

9/11/15

**Hunters Point East West, LP
Hunters Point East West – RAD Phase I
Project Overview**

Project Summary

Hunters Point East West consists of 213 existing public housing units located at 1065 Oakdale and 798 Jerrold 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.

Hunters Point East West will include approximately 202,870 square feet of gross floor area, including 200,229 square feet of residential area as well as nearly 2,641 square feet of Community Centers/ Management Offices area. Residents will access landscaped seating areas and play areas in the property between the various buildings.

Total project costs, including the cost to acquire and rehabilitate the existing buildings, will be approximately \$119,000,000 or \$559,000 per dwelling unit.

The residential unit distribution, which will include one 2 bedroom and one 3 bedroom staff unit, is:

1 BRs	17 units
2-BRs	122 units
3-BRs	35 units
4-BRs	29 units
5-BRs	9 units
6-BRs	1 unit

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.

The resident population at Hunters Point East West largely consists of low-income family households. Table 1 below shows the racial demographics of the residents on site. The average age of the residents at Hunters Point is 25.

Table 1. Hunters Point East West Demographics

Race	Percent
Asian	4%
Black	53%
Islander	11%
White Hispanic	24%
White Non-Hispanic	7%

Site Description and Scope of Work

Address: 1068 Oakdale and 798 Jerrold
Block/Lot: Lot 039, Block 4700; Lot 031, Block 4700; Lot 002 and 043, Block 4734;

Scope of Work:

Exterior

- Replace roofs
- Replace windows
- Exterior painting

Interior

- Priority unit maintenance
- Replace all water heaters
- Replace all furnaces
- Install stacked washers and dryers
- Install fire sprinkler system

Site

- Upgrade site lighting
- Install security cameras
- Hydro jet sewer laterals
- Resurface and stripe parking areas
- Resurface playground and basketball courts
- Limited site landscaping

Accessibility

- Convert 11 units to full accessibility compliance
- Provide accessible path of travel from designated units to community rooms

Community Rooms

- Refurbish community room on west site
- Convert one unit to community room on east site

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

Development Team

- Hunters Point East West, LP is the Project Sponsor.
- San Francisco Housing Development Corporation will be the non-profit partner in the development and operation of the project.
- Cahill Contractors will be the general contractor for the project.
- John Stewart Company will be property manager for the project.
- Saida + Sullivan Design Partners is the architect for the project.

Project Ownership Structure

- This project is being sponsored by Hunters Point East West, LP
- 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 San Francisco Housing Development Corporation will be the Managing General Partner.
- An Investor Member will own a 99.99% member interest in the Owner.
- Any required guaranties will be provided by The John Stewart Company, The Related Companies of California, San Francisco Housing Development Corporation, Ridgepoint Nonprofit Housing Corporation

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 an 18 month period with households temporarily relocated for approximately 8 weeks during each phase of the work. All construction work will be completed by April, 2017.