

9/11/159/5/15

**Community Housing Partnership
666 Ellis Street – RAD Phase I
Project Overview**

Project Summary

666 Ellis Street consists of 99 existing public housing units located at 666 Ellis Street in the City of San Francisco. The project is being rehabilitated as part of a Citywide program under which public housing units currently owned and operated by the San Francisco Housing Authority will convert to the Rental Assistance Demonstration (RAD) program. Under RAD, 3,584 units of public housing in 29 different projects will convert in two phases.

666 Ellis Street will include approximately 61,965 square feet of gross floor area. Residents will have access to landscaped front and rear areas as well as a community room with community kitchen and an expanded social services suite.

Total project costs, including the cost to acquire and rehabilitate the existing buildings, will be \$35.3 million, or \$353,000 per dwelling unit.

The residential unit distribution is:

Studios	77 units
1-BRs	22 units

All of the residential units will serve households earning less than 50 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.

Description of residents

No residents will be displaced. All residents have the right to return after any temporary relocation that might be required. RAD does not allow re-screening or re-application of any residents. Approximately one-third of the tenants are seniors; the other third are disabled adults. There is a mix of one- and two-person households in the building. Future tenants are anticipated to have the same characteristics.

Site Description and Scope of Work

Address: 666 Ellis Street
Block/Lot: 0321/039

The proposed scope of work at 666 Ellis Street includes accessibility upgrades to path of travel and units (5% mobility, 2% hearing/visual), upgrades to building systems, replacement of windows with energy efficient windows, replacement of the roof, reconfiguration of public spaces and offices, some renovation of apartment interiors, safety and security upgrades, and limited seismic safety improvements.

Configuration modifications to the building entry will be done to provide more transparency, an improved desk area and new security monitoring station for the clerk, improved mailbox access, and a weather-protected seating area with visibility of the street. On Level “1”, the manager’s office, manager’s unit, services office, and laundry will be reconfigured to support CHP’s operations and service staffing. Unit interiors are typically original to the building and require upgrades. Casework, counters, fixtures, and finishes are to be replaced.

12 months are allocated to rehabilitation of the project. Existing residents will be relocated on-site to the extent feasible through a MOHCD- and SFHA-coordinated relocation effort.

Development Team

- Community Housing Partnership is the Project Sponsor and will oversee development, management, and operations at the property.
- D&H Construction will be the general contractor for the project.
- Paulett Taggart Architects is the architect for the project.

Project Ownership Structure

- This project is being sponsored by Community Housing Partnership and will be owned by its affiliate, 666 Ellis L.P.
- The existing owner of the project is the San Francisco Housing Authority, which will retain ownership of the land and convey the improvements to a Limited Partnership for which CHP 666 RAD LLC will be the Managing General Partner.
- An Investor Member will own a 99.99% member interest in the Owner.

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; seller carryback financing from the San Francisco Housing Authority; a conventional first mortgage; 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, 2015 and October 31, 2015, with construction starting within 30 days of the close.

The site rehabilitation work will be over a 12 month period with households temporarily relocated for approximately 4 weeks during each phase of the work. All construction work will be completed by November 2016.