

Project Description
 Multifamily Securities Program
 City and County of San Francisco

Ambassador Ritz

Overview

The project consists of two properties: the Ambassador Hotel is a 134 unit affordable multifamily housing project located at 55 Mason Street, San Francisco, CA, 94102 in the City and County of San Francisco and Ritz Hotel,, an 88 unit affordable housing project located at 216 Eddy Street, San Francisco, CA 94012 in the City and County of San Francisco (together, the “Project”).

The Ambassador Hotel Project will utilize a hybrid tax credit structure, including both 4% rehabilitation and acquisition credits and a 9% allocation from the City and County of San Francisco geographic set aside. The request for bonds pertains to the 4% portion of the project, which will be comprised of approximately 98 units of the 134 units of the Ambassador Hotel Project and all 88 units of the Ritz. The description provided below pertains only to the 4% portion of the Ambassador Hotel and to the entirety of the Ritz Hotel.

Following rehabilitation the Project will include approximately 57,322 square feet of gross floor area, comprised of 52,322 square feet of residential area. Non-residential spaces at the Ambassador Hotel include five commercial spaces – two restaurants, a deli, a convenience store, and a large parking garage. Although housed in the Ambassador building, these commercial spaces will be in a separate air rights parcel and their square footage information is not included here. The Ritz Hotel contains two commercial spaces – an office space currently leased by TNDC and a corner store

Total project costs for the project, including the cost to acquire the land and construct/rehabilitate buildings is approximately \$94MM or \$505,376 per dwelling unit.

The residential unit distribution, which will include 1 studio night manager unit, is:

<u>Unit type</u>	<u>Number of units</u>
SRO	186
Studio	0
1-Bedroom	0
2-Bedroom	0

One hundred percent of the residential units will serve households earning less than one hundred percent of the San Francisco County Area Median Income (AMI), at varying levels of affordability.

	45%	50%	60%	65%	75%	80%	90%	100%	105%	120%	Market Rate	Total (Row)
SRO		88				31	63		4			186
Studio												
1-Bedroom												
2-Bedroom												
3-Bedroom												
4-Bedroom												
5-Bedroom +												
Total (Column)		88				31	63		4			186

Residents

No residents will be displaced as all residents will have the right to return after any temporary relocation that will be required.

Ambassador Site Description and Scope of Work

Address: 55 Mason Street, San Francisco, CA 94102
Block/Lot: Block 0340/Lot 01

The scope of work for the rehabilitation will include:

- Immense structural upgrades
- ADA units (10%) and Communication Unit (4%)
- Roof replacement
- Elevator modernization
- Brickpointing & cornice repairs
- Common area finishes
- Unit kitchen, bath, and finishes upgrades
- Integrated pest management
- Addition of wireless internet

Ambassador Development and Management Team

Project Sponsor[s]: Tenderloin Neighborhood Development Corporation
General Contractor: D&H Construction
Architect of Record: Paulett Taggart Architects
Property Manager: Tenderloin Neighborhood Development Corporation

Ritz Site Description and Scope of Work

Address: 216 Eddy Street, San Francisco, CA 94102
Block/Lot: Block 0332/003

The scope of work for the rehabilitation will include:

- Structural upgrades on the ground floor and in basement
- ADA bathroom on ground floor
- Common area ADA upgrades
- Fire sprinklers
- Unit upgrades including in-unit bathrooms
- Plumbing replacement
- Upgrade electrical system
- Replace space heating system
- Common area finishes
- Wireless internet

- New community space
- Replacing/repairing windows

Ritz Development and Management Team

Project Sponsor[s]:	Tenderloin Neighborhood Development Corporation
General Contractor:	D&H Construction
Architect of Record:	Gelfand Partners Architects
Property Manager:	Tenderloin Neighborhood Development Corporation

Project Ownership Structure

Borrower Entity:	Ambassador Ritz Four Percent, L.P.
[Managing General Partner/ Managing Member]:	Ambassador Ritz Four Percent GP LLC

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
- 4% low income housing tax credits (LIHTC)
- Historic tax credits
- Seller carryback financing
- Soft debt from the City
- Gap financing provided by Tenderloin Neighborhood Development Corporation

The sale of LIHTC will generate equity financing for the Project. 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 LIHTC.

Schedule

Financing is anticipated to close in April 2021 with construction commencing shortly thereafter. All construction is scheduled to be completed by the end of 2022.

Both Ambassador and Ritz residents will be temporarily relocated during the construction period.

At the Ambassador, it is likely that construction will be carried out in two phases – each containing half of the building’s residents. The commercial tenants will need to temporarily vacate their spaces for 2-3 months. At the Ritz, it is likely that relocation will be carried out in six phases over the span of nine months. Each phase will relocate up to sixteen units by stacks for approximately a month and a half.