

**Candlestick Point South Block 11A Affordable Housing  
Project Description  
October 2017**

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Candlestick Point South Block 11A (the “Project”) is a 176-unit affordable family rental housing project. The Project will be located on Lot 35 of that certain Final Transfer Map No. 7879-8583, recorded on August 16, 2016 and filed on pages 73-78 in Book GG of the County’s Survey Maps in the to-be-developed Candlestick Point neighborhood in the Bayview Hunters Point Redevelopment Project Area.

Co-developers San Francisco Housing Development Corporation and Mercy Housing California (“SFHDC and Mercy”) were selected pursuant to a request for proposals for the development of Candlestick Point North 10a and Candlestick Point South 11a, issued by the Office of Community Investment and Infrastructure (“OCII”). The Candlestick Point and Hunters Point Shipyard Phase 2 Disposition and Development Agreement between CP Development Co. LP, the master developer, and the former Redevelopment Agency (now OCII), calls for 10,500 new housing units, 32% or 3,345 of which will be Below Market Rate (“BMR”). Candlestick Point South 11a and Candlestick Point South 10a, another 100% affordable project, which is also being introduced on October 17, 2017, will be the first BMR projects to be developed in Phase 2.

Scope of Work:

The proposed Project will be a u-shaped structure with heights varying from three to seven stories, constructed on a concrete podium. On the ground floor, the building will feature retail space, car and bicycle parking, and townhome-style stacked flats along a pedestrian-only mid-block break. At the podium level, an inner courtyard and community rooms will serve as central gathering spaces for building residents.

The Project will include 176 units, consisting of 2 studio units, 45 one-bedroom units, 57 two-bedroom units, 67 three-bedroom units, 3 four-bedroom units, 1 five-bedroom units, and 1 two-bedroom manager’s unit. The Project will serve families earning up to 60% of Area Median Income. Approximately 25% of units will be set-aside for formerly homeless households, referred to the Project by the San Francisco Department of Homelessness and Supportive Housing. Among these, 5 units will serve parenting transition aged youth. In addition, the Project will include 2 three-bedroom family childcare units, along with associated childcare space.

Ownership:

SFHDC and Mercy have formed a limited partnership to own the improvements, Candlestick Point 11a, L.P. (“the Partnership”). OCII will own the land that the improvements will be built on and will enter into a long term Ground Lease with the Partnership. This Ground Lease, along with ownership of the land, will transfer from OCII to MOHCD once construction of the improvements is completed.

SFHDC is acting as lead developer in this partnership. SFHDC is an established community based organization with a history of serving the Southeast San Francisco neighborhoods and experience in building and servicing affordable housing. Mercy is acting as co-developer on this

Project. Mercy is a non-profit affordable housing developer, with considerable experience in San Francisco.

**Financing:**

OCII has committed predevelopment funding for the Project and will provide gap financing. The Partnership will apply for a tax-exempt bond allocation, currently estimated to be no more than \$100 million, and 4% low-income housing tax credits.

The Partnership will apply for additional funding as appropriate. This may include, but is not limited to low-interest loans from the Federal Home Loan Bank Affordable Housing Program and California Strategic Growth Council Affordable Housing and Sustainable Communities Program.

**Schedule:**

The Project is applying for a bond allocation by the end of 2017 and expect to begin construction at the end of 2018.

<b>Candlestick Point South Block 11A Issuance Schedule</b>	
<b>Task</b>	<b>Date</b>
Inducement Resolution Lodged with Board	10/24/2017
Inducement Resolution to Budget & Finance Committee	11/16/2017
Inducement Resolutions Approved by Board	11/28/2017
Submit CDLAC application	12/15/2017
CDLAC meeting -- secure allocation	1/17/2018

**Development Team:**

- Co-Developers: San Francisco Housing Development Corporation and Mercy Housing California
- Architect: Leddy Maytum Stacy Architects
- Services Provider: Mercy Housing California in partnership with Episcopal Community Services
- Contractor: Cahill Contractors with Hercules Builders
- Financial Consultant: California Housing Partnership Corporation
- Development Consultant: Chris Rivera