

Project Description
 Multifamily Securities Program
 City and County of San Francisco

Ambassador Hotel

Overview

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 (the “Project”).

The 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 102 units of the 134 units of the Project. The description provided below pertains only to the 4% portion.

Following rehabilitation the Project will include approximately 25,500 square feet of gross floor area, comprised of 25,500 square feet of residential area. Non-residential spaces will 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 condo.

Total project costs for the 4%, including the cost to acquire the land and construct/rehabilitate buildings, will be approximately \$47MM or \$465,000 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>
Studio	102
1-Bedroom	0
2-Bedroom	0
3-Bedroom	0
4-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.

	30%	45%	50%	60%	100%	120%	Market Rate	Total (Row)
SRO	8	27	66	1				102
Studio								
1-Bedroom								
Total (Column)	8	27	66	1				102

Residents

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

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:

- Structural upgrades
- ADA units
- Roof replacement
- Elevator modernization
- Unit finishes upgrades
- Brickpointing & cornice repairs
- Plumbing replacement
- Integrated pest management
- Courtyard landscaping
- Common area finishes
- Wireless internet

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

Project Ownership Structure

Borrower Entity: Ambassador 4% Associates, L.P.
[Managing General Partner/
Managing Member]: Ambassador 4% 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 between December 1, 2020 and January 15, 2021 with construction commencing within 14 days closing. All construction is scheduled to be completed by July 31, 2022

Construction phasing has not yet been determined; it is certain that residents will need to be temporarily relocated while their units are under construction.