

Homekey+ Project Report

Project Name: 1035 Van Ness		Other HCD Funding Sources: No	
Project Address: 1035 Van Ness		Eligible Applicant is new Homekey Awardee?: No	
Project City: San Francisco	State: CA	Zip: 94109	Gap Financing Project: No
Project County: San Francisco	Homekey+ Region: Bay Area		
Applicant #1 Name: City and County of San Francisco		New Construction Cost Containment Project: No	
Type Of Organization: City and County		Rural Project: No	
Applicant #1 Authorized Rep: Shireen McSpadden	Title: Executive Director, Department of Homelessness & Supportive Housing	Scattered Site Project: No	
Applicant #1 Address: 1 South Van Ness Avenue, 5th Floor			
Applicant #1 City: San Francisco	State: CA	Zip: 94103	
Co-Applicant #1 Name: 1035Vets, LLC			
Type Of Organization: Limited Liability Company			
Co-Applicant #1 Authorized Rep: Tramecia Garner	Title: Executive Director		
Co-Applicant #1 Address: 401 Van Ness Suite 313			
Co-Applicant #1 City: San Francisco	State: CA	Zip: 94102	
Co-Applicant #2 Name: Swords to Plowshares: Veterans Rights Organization			
Type Of Organization: Nonprofit Corporation			
Co-Applicant #2 Authorized Rep: Tramecia Garner	Title: Executive Director		
Co-Applicant #2 Address: 401 Van Ness Suite 313			
Co-Applicant #2 City: San Francisco	State: CA	Zip: 94102	

Homekey+ Capital Award	\$32,800,000
Homekey+ Award for Relocation	\$0
Homekey+ Operating Award	\$2,524,030
Homekey+ Veteran Units Addtl. Operating Award	\$3,720,000
Total Homekey+ Award	\$39,044,030

Project Summary

1035 Van Ness is a Permanent Housing acquisition and rehabilitation Project with a total of 124 units, including 0 manager units. The Project dedicates 66 units to serve veterans experiencing homelessness with a behavioral health condition and 58 units serving veterans at-risk of homelessness. 19 of the units will exceed federal and state accessibility requirements for persons with mobility disabilities and 13 units will include features accessible to persons with hearing or vision disabilities. Each unit will include a private bathroom, air conditioning unit, furnishings, and kitchenette equipped with microwave, two-burner stove, refrigerator, sink, and cabinet/countertop space. Units will also have access to free high speed internet service.

The project is a Type 1 construction, fully sprinklered building, and will include interior renovations including restoring additional units to increase unit count from 106 to 124, bathroom and kitchen upgrades, amenity upgrades including services and property management offices, terrace restoration, and ADA upgrades.

The Project will consist of 1 9-story building that includes a 24/7 staffed security desk, offices, common area, and outdoor terrace. Off-site amenities located within 1 mile of the project include a library, transportation stops, a medical clinic, public parks, and multiple full scale grocery stores.

Project Description

Project Type: Permanent Housing	Eligible Uses: Acquisition & Rehabilitation
Eligible Project: Conversion of buildings with existing residential or interim uses that will be used to create PSH units.	Relocation Award: No
	Operating Award: Yes

Number of Doors at Acquisition: 106	Total Homekey Units Proposed in the Project: 124	Total Homekey+ Assisted Units: 124	Number of Manager Units: 0
Units for the Homekey+ Target Population:		0	
Units for Veterans with a Behavioral Health Condition:		124	
Units for Youth Experiencing or at Risk of Homelessness with a Behavioral Health Condition:		0	

Homekey+ Baseline Capital Award: \$24,800,000	Property Manager: Swords to Plowshares: Veterans Rights Organization	
Homekey+ Capital 1:1 Match: \$8,000,000	General Contractor: D&H Construction	
Total Homekey+ Capital Award: \$32,800,000	Supportive Services Provider: Swords to Plowshares: Veterans Rights Organization	
	Architect: Saida + Sullivan	
Homekey+ Award for Relocation: \$0	Consultant: Mosaic Urban Development	
Homekey+ Operating Award: \$2,524,030	Construction Start Date: 2/1/2026	
Homekey+ Veteran Units Addtl. Operating Award: \$3,720,000	Construction Completion Date: 10/1/2026	
Total Homekey+ Award: \$39,044,030	Site Control: A fully executed sales contract, or other enforceable agreement for the acquisition of the property	
Total Development Cost: \$40,800,000	Project and Unit Amenities/Features:	
Total Cost per Unit: \$329,032		Kitchenettes included? Yes If yes, how many units? 124
Homekey+ Capital Award per Unit Cost: \$264,516		Number of parking spaces: 32 Number of elevators: 2
		No. of residential buildings: 1 Common area (sq. ft.): 22,000
	Land area (acres): 0.28 Total residential area (sq. ft.): 85,660	

