

**City and County of San Francisco
Multifamily Securities Program
Project Description**

2060 Folsom Housing (“17th & Folsom”)

Overview

The funds described in the “Financing Structure” section below will be used to finance the development of 2060 Folsom Housing, 127 units of affordable multifamily housing for families and transitional-age-youth located at 2060 Folsom Street in the City and County of San Francisco (the “Project”).

Following completion, the Project will include approximately 175,000 square feet of gross floor area, comprised of 156,835 square feet of residential area and 18,165 square feet of non-residential area. Non-residential spaces are anticipated to include:

- affordable infant and toddler care for 20 children operated by Mission Neighborhood Centers,
- a preschool for 24 children operated by Good Samaritan Family Resource Center,
- youth programming and services offered by Mission Graduates (within a new headquarters space),
- youth and adult leadership and civic engagement programs provided by PODER (within its new office space), and
- a ground-floor commercial space designed for a café.

Ground floor uses will face an adjacent park at the corner of 17th and Folsom Streets currently being developed by the Department of Recreation and Parks.

Total project costs to construct the new building will be approximately \$90,802,927 or \$714,984 per dwelling unit.

The residential unit distribution, which will include a single 2-bedroom resident manager unit, is:

<u>Unit type</u>	<u>Number of units</u>
Studio	22
1-Bedroom	15
2-Bedroom	48
3-Bedroom	42

All of the residential units (with the exception of the resident manager unit) will serve households earning less than 60% percent of the San Francisco County Area Median Income (“AMI”). Approximately 23% of the units are anticipated to be targeted to homeless or at-risk transitional-age youth (“TAY”) referred by the Department of Homelessness and Supportive Housing with support from the City’s Local Operating Subsidy Program (“LOSP”).

Residents

No residents will be displaced as the site is currently a parking lot.

Site Description and Scope of Work

Address: 2060 Folsom Street, 94110
Block/Lot: 3571/031

Property amenities will include:

- a ground floor with a diverse array of active, community-serving uses that face the park, including infant/toddler care, a preschool, as well as the PODER and Mission Graduates' programs and offices;
- corner retail designed for a café on Folsom near the new park;
- Southern facing building courtyard that draws sunlight and park views deep into the building;
- bike parking with 1.5 bike spaces per unit;
- a community room and kitchen;
- laundry rooms; and
- supportive services meeting spaces.

Development and Management Team

Project Sponsors: Chinatown Community Development Center ("CCDC") and
Mission Economic Development Agency ("MEDA")
General Contractor: Roberts Obayashi
Architect of Record: Mithun Solomon Architecture and Y.A. Studio
Property Manager: CCDC

Project Ownership Structure

Borrower Entity: 2060 Folsom Housing, L.P.
Managing Members: 2060 Folsom LLC, an affiliate of CCDC and
MEDA 2060 Folsom LLC, an affiliate of MEDA

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 and County of San Francisco (the "City"),
- 4% low income housing tax credits ("LIHTC"),
- a conventional first mortgage;
- an Affordable Housing and Sustainable Communities ("AHSC") program loan from State of California,
- Affordable Housing Program ("AHP") financing from the Federal Home Loan Bank, and
- soft debt from the City.

The sale of LIHTC will generate equity financing for the Project. The amount of tax-exempt private activity 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 in October 2018 with construction commencing within 30 days of closing. All construction is scheduled to be completed by March 2020.

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Financing Structure

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- 4% low income housing tax credits ("LIHTC"),
- a conventional first mortgage;
- an Affordable Housing and Sustainable Communities ("AHSC") program loan from State of California,
- Affordable Housing Program ("AHP") financing from the Federal Home Loan Bank, and
- soft debt from the City.

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