

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF STATE FINANCIAL ASSISTANCE**

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September 30, 2025

Eric D. Shaw, Director, Mayor's Office of Housing and Community Development
City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

Dear Eric D. Shaw:

RE: Infill Infrastructure Grant Program – Catalytic Qualifying Infill Area – Round 10
Project: San Francisco CQIA (CCSF CQIA)
Contract No. 23-IIGC-17922
Unit Mix Change
Change in Qualified Infill Area

The California Department of Housing and Community Development (Department) previously awarded the City and County of San Francisco (City and County) **\$45,000,000** on August 22, 2023, under the Infill Infrastructure Grant Program Guidelines and Notice of Funding Availability Phase II Application Solicitation.

On June 20, 2025, the Department was notified of a six-months extension request to the performance milestone requirements as outlined in the IIG Solicitation dated March 15, 2023, Article 6, Section 600 (a), specifically execution of a Standard Agreement and Disbursement Agreement within 2 years of Award. Section 600(a)(8) allows the Department to grant an extension under exceptional circumstances. The Department approved the six-months extension request through February 22, 2026. The change was memorialized and approved in the Change Circumstance Letter (CCL) dated August 12, 2025.

On July 29, 2025, the Department was notified of changes in the unit mix. The unit mix was changed by increasing the total number of Housing Development (HD) by 3 from 5 to 8. The Anchor Housing Development (HD) #1, India Basin, decreased units by 211 units from 392 to 181. HD #4, Portero Block R, with 86 units is removed and replaced by Treasure Island IC4.3 with 150 units, HD #5, Portero Block Q, with 127 units is removed and replaced with Treasure Island E1.2 with 100 units. HD #6 Treasure Island BHB with 120 market units, HD #7, Island Basin Flats with 150 homeownership units, and HD #8, Island Basin Midrise, 150 market rate units, are added. This will result in an additional 246 units, with the total number of units increasing from 789 to 1,035. Program staff completed an analysis to ensure no impact on the grant award, affordability, net density factor or score.

1. The total Units in the Qualified Infill Area (QIA) comprise of 8 Housing Developments (HD), totaling 1,035 Units. As revised, Project CQIA meets the requirements of Guideline Section 204(a), with at least 15 percent affordable units (504 affordable units / 1,035 total units = 48.69%).

CCL #1:

	Homeowner	Rental	Total Units
HD 1	0	392	392
HD 2	0	89	89
HD 3	0	95	95
HD 4	0	86	86
HD 5	0	127	127
HD 6	0	0	0
HD 7	0	0	0
HD 8	0	0	0
HD 9	0	0	0
HD 10	0	0	0
Totals	0	789	789

Revised Unit Mix:

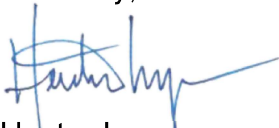
	Homeowner	Rental	Total Units
HD 1	0	181	181
HD 2	0	89	89
HD 3	0	95	95
HD 4	0	150	150
HD 5	0	100	100
HD 6	0	120	120
HD 7	150	0	150
HD 8	0	150	150
HD 9	0	0	0
HD 10	0	0	0
Totals	150	885	1035

2. The original application award provided an IIG Total Units Base Grant Limit with Adjustment Factor of \$50,739,580 allowing a maximum Grant limit of \$45,000,000. The revised application award provided an IIG Total Units Base Grant Limit with Adjustment Factor of \$49,935,496 allowing a maximum Grant limit of \$45,000,000. The amount requested for the Capital Improvement Project is and was \$45,000,000. The NOFA requires the awarding of the lesser of the two. The revised unit mix changed the NDF from 1.48 to 1.52, which did not impact the eligible grant amount or award of \$45,000,000.
3. NOFA Rating and Ranking Section 301 (a), Number of Housing Units, (b), Depth and Affordability, and (c), Net Density, did not have the scores impacted with the overall score remaining at 82. This score remains unchanged and is still ranked high enough to successfully receive an award.

As a result, the changes requested as described above have been reviewed and approved by the Department. Negative points will not be assessed for any changes listed above for this Project.

For further information, please contact me at Hector.Leyva@hcd.ca.gov or (916) 490-9313.

Sincerely,



Hector Leyva
Section Chief
Climate Investments Branch
Multifamily Finance and Loan Closing