Sources of Development Funds

Funds Committed	Source Name	Source Type	Lien No.	Amount	Interest Rate		Repayment Terms		Req. Debt Service Amount
					Type	Rate	Type	Due in (yrs.)	
Yes	HCD - Homekey+	State-HCD	1	\$32,800,000	N/A	N/A	N/A	55	\$0
Yes	City and County of San Francisco Loan	Local	2	\$8,000,000	Fixed for Term	0.0%	Residual Receipts	55	\$0
Totals				\$40,800,000					

Unit Mix and Totals

Number of Bedrooms	Number of Homekey+ Units	AMI Income Limit or Manager Unit	Homekey+ Population	Restriction to Subset of Population
Studio	66	30%	Veterans with a Behavioral Health Challenge	Veterans Experiencing Homelessness
SRO	58	30%	Veterans with a Behavioral Health Challenge	Veterans At-Risk of Homelessness
Veterans Units Total	124			
General Population Units Total	0			
General Population Youth Units Total	0			
Managers Units Total	0			
Total Homekey+ Units	124			

Project Operating Sources

Operating Source	Committed?	Years Committed?	Amount	Commitment Type
Services Grant - San Francisco Department of Homelessness and Supportive Housing	Yes	5	\$2,945,544.00	Committed Operating Subsidy
Local Operating Subsidy Program San Francisco Department of Homelessness and Supportive Housing	Yes	15	\$8,649,977.00	Committed Operating Subsidy
Total Operating Subsidy			\$11,595,521.00	
Rental Subsidy Source	Committed?	Years Committed?	Amount	Commitment Type
Department of Housing and Urban Development (HUD) Veterans Affairs Supportive Housing (VASH) Vouchers	Yes	20	\$40,075,200.00	Project-Based Rental Subsidy
Total Rental Subsidy			\$40,075,200.00	
Total Developer Fee:			\$1,150,000	
Notes:				

Scoring Category (See Table 9 in the NOFA for full description of scoring categories)	Scoring Criteria	Possible Points	Points Awarded
1. Site Control	a. Site control type	20	20
2. Cost Containment	a. Total cost per Assisted Unit is below baseline per door of \$200,000	10	0
	b. Utilizing Publicly Owned Land under Excess Sites or locally designated as Surplus	5	0
3. Sustained Operating Leverage	a. Score is based on weighted subsidy type, percentage of costs covered, and length of commitment.	15	14.36
	b. Homekey+ Operating Award Utilization	20	14
	c. Mental Health Services Act or Behavioral Health Services Act funds committed to the Project.	10	0
4. Experience and Coordination	a. Demonstration of Applicant or member(s) of development team's experience in development, ownership, or operation of a Project(s) similar in scope and size to the proposed Project.	15	15
	b. Documented evidence of Lead Service Provider's experience helping persons address barriers to housing stability and providing other support services.	10	10
	c. Commitment letter(s), MOU(s) or other formal agreement between the Applicants and/or other involved partners.	15	15
5. Community impact	a. Assisted Units include units for large family housing types.	10	0
	b. Applicant waives any potential accommodation by HCD to increase income limits at year 15 from the recordation of the Affordability Covenant.	20	20
	c. The extent to which the Project commits to being accessible to persons with disabilities.	10	10
6. Site Selection	Score is based on Project location nearby specific amenities	16	11.0
7. Relocation Impacts	Score is based on the Project resulting in the permanent displacement of residents.		0.0
8. HCD Negative Points	Negative Points assessed by HCD to the Applicant	0.0	0.0
Total		176.0	129.4

Other Project Information

Sponsor Experience:

The Department of Homelessness and Supportive Housing (HSH) launched on July 1, 2016. The department combines key homeless-serving programs and contracts from the Department of Public Health (DPH), the Human Services Agency (HSA), the Mayor's Office of Housing and Community Development (MOHCD), and the Department of Children Youth and Their Families (DCYF). The HSH oversees 14,303 housing units, and 19,019 beds.

Swords to Plowshares: Veterans Rights Organization (Swords) was founded in 1974 in San Francisco to address the needs of vulnerable Veterans who found themselves experiencing homelessness, under-employment, and shut out of care and benefits by the Veterans Administration. Today, Swords provides comprehensive wrap around services, serving over 3,000 Veterans each year in the Bay area, to ensure that we address the various needs of Veterans from housing, mental health, employment and training, community referrals, legal services, representative payee services and more. Swords currently operates over 500 units of permanent supportive housing for Veterans, all of which are located in San Francisco.

Environmental Risks:

A Phase I Site Assessment dated May 3rd, 2025 was prepared by Essel Environmental & Emergency Response in accordance with ASTM Standard, which found no evidence of Recognized Environmental Conditions (RECs). Conclusion: No further action recommended .

Project is eligible for ministerial approval pursuant to CA Govt. Code Section 65650 et. seq. and CEQA is not required.

This project was subject to review under 24 CPF 58.35(a); it is Categorically Excluded Subject To (CEST) the rules and regulations enumerated at 58.5. The review determined that this project does convert to Exempt under NEPA, due to the lack of need for mitigation measuring in order for it to be NEPA-compliant. As such, there is no need to submit a Request for Release of Funds (RROF) to HUD or for HUD to issue an Authority to Use Grant Funds (AUGF).

Relocation:

The HCD Relocation Review team has conducted an initial review of accompanying documents, including a relocation assistance narrative and was approved on September 2, 2025. It was confirmed that the Grantee will need to submit a no-relocation certification and indemnity prior to fund disbursement.

Special Conditions:

1.) California law 25 CCR § 42 requires an onsite manager, maintenance, or other responsible person for rental housing of 16 or more units. TCAC regulations allow for an alternative option to provide an equivalent number of desk or security staff capable of responding to emergencies for the hours when property management staff is not working. The 1035 Van Ness Project will provide 24/7 property management staff capable of responding to emergencies who live nearby in lieu of having an onsite manager and manager's unit.

2.) Prior to execution of the Standard Agreement (Contract), Grantee and Co-Applicants are required to submit an updated resolution that meets the requirements of the Homekey+ Notice of Funding Availability.

3.) The organization Swords to Plowshares: Veterans Rights Organization must be added as a Co-Applicant to the application and subsequent updated authorizing resolutions prior to execution of Homekey+ Standard Agreement.

4.) The Project has identified the following federal funds – Department of Housing and Urban Development (HUD) Veterans Affairs Supportive Housing (VASH) Vouchers, that are subject to review under the National Environmental Policy Act (NEPA). Applicant must provide a copy of the Project's executed Authority to Use Grant Funds (ATUGF) prior to the construction loan closing.

Applicant Acknowledgement

Final Project Report

By signing below, Applicant(s) acknowledges receipt of this final project report and agrees that it is a representation of the Project at time of award. This Project is subject to further underwriting prior to disbursement of the Homekey+ funds. Applicant further acknowledges and understands that all project changes must be reported and approved by the Department. Underwriting prior to fund disbursement shall be based upon final certified costs, in conformance with all applicable Guidelines and Regulations and financial information contained in the application and may be subject to change including, but not limited to development costs and funding sources.

Project Name: 1035 Van Ness

Entity Represented: City and County of San Francisco

Eligible Applicant Name: Shireen McSpadden

Applicant Title: Executive Director, Department of Homelessness & Supportive Housing

Eligible Applicant Signature: _____

Date: _____

Co-Applicant 1 Name: Tramecia Garner

Co-Applicant 2 Name: Tramecia Garner

Co-Applicant 3 Name: _____

Co-Applicant 4 Name: _____

Title: Executive Director

Title: Executive Director

Title: _____

Title: _____

Signature

Signature

Signature

Signature

Date: _____

Date: _____

Date: _____

Date: _____