

Project Description
Multifamily Securities Program
City and County of San Francisco

THROUGHLINE Apartments -a scattered sites project

Overview

The funds described in the “Financing Structure” section below will be used to finance the acquisition and rehabilitation of Throughline, a scattered sites project on three different sites for total of 88-unit affordable multifamily housing project located at 777 Broadway, 94133; 1204 Mason Street, 94108; and 1525-1529 Grant Avenue, 94133 in the City and County of San Francisco (the “Project”).

Following rehabilitation, the Project will include approximately 45,315 square feet of gross floor area, comprised of 37,110 square feet of residential area and 8,205 square feet of non-residential area. Non-residential spaces will include nonprofit office spaces at 1525 Grant Avenue, and three separate commercial spaces at 1204 Mason Street comprising of laundromat, café, and a nonprofit office.

Total project costs, including the cost to acquire the properties and rehabilitate existing buildings, will be approximately \$57.3MM, or \$651K per dwelling unit or \$344K per dwelling unit excluding acquisition value & developer fee.

The residential unit distribution, which will include 3 managers’ units of one SRO unit, one studio unit, and one 1-bedroom unit, is:

<u>Unit type</u>	<u>Number of units</u>
SRO	33
Studio	18+30 = 48
1-Bedroom	6+1=7
2-Bedroom	N/A
3-Bedroom	N/A
4-Bedroom	N/A

70 percent of the residential units will serve households earning less than 50 percent of the San Francisco County Area Median Income (AMI), while the balance of units will serve households at 60 percent of AMI.

Maximum rents in the event of subsidy loss is 50 percent AMI for the Section 8 Subsidized units at Bayside.

Residents

No residents will be displaced as all residents will have the right to return after any temporary relocation that might be required.

Site Description and Scope of Work

Address: Bayside Elderly Housing, 777 Broadway, SF 94133
 Consortia, 1204 Mason Street, SF 94108
 Tower, 1525-1529 Grant Ave, SF 94133

Block/Lot: Bayside777 Broadway – 0160/031 + 032
Consortia: 1204 Mason St – 0191/016
Tower: 1525-1529 Grant Ave - 0103/004

The scope of work for the rehabilitation will include:

BAYSIDE:

EXTERIOR REPAIRS
Repair stucco and fascia board, and paint
Replace windows to prevent moisture infiltration. Tempered glazing where required
Repair leaks at podium drains / Waterproof decking (repair traffic coating)
Repair or replace stair handrails and fencing at podium for safety measures
Install storefront entry with auto opener and replace storefront courtyard doors
Replace damaged louver and downspouts
Install structural supports for Solar Thermal system
BUILDING SYSTEM IMPROVEMENTS
Upgrade fire/life safety systems as required
Replace faucets, showerheads and toilets with water saving fixtures as required
Replace bathroom exhaust fans with higher horse power, time delay-controlled, energy efficient units
Update elevator machinery based on inspection
Replace lighting with LED
Interconnect doorbells at Mobility and Communication units
Repair gasket at bottom door rail at courtyard entry to prevent leakage
Update elevator controls if required per ADA
Install solar thermal hot water system
Install 'smart' DHW tank & circulation loop temp control
COMMON AREA IMPROVEMENTS
Replace interior door hardware with lever hardware
Reconfigure leasing office reception window to make accessible, and replace fixtures and finishes
Replace community room cabinets, counters, door hardware, appliances and fixtures to be ADA compliant
Upgrade laundry room for accessibility
Replace existing stair guardrail/handrail
Install directional signage, floor plans and unit signage with braille
Install auto opener and actuator at trash room doors
Install new accessible mailboxes
Replace flooring
Repair and paint ceilings and walls
Replace ranges, incorporating ADA-compliant controls; vented hood, refrigerator
Potentially install low voltage work for tele/data – City Fiber

LIVING UNIT IMPROVEMENTS
Paint unit interiors
Replace unit entry door hardware with lever hardware
Replace old flooring
Replace plumbing fixtures, faucets, showerheads and toilets with low flow fixtures
Replace old sinks and vanities
Refurbish or replace bathtubs, surrounds, tub traps, mixing valves and shower controls
Replace kitchen cabinets, countertops and backsplash at range
Replace lighting fixtures with energy efficient units
Replace window coverings with vinyl blinds
Reconfigure unit bathrooms and kitchen per Mayor's Office of Disability requirements
Pest Control
Abatement

CONSORCIA:

EXTERIOR REPAIRS
Repair/Replace sidewalk at Mason and Washington for commercial ADA access as required
Exterior work associated with soft-story retrofit including installation of grade beams
Repair roof as required
Replace structural support for new Solar Thermal system
Paint all exterior finish and trim
New power-assisted doors and hardware at storefronts
BUILDING SYSTEM IMPROVEMENTS
Install soft-story structural work, grade beams, bracing and shear walls
Repair dryrot and deficient framing
Replace with new panels and unit feeders where required; replace branch circuitry
Upgrade fire/life safety systems as required
Replace faucets, showerheads and toilets with water saving fixtures as required
Replace bathroom exhaust fans with higher horse power, time delay-controlled, energy efficient units
Install 'smart' DHW tank & circulation loop temp control
Replace lighting with LED
Repair water intrusion from Laundromat to boiler room
Replace and enclose all range hood flues
Replace defunct solar thermal hot water system
Install a separate water meter/submeter for commercial café
Install City Fiber
COMMON AREA IMPROVEMENTS
Replace flooring
Install directional signage, floor plans and unit signage with braille
Expand trash chute opening

Repair and paint ceilings and walls
LIVING UNIT IMPROVEMENTS
Paint unit interiors
Replace unit entry door hardware where required
Replace old flooring
Replace plumbing fixtures, faucets, showerheads and toilets with low flow fixtures
Replace old sinks and vanities
Refurbish or replace bathtubs, surrounds, tub traps, mixing valves and shower controls
Replace refrigerators with energy efficient units
Replace lighting fixtures with energy efficient units
Replace window coverings with vinyl blinds
Replace kitchen cabinets and counters
Remodel kitchens and bathrooms where necessary
Replace and enclose all range hood flues
Lead and asbestos abatement

TOWER:

EXTERIOR REPAIRS
Exterior work associated with soft-story retrofit as required
Provide waterproofing at basement walls
Regrade and redirect water at building rear around asphalt curb at electrical vault (repair sidewalk)
Replace damaged siding at rear wall - potentially replace all rear siding
Paint all exterior siding and trim
Replace upper level windows with wood windows per Preservation requirement
Replace corroded gutters and downspouts
BUILDING SYSTEM IMPROVEMENTS
Install soft-story structural work, grade beams, piers, bracing and shear walls
Upgrade fire/life safety systems as required
Replace faucets, showerheads and toilets with water saving fixtures as required
Replace bathroom exhaust fans with higher horse power, time delay-controlled, energy efficient units
Replace gas-fired water heater units with energy efficient unit
Install new waste line lateral. Encroachment permit from the City required
Replace corroded plumbing vent at north facade
Install improved insulation and exhaust fan to the roof for the commercial space server room ventilation
Flush drainpipe to prevent water overflow, particularly at northeast corner
Replace lighting with LED
Potentially install low voltage work for tele/data – City Fiber
Replaced corroded plumbing pipes
Replace dryrot and deficient framing where required

COMMON AREA IMPROVEMENTS
Replace door hardware with lever-type
Upgrade handrails for safety including extensions
Replace flooring
Install directional signage, floor plans and unit signage to meet ADA per MOD
Repair and paint ceilings and walls
Replace existing trash chute
Replace plumbing fixtures with low flow fixtures and provide ADA improvements as required
Replace kitchen fixtures and appliances, and ADA improvement as required
LIVING UNIT IMPROVEMENTS
Paint unit interiors
Install smoke seals at all apartment entry doors
Replace unit entry door hardware with lever-type
Replace old flooring
Replace old sinks
Replace lighting fixtures with energy efficient units
Replace window coverings with vinyl blinds
Lead and asbestos abatement

Development and Management Team

Project Sponsor: Chinatown Community Development Center
 General Contractor: BBI Construction
 Architect of Record: Saida + Sullivan Design Partners
 Property Manager: Chinatown Community Development Center

Project Ownership Structure (Borrower Organizational Chart)

Borrower Entity: Throughline, L.P.
 Managing General Partner/
 Managing Member: CCDC Throughline LLC will own 0.01% interest in the borrower entity.

To be selected is an investor [limited partner/member], who will own a 99.99% interest in the borrower entity.

Financing Structure

The following sources of capital financing are expected to be utilized:

- tax-exempt bonds issued by the City;
- 4% low income housing tax credits (LIHTC);
- seller carryback financing from CCDC;
- a PASS first mortgage; and
- soft debt from the City.

The sale of LIHTC will generate equity financing for the Project. The amount of private activity tax-exempt bonds used during construction will be sized specifically to meet the 50% of aggregate basis test required for the LIHTC.

Schedule

Financing is anticipated to close between 1/2021 and 4/2021, with construction commencing within 30 days of closing. All construction is scheduled to be completed by 9/2022.

Tenants are expected to be temporarily relocated for approximately 15-30 weeks during each phase of the rehabilitation.

Narrative Description of Project Sponsor Experience

Chinatown CDC has developed over 2,730 units of affordable housing over the course of its 40-year history and has another 765 units in the development pipeline (see below). In addition, San Francisco will release approximately 4 projects under RFPs every year; we plan to submit proposals for many if not all. We are also actively seeking small sites (5- to 25-unit buildings) currently housing low-income residents at risk of displacement to acquire, rehabilitate and maintain as affordable housing to help stabilize households and neighborhoods facing evictions and gentrification.

Development Pipeline:

- 1296 Shotwell; construction completion in January 2020, stabilized occupancy expected April 2020
- 1150 Third Street; TCO received early 2020
- 2060 Folsom; in construction
- Swiss American - 534 Broadway; soft-story only (\$3.5MM rehab); in process of securing funding
- Hamlin - 385 Eddy St (\$13.6MM rehab); construction started beginning of 2020
- Larkin Pine (estimated \$18.5MM refinancing/rehab)
- Golden Gate Apartments (estimated \$14.2MM refinancing/rehab)
- Small Sites (5 buildings rehab projects)
 - 462 Green –\$3.5M rehab, completed in Feb 2020
 - 1535 Jackson – \$4M rehab, in construction; 20% complete
 - 1201 Powell/900 Jackson – \$2M rehab, in design
 - 289 9th/800-810 Clement, \$1M rehab, in design
 - 1300 Powell – \$1.5M rehab, in pre-acquisition
- 937 Clay – \$1.5M rehab, in design
- 1590 Broadway – under renovation
- Maceo May; construction loan closing April 2020
- Through Line (777 Broadway, 1204 Mason, 1525-1529 Grant Ave.) major rehab under design
- 730 Stanyan; predevelopment