



Citywide Affordable Housing Loan Committee
Mayor's Office of Housing and Community Development
Department of Homelessness and Supportive Housing
Office of Community Investment and Infrastructure
Controller's Office of Public Finance

MEMORANDUM

DATE: November 7, 2025
TO: CITYWIDE AFFORDABLE HOUSING LOAN COMMITTEE
FROM: OMAR MASRY, PROJECT MANAGER
RE: **PERMANENT FINANCING COMMITMENT OF UP TO \$8,000,000 IN CITY LOAN FUNDS AND A GRANT OF \$3,000,000 IN STATE FUNDS FOR REHABILITATION OF 1035 VAN NESS AVENUE**

STATE HOMEKEY+ CAPITAL GRANT	\$3,000,000
HSH 2020 HEALTH & RECOVERY GO BOND	\$5,912,794
OUR CITY OUR HOME (COH) FUNDS	\$2,087,206
TOTAL	\$11,000,000

1. SUMMARY OF REQUEST

Swords to Plowshares Veterans Rights Organization (Swords or Sponsor), through 1035Vets, LLC, requests a final MOHCD gap loan of up to \$8,000,000, in conjunction with disbursement of a \$3,000,000 Homekey+ Capital Award grant to support 124 units of permanent supportive housing for Veterans, through the rehabilitation of 1035 Van Ness Avenue (1035 Van Ness), a former 107-unit assisted living facility for seniors, with 35 parking spaces (Site), located on the edge of the Western Addition neighborhood.

2. **BACKGROUND**

The Site was initially developed in 2004 as the San Francisco Care Center, a licensed assisted living project. The property was acquired during bankruptcy by Swords, using a bridge acquisition loan of \$27.5 million from the San Francisco Housing Accelerator Fund (SFHAF). The building was originally developed with 122 assisted living units, and subject to building code violations due to the unauthorized removal of 15 units by the prior owner. The Site is currently vacant and has been removed from State senior nursing facility licensing. Swords proposes to convert the Site into 124 units of permanent supportive housing (PSH) for Veterans who are exiting homelessness (Project). The total development cost of \$41,450,482 includes repayment of SFHAF acquisition and predevelopment financing as well as the costs of reinstating 15 units removed by the previous owner, adding two new accessory dwelling units, and converting ground floor reception and ancillary commercial space into resident serving spaces and offices for supportive services staff.

The preliminary gap request approved on May 16, 2025 by Citywide Affordable Housing Loan Committee (Loan Committee) and attached for reference as Attachment A, proposed two financing options, 1) only City funding from MOHCD (PASS Financing) and HSH; and 2) a combination of \$8M in City financing (OCOH and 2020 Health and Recovery GO Bond), and a Homekey+ grant by the California Department of Housing and Community Development (HCD), for \$32.8 million in capital funding and a Homekey+ Capitalized Operating Reserve (COSR) of \$2,254,030.

The City and Sponsor, as co-applicants, received a conditional award letter on September 19, 2025, for a \$32.8 million State Homekey+ capital grant and \$6.2 million Homekey+ operating expense grant award. The increase in operating expense grant award was the result of an amended Homekey+ NOFA that increased the operating award for each Veteran unit. The Sponsor will receive \$29.8M of the Capital Grant Award, which will be used to pay off the SF HAF Acquisition loan, with the remaining approximately \$3 million disbursed to the City to be used for construction, paid by MOHCD to the Sponsor in the standard draw process. The HCD Operating Grant Award will be used as a capitalized operating subsidy reserve (COSR), that will be drawn by the Sponsor, from HCD, in Year 1 of operations. Since it is not fully paid to the Sponsor at close, it is not included in the overall Total Development Costs.

While the requested MOHCD loan amount remains unchanged from the May 16, 2025 Loan Committee request, this memo updates the Loan Committee on previously identified principal development issues, current project status and the proposed total budget.

3. SOURCES SUMMARY

Source	Current Amount	Amount at Preliminary Gap*	Current Terms	Status
MOHCD Loan	\$8,000,000	\$8,000,000	55 yrs. @ 0% Res Rec	This request
HCD Homekey+ Capital Grant to Sponsor*	\$3,000,000	\$3,000,000	One-time Grant	Committed
Swords Capital Fundraising Grant	\$650,482	\$0	One-time Grant	Partially Committed. See Section 3a below.
Total Funding	\$11,650,482	\$11,000,000		

*Capital Grant to be administered by MOHCD. This amount does not include \$29.8M of HCD Homekey+ Capital Grant used to pay off the SF HAF Acquisition Loan and does not include Homekey+ Operating Funds previously assumed during preliminary gap at \$2,254,030, and now conditionally awarded for \$6,244,030 in the form of a Capitalized Operating Reserve (COSR). This operating award will be made available directly to Sponsor, by HCD, starting in Year 1 of operations.

4. UPDATE ON PRINCIPAL DEVELOPMENT ISSUES

- **Timing – Due Diligence for Site Acquisition.** Completed by acquisition of Site in July 2025, and no major Site or building challenges identified.
- **Timing – Site Acquisition during bankruptcy proceeding for prior owner.** Completed.
- **Ownership Structure of Land and Building by Swords, given limited experience as a developer.** Resolved given ongoing progress in predevelopment activity and through required loan conditions.
- **Construction Cost Containment based on limited timing to refine construction scope.** While the issue remains an area of risk, it appears solvable. See updates on Project Status section 3.c for more information.

Financing Risk if No Homekey+ funds awarded. No longer applicable given conditional award of Homekey+.

5. UPDATE ON PROJECT STATUS

a. Financing Plan - Permanent Use and Capitalized Operating Subsidy Reserve Changes

The Sponsor has included an additional \$1,133,272 in increased construction cost in the permanent uses budget, since preliminary gap, due to scope increases as a result of more refined construction estimates, including building exploratory activities. This increase is partially reflected in changes to permanent uses shown below, as well as changes to hard cost contingency that are discussed further in Section 3b. While the overall \$41.4M capital budget does provide sufficient funding to ensure the building can be leased up, be safe to operate, and meet funding and building code requirements, the overall capital budget cannot support the entirety of short- and long-term rehabilitation and building system upgrade needs. Opportunities to value engineer construction costs further do not appear likely and the MOHCD loan is limited to \$8M. So, approximately \$3.6M of rehabilitation activity will be funded instead out of HCD Homekey+ Operating Grant Award funds, paid directly to the Sponsor, by HCD, in Year 1 of operations.

At submittal of the Homekey+ application, Swords originally assumed a \$32.8 million Homekey+ Capital Award Grant, and a \$2,254,030 Homekey+ Operating Award Grant, with the Operating Award to be administered as a COSR. The September 2025 Homekey+ conditional award letter includes the same \$32.8 million Homekey+ Capital Award Grant, but HCD has increased the Operating Award Grant to \$6,244,030. There will be \$2,642,288 of the COSR will be used, as previously approved by Loan Committee at preliminary gap, to replace LOSP funding for the entire Project, for Years 1 through 5 of operations.

As noted above, the full scope of building rehabilitation needs could not be funded within the Project development budget, so the remaining \$3,601,742 portion of the COSR, shown in the 20 Year operating budget will be used for activities that would be eligible for the Homekey+ operating award, such as upgrades to existing domestic hot water systems, HVAC maintenance, and roof replacement (See Section 3c for more information).

Breakout of MOHCD and HCD Capital Sources

Source	Amount	COSR for Year 1 through 5 Operating Costs to Replace LOSP	COSR for Operating used to fund additional rehabilitation in Year 1 of Operations
City Loan	\$8,000,000 (Capital for Building Rehabilitation)		
HCD Homekey+ Capital Grant	\$29.8M for HAF Acquisition Loan Payoff		
HCD Homekey+ Capital Grant	\$3M Capital for Building Rehabilitation		
Swords fundraising	\$650,482 Capital for Building Rehabilitation		
HCD Homekey+ Operating Grant	\$6,244,030 composed of:	\$2,642,288	\$3,601,742

b. Financing – Sources Update

At present there are no significant changes to the Sources budget that was presented at Loan Committee Preliminary Gap. However, as shown below, the Sponsor has increased the permanent (capital) budget by \$650,482 to include fundraising capital.

Permanent Uses	Amount At Preliminary Gap	Amount at Final Gap (this request)	Change
Acquisition	\$28,149,435	\$27,954,726	-\$194,709
Hard Costs (Construction)	\$7,635,703	\$8,550,032	+\$914,329
Soft Costs	\$2,961,129	\$2,891,991	-\$69,138
Reserves	\$1,053,733	\$1,053,733	No Change
Developer Fee	\$1,000,000	\$1,000,000	No Change

Total	\$40,800,000	\$41,450,482	+\$650,482
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Since preliminary gap approval, the Sponsor has received \$300,000 in fundraising grants from private and foundation sources (\$200,000 from Wells Fargo and \$100,000 from a private donor) and expects to raise the remaining \$350,482 towards the fundraising portion of the development budget prior to construction completion. In the event of a fundraising shortfall, the Sponsor plans to apply for an AHP award of up to \$1.24M (See Section 3b below), in Spring 2026. In the event fundraising falls short and AHP is not awarded, the Sponsor would defer some building rehabilitation activity such as heating and ventilation upgrades to equipment nearing end of expected serviceable life, so long as those items are not required to meet building code or HCD and City financing requirements.

The original financing plan did not assume any financing from the AHP, given eligibility challenges tied to construction period timelines; but the Sponsor intends to apply for up to \$1.24 million in AHP financing, in Spring 2026, to complete future repairs to elevators, boilers or roofs, if those repairs are approved by MOHCD. These costs are not included in the current budget and would, per a Loan condition, need to be approved in advance by MOHCD staff. A MOHCD AHP Bridge loan is not proposed. Remaining AHP funds, if awarded, would be used to cover any shortfalls in capital fundraising, support relocation costs associated with tenants being moved from 250 Kearny, and support rehabilitation work and repayment to MOHCD, if available.

Per HCD, the HK+ Capital Grant Award of \$32.8M will be disbursed all at once and wired to escrow. The bulk of the Capital Grant Award will be used to pay off the SFHAF acquisition and predevelopment loan with accrued interest (~\$29.8M), with the remaining approximately \$3M sequestered in a City account, with draws managed by MOHCD throughout construction and lease up.

c. Construction Supervisor/Construction Representative’s (Cr) Evaluation

The current contractor construction estimate (not including contingency and related soft costs) is approximately \$1.1M higher than the May 12, 2025, estimate provided as part of preliminary gap approval. In addition, the hard cost contingency is now estimated at 10% instead of the underwriting standard 15% proposed at preliminary gap for rehabilitation type projects. Though this contingency reduction is unusual, the Project team has made a compelling case that it is justified given the building is only 20 years old and was only partially occupied all those years; it appears the team and the general contractor conducted several exploratory examinations to reveal and mitigate for existing conditions; and the scope has been vetted several times with MOHCD CR and with experienced Owner’s representatives.

Changes to construction scopes since preliminary gap approval include the following:

- First floor mailroom and 5th floor offices remodeled
- Elastomeric painting at the entire exterior to provide additional waterproofing with the cracking stucco surfaces.
- Repair of stucco cracks at the north facade.
- Replacing additional failed or failing packed terminal air conditioner (PTAC) units providing heating and ventilation in each unit.

With MOHCD's approval, hard and soft contingency savings, if available, will be allocated to more PTAC unit replacements as all the units are near their remaining useful life and to other items on the add alternate list including:

- Replace roof top mechanical equipment
- Replace miscellaneous exhaust fans
- Replace air handling equipment
- Total \$705K

With an additional \$3.6 million in additional COSR funding available after lease-up, Sponsor will complete additional Project scope identified above and including the following, with minimal disruption to tenants during move-in or occupancy:

- New outside air fans for ventilation of 124 units (currently working but at their remaining useful life)
- Replace roof
- Replace domestic hot water heaters
- The scope of additional rehabilitation items listed in the two above paragraphs are intended to extend the life of existing building features and equipment but are not required to meet local (DBI) or State (Homekey+) requirements.

d. Relocation

Up to 108 tenants will be relocated to 1035 Van Ness from the Stanford Hotel, a Single-Room Occupancy (SRO) hotel at 250 Kearny Street in the Financial District, upon completion of rehabilitation at 1035 Van Ness. HSH leases the Stanford Hotel as supportive housing for Veterans, with Swords as the manager and services provider. HSH is expected to terminate use of the Stanford Hotel after tenant relocation.

The original and current development budget do not include funds for relocation of existing tenants from the Stanford Hotel and a more precise estimate of relocation costs is dependent on the number of Stanford Hotel residents that choose to relocate to 1035 Van

Ness, or opt to utilize their rental subsidy vouchers (e.g. VASH) at other affordable housing communities. The Sponsor will survey existing residents of their relocation preference in 2026 and seek Federal funds through the Veterans Administration Supportive Services for Veteran Families program to assist with relocation costs. In the event program funds are not available or sufficient and the Sponsor is successfully awarded AHP funds, then a portion of those AHP funds can also be allocated as necessary and after approval by MOHCD.

e. Annual Operating Budget

At present, there are no changes to the overall uses in the budget, aside from the additional scope of work mentioned above. Please see Attachment A for more information.

6. LOAN TERMS

Financial Description of Proposed PERMANENT Loan	
Loan Amount:	Up to \$8,000,000
Loan Term:	55 years
Loan Maturity Date:	2080
Loan Repayment Type:	Residual Receipts, Deferred
Loan Interest Rate:	0%
Date Loan Committee approves prior expenses can be paid:	April 5, 2025

7. GRANT TERMS

Financial Description of Proposed Homekey+ Capital Grant	
Loan Amount:	Up to \$3,000,000
Loan Term:	N/A Grant
Loan Maturity Date:	N/A
Loan Repayment Type:	None (Grant)
Loan Interest Rate:	N/A

Date Loan Committee approves prior expenses can be paid:	April 5, 2025
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8. RECOMMENDED LOAN CONDITIONS

The following conditions replace and supersede Recommended Loan Conditions in the May 16, 2025, Preliminary Gap Loan approval.

1. Prior to construction completion, Sponsor must provide MOHCD with funding commitments from all other financing sources, AHP and Veterans Administration.
2. Sponsor must provide MOHCD with monthly Post Closing Reporting form through lease up.
3. Sponsor may utilize any realized construction cost savings including unused contingencies for building rehabilitation work or 250 Kearny resident relocation, subject to pre-approval by MOHCD.
4. Sponsor must provide updated lease-up/referral plan within 120 days of construction completion.
5. Sponsor must provide written, quarterly updates to MOHCD on progress towards the close-down at The Stanford/250 Kearny and any plan modifications until Project is fully leased and The Stanford/250 Kearny is closed.
6. Sponsor to submit updated operating and cashflow budget by November 1 of the fiscal year proceeding the fiscal year in which LOSP subsidy will be required to operate the Project.
7. Sponsor shall undertake training from the Corporation in Supportive Housing, or similar equivalent, on Asset Management for affordable housing, prior to construction completion.
8. Sponsor shall apply for FHLB AHP financing in the next available application period and seek the maximum AHP loan considered eligible and competitive. In the event funds are awarded, Sponsor shall request disbursement within 60 days of disbursement date. AHP loan funds shall be utilized to accelerate repayment of the MOHCD Loan, unless funds are pre-approved by MOHCD to fund core building structural, roofing, equipment needs, or relocation needs.
9. Sponsor shall draw Homekey+ Capital Grant funds from MOHCD first, followed by AHP and other non-MOHCD funds second. Sponsor shall be responsible for draws of Homekey+

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Operating Grant Award funds.

10. Sponsor must order a new PNA upon project completion.
11. 8. Sponsor must provide quarterly updated responses to any letters requesting corrective action.

9. PRELIMINARY GAP LOAN CONDITIONS

1. Prior to funding, sponsor must provide MOHCD with funding commitments from all other financing sources, including SFHAF and the Veterans Administration.

Status: In Progress and included in recommended loan conditions.

2. Sponsor must provide MOHCD with monthly updates via the MOHCD Monthly Project Update upon approval by Loan Committee and at construction start, via the Post Closing Reporting form through lease up.

Status: In Progress and included in recommended loan conditions.

3. Sponsor must work with MOHCD staff and Project's General Contractor to keep construction on schedule and on budget.

Status: In progress. Replaced by Condition 3 in recommended loan conditions.

4. Sponsor must provide updated lease-up plan within 60 days of loan closing with dates for expected completion and 100% leaseup and provide a monthly post-closing report until the Certificate of Completion is received.

Status: In Progress. Replaced by Condition 4 in recommended loan conditions.

5. Sponsor must provide written, quarterly updates to MOHCD on progress towards the close-down at The Stanford/250 Kearny and any plan modifications until Project is fully leased and The Stanford/250 Kearny is closed.

Status: In Progress and included in recommended loan conditions.

6. Sponsor to work with MOHCD and HSH to update the LOSP budget and income restrictions for the referrals from Coordinated Entry by November 2025 (November preceding the fiscal year that LOSP contract begins.)

Status: In Progress. Replaced by Condition 6 in recommended loan conditions.

7. Sponsor must order a new PNA upon project completion.

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Status: In Progress and included in recommended loan conditions.

8. Sponsor must provide quarterly updated responses to any letters requesting corrective action.

Status: In Progress and included in recommended loan conditions.

10. LOAN COMMITTEE MODIFICATIONS

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11. LOAN COMMITTEE RECOMMENDATION

Approval indicates approval with modifications, when so determined by the Committee.

APPROVE. DISAPPROVE. TAKE NO ACTION.

Signed by:
Daniel Adams
E09C20545F78457...
Daniel Adams, Director
Mayor's Office of Housing and Community Development

Date: 11/7/2025 | 1:00 PM PST

APPROVE. DISAPPROVE. TAKE NO ACTION.

DocuSigned by:
Salvador Menjivar
4471E0DF5946486...
Salvador Menjivar, Director of Housing
Department of Homelessness and Supportive Housing

Date: 11/10/2025 | 9:46 AM PST

APPROVE. DISAPPROVE. TAKE NO ACTION.

DocuSigned by:
Marc Slutzkin
712ADC1A818C472...
Marc Slutzkin, Deputy Director
Office of Community Investment and Infrastructure

Date: 11/7/2025 | 12:50 PM PST

APPROVE. DISAPPROVE. TAKE NO ACTION.

DocuSigned by:
Vishal Trivedi
63D9B405CF594FF...
Vishal Trivedi, on a behalf of Anna Van Degna,
Director Controller's Office of Public Finance

Date: 11/7/2025 | 12:52 PM PST

Attachments:

- A. May 16, 2025, Loan Evaluation
- B. Updated Project Milestones/Schedule
- C. Updated Development Budget
- D. Updated 1st Year Operating Budget
- E. Updated 20-year Operating Pro Forma

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Attachment A: May 16, 2025, Loan Evaluation

Citywide Affordable Housing Loan Committee

Mayor's Office of Housing and Community Development
Department of Homelessness and Supportive Housing
Office of Community Investment and Infrastructure
Controller's Office of Public Finance

1035 Van Ness Avenue

Up to \$8,000,000 Preliminary Gap Commitment

-And- Up to \$30,000,000 PASS Loan
Preliminary Gap Commitment

Evaluation of Request for:	\$8,000,000 and \$30,000,000 (PASS alternative)
Loan Committee Date:	May 16, 2025
Prepared By:	Mara Blitzer, Director of Special Projects
MOHCD Asset Manager:	Wesley Ellison-Labat, Asset Manager
MOHCD Construction Rep:	Brendan Dwyer, Director of Construction Services
Sources and Amounts of New Funds Recommended:	\$5,912,794 2020 Health and Recovery (GO) Bonds \$2,190,553 Our City Our Home (OCOH) Funds
Sources and Amounts of Previous City Funds Committed:	N/A
NOFA/PROGRAM/RFP:	Homekey+ Acquisition and Rehabilitation / HSH Sole Source Emergency Procurement
Applicant/Sponsor(s) Name:	Swords to Plowshares ("Swords")

EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	1035 Van Ness	Sponsor(s):	Swords to Plowshares ("Swords")
Project Address (w/ cross St):	1035 Van Ness Avenue (btwn Myrtle and Geary)	Ultimate Borrower Entity:	1035Vets LLC

Project Summary:

This request is for a preliminary gap funding commitment in support of a City / Sponsor Homekey+ application for the acquisition and rehabilitation of 1035 Van Ness Avenue (1035 VN), an existing 122-unit assisted living facility with 35 parking spaces, located on the edge of the Western Addition neighborhood (Project). The Project is in good condition and located along the newly completed bus rapid transit line connecting riders from the waterfront to the Market Street transit corridor. The assisted living facility, San Francisco Care Center, has filed for bankruptcy, facilitating an opportunity to purchase the building. The building was built in 2004 and is an attractive opportunity to re-purpose as permanent supportive housing (PSH) for Veterans with in-unit bathrooms. In addition to the possibility of 124 units (plan is to add two), the building offers ample community spaces including a commercial kitchen, dining area, physical therapy rooms, basement, garage, and 35 parking stalls, along with 2 resident elevators and a service elevator.

The Seller is in default under their first mortgage loan and under threