

Project Description
Multifamily Securities Program
City and County of San Francisco

500-520 Turk Street/555 Larkin Street

Overview

The funds described in the “Financing Structure” section below will be used to finance the new construction of 500 Turk Street/555 Larkin Street, a 108-unit affordable multifamily housing project located at the corner of Turk Street and Larkin Street in the City and County of San Francisco (the “Project”).

Upon completion of the newly constructed building, the Project will include approximately 109,397 feet of gross floor area, comprised of 82,815 square feet of residential space and 2,384 square feet of commercial space.

Total project costs, including the cost to acquire the land and construct the new building, will be approximately \$91,150,158 or \$843,982 per dwelling unit.

The residential unit distribution, which will include 107 affordable units (and 1 manager’s unit) including 186 bedrooms, is:

<u>Unit type</u>	<u>Number of units</u>
Studio	23
1-Bedroom	21
2-Bedroom	50
3-Bedroom	<u>14</u>
Total:	108 (including a manager’s unit)

All units will be affordable (except the manager’s unit) and will serve households averaging 50% of the San Francisco County Area Median Income (AMI), with 27 Project Based Voucher units reserved for residents wishing to move from public housing to the project.

Residents

No residents will be displaced as this is new construction.

Site Description and Scope of Work

Address: 500-520 Turk Street/555 Larkin Street
Block/Lot: Lot 002, Block 0741

The proposed project is an 8-story, 108-unit building with 2-3 ground floor retail spaces, common areas and shared residential amenities including a property management office, mail room, bike room, laundry room, planted courtyard, garden and play area.

Development and Management Team

Project Sponsor[s]: Tenderloin Neighborhood Development Corporation (TNDC)
General Contractor: James E. Roberts-Obayashi Corporation (JERO)
Architect of Record: David Baker
Property Manager: TNDC

Project Ownership Structure

Borrower Entity: Turk 500 Associates, L.P.
Managing General Partner: TNDC

An investor limited partner 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);
- a conventional first mortgage;
- Affordable Housing Program funds;
- State Affordable Housing and Sustainability Community Program Funds; 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 December 2019 and January 2020, with construction commencing within 5 days of closing. All construction is scheduled to be completed by October 2021.