



View from Main Street looking south

TRANSBAY BLOCK 2 EAST

BOND ISSUANCE RESOLUTION
FILE NO. 240307

BOS BUDGET &
FINANCE COMMITTEE

APRIL 17, 2024

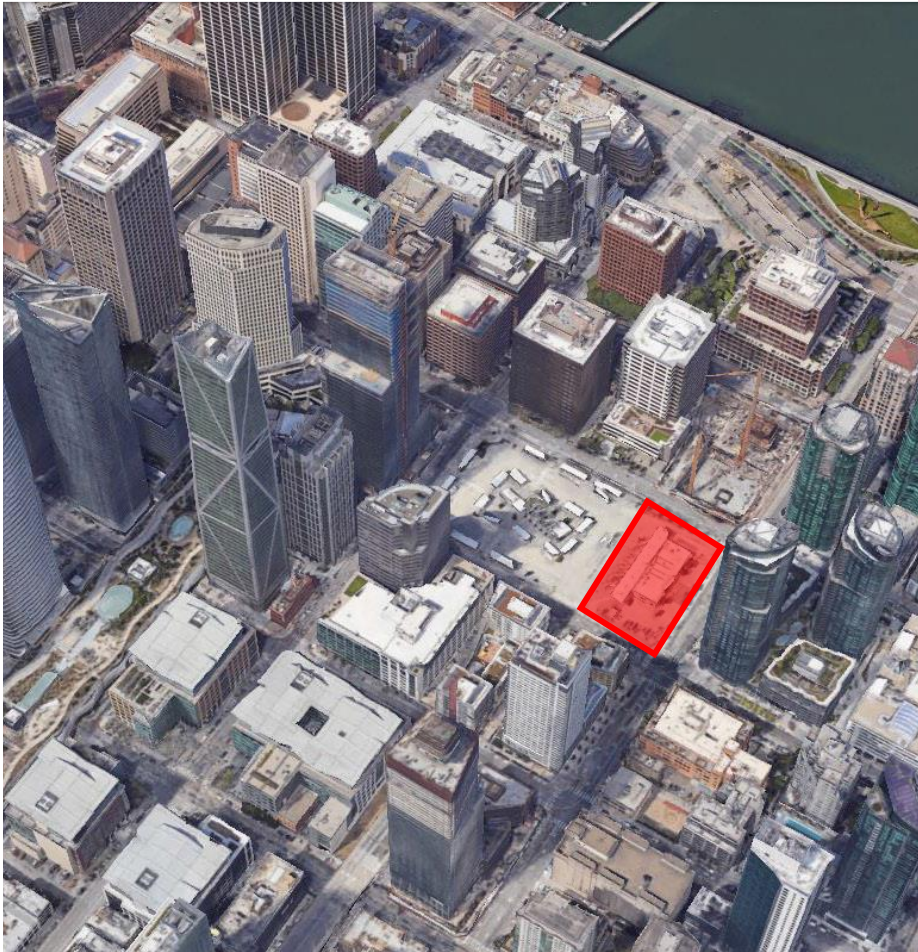
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TRANSBAY BLOCK 2 EAST BUDGET AND FINANCE COMMITTEE AGENDA ITEM

File #240307: Bond Issuance

Authorization to issue multifamily
housing revenue bonds in an
amount not to exceed **\$115.8M**

TRANSBAY AND BLOCK 2 EAST HISTORY

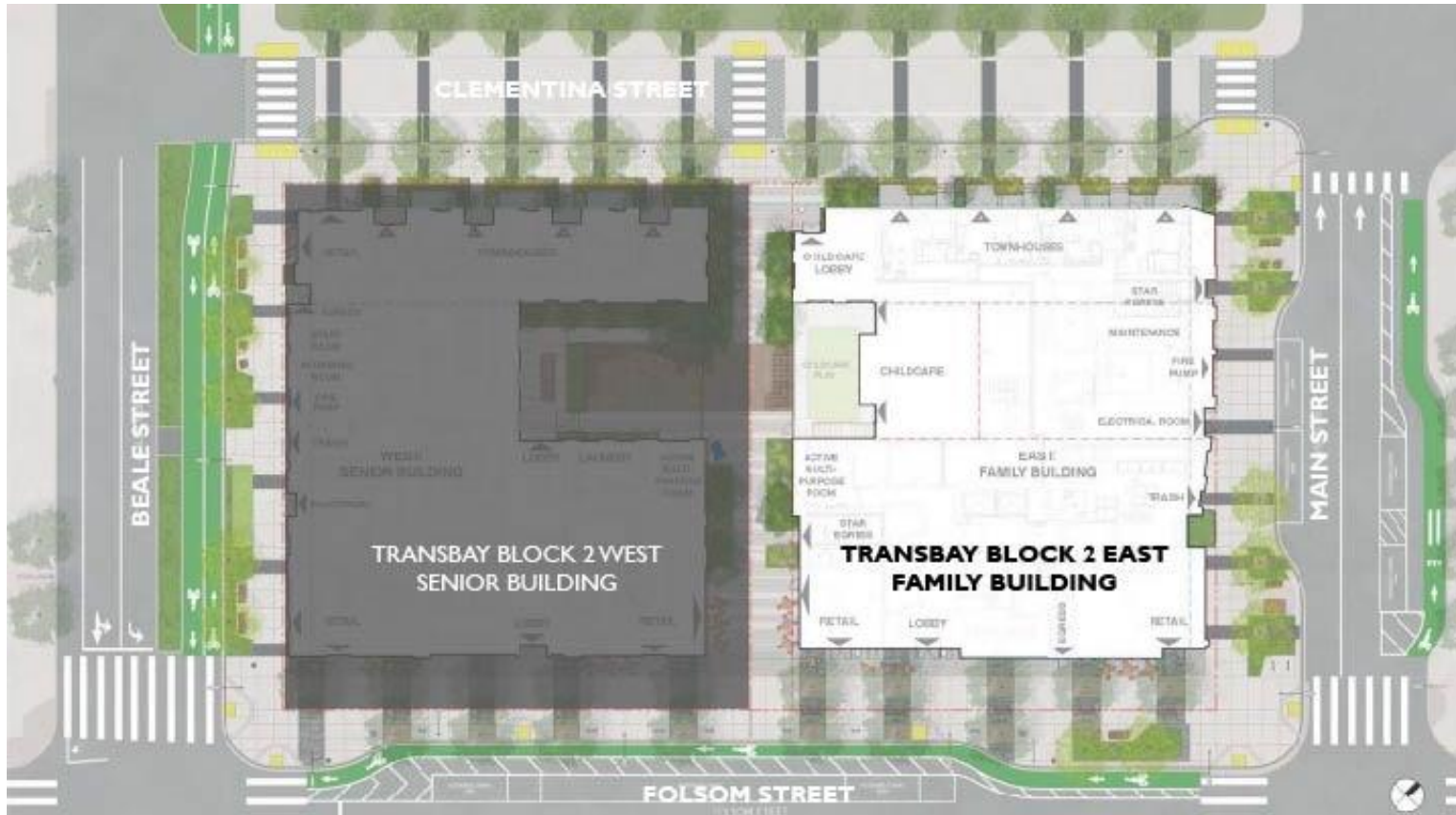


BACKGROUND:

- Transbay Redevelopment Plan Area created in 2005
- Purpose:
 - Create a new mixed-use, mixed-income neighborhood
 - Alleviate blight caused by freeway demolition post-1989 earthquake
- Project Area split into two zones:
 - Zone 1: OCII has land use authority
 - Zone 2: SF Planning Department has land use authority
 - Zone 1 development to date: 2,196 total residential units, 721 affordable units

BLOCK 2 EAST PROJECT HISTORY:

- 2020 – Chinatown Community Development Center and Mercy Housing California selected as co-developers for Block 2
- 2023 – OCII Permanent Loan financing approved by Citywide Affordable Loan Committee, Block 2 East received tax-exempt bond allocation
- 2024 – OCII Commission approved Permanent Loan and Ground Leases



PROPOSED PROJECT

- 184 affordable units for families and families experiencing homelessness (includes 40 LOSP units)
 - 17 studio units
 - 76 one-bedroom units
 - 52 two-bedroom units
 - 37 three-bedroom units
- 2 manager units
- Large community room, landscaped rooftop terraces
- 2 community-serving commercial spaces
- Childcare center on two levels, serving approx. 45 children
- 40% - 80% MOHCD AMI
- Developer: Mercy Housing California

PERMANENT FINANCING

| | |
|--------------------------|---------------|
| Total Development Cost | \$186,867,981 |
| ▪ OCII Loan | \$61,961,845 |
| ▪ Tax Credit Equity | \$98,536,983 |
| ▪ HCD AHSC | \$28,000,000 |
| ▪ Deferred Developer Fee | \$540,000 |

SCHEDULE

- Housing Construction Start: May 2024
- Construction Completion: May 2026
- Lease-up Completion: Dec. 2026/ Jan. 2027



View from Folsom Street at Main Street looking west



View from Beale Street looking south

THANK YOU