

4/14/16

**BRIDGE Housing Corporation
Potrero Block X
Project Overview**

Project Summary

Potrero Phase I consists of a single block (“Block X”) within the master planned HOPE SF Redevelopment of Potrero Terrace and Annex. As the first development of the Potrero Masterplan, the site requires no relocation and as such will serve to alleviate relocation needs in Phase II. Block X will include up to 71 affordable housing units, plus one manager’s unit, with a mix of 2 studios, 10 one-bedroom, 51 two-bedroom, and 9 three-bedroom units. All of the units in Phase I will be restricted to households at incomes at or below 60% AMI of San Francisco. Seventy-five percent, or 53 units, are currently contemplated to be set aside for public housing replacement units, with the balance of the units (18) to be tax-credit units. Block X also includes property management offices, service spaces, a community room and a shared community courtyard.

Potrero Block X will include approximately 110,460 square feet of gross floor area, including over 68,000 square feet of residential area as well as 4,650 square feet of common areas. Residents will have access to a landscaped podium with a play areas.

Total project costs will be an amount not to exceed \$56 million.

The residential unit distribution, which will include one 2 bedroom superintendent unit is:

Unit type	Number of units
Studio	2
1 BRs	10
2-BRs	51
3-BRs	9

All of the residential units will serve households earning less than 60% percent of the San Francisco County Area Median Income, though the rents may be increased to 60% State TCAC AMI in the event of loss of subsidy.

No residents will be displaced. This first phase of the Potrero Terrace & Annex redevelopment will begin on a vacant infill site.

Site Description and Scope of Work

Address: 1101 Connecticut St.
Block/Lot: 4287/001A and 4287/007

Potrero Block X will consist of the construction of 72 new units of affordable housing. The off-site work, including construction of curbs, roads, and sidewalks with the addition of street trees is included in this scope as well.

Development Team

- BRIDGE Housing Corporation is the Project Sponsor

- BRIDGE Housing Corporation will be the non-profit partner in the development and operation of the project.
- Cahill Contractors, Inc. is the general contractor for the project.
- BRIDGE Property Management Company will be property manager for the project.
- Van Meter Williams Pollack, LLP and Y.A. Studio are the architects for the project.

Project Ownership Structure

- This project will be owned by Potrero Housing Associates I, L.P., of which a BRIDGE Housing Corporation affiliate entity will serve as the Managing General Partner.
- An Investor Member will own a 99.99% member interest in the Owner.
- Any required guaranties will be provided by the Limited Partnership.

Financing Structure

The following sources of capital financing will be utilized: tax-exempt bonds issued by the City of San Francisco; 4% low income housing tax credits; a conventional mortgage; State funding through the Affordable Housing and Sustainable Communities program; and soft debt from the City and County of San Francisco.

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 4% tax credits. The sale of 4% Low Income Housing Tax Credits (LIHTC) will generate equity financing for the project. The calculation of tax credits utilizes the 30% basis boost as San Francisco County is a “difficult-to-develop” area.

Schedule

Financing is anticipated to close between October 1, 2016 and October 31, 2016, with construction starting within 30 days of the close.

The site construction work will be over a 17 month period. All construction work will be completed by approximately March 2018.