project Highlights

- Households Served: Average AMI < 73%, predominantly Latino and Filipino, including several multigenerational families with children and seniors.
- Expected takeout financing of a SFHAF loan, which funded the acquisition, moderate rehabilitation, and soft-story retrofit of a two-story building.
- Expected low-cost and long-term PASS financing will protect existing residents and local businesses, and reduce the subsidy needs from the Small Sites Program by approximately \$2 million.

270 Turk Street



Project Details

Sponsor	Tenderloin Neighborhood Development Corporation
Location	270 Turk Street
Neighborhood	Tenderloin, District 6
Loan Closing Date	Expected in March 2020
Program Type	PASS, Big Sites
Number of Units	69 studios <u>17 one bedrooms</u> 86 total units
Total Bond Funding	\$13.1 million
Total Development Cost	\$27.5 million

Project Highlights

- Households Served: Average AMI < 60%, predominantly low-income individuals and families at risk of displacement, and up to 24 formerly homeless residents.
- Expected takeout financing of a SFHAF loan, which funded the acquisition and rehabilitation, of a ten-story building.
- Expected low-cost and long-term PASS financing will allow TNDC to acquire and rehabilitate the property, remove it from the speculative market, and preserve it as permanently affordable housing for low- and extremely low-income households.



Metrics of Success

The primary metrics of success for the PASS Program are:

- Total number of developments, residential units, and commercial units preserved
- Total number of households served by target population
- Total amount invested

MOHCD will track progress and provide regular updates as loan originations proceed.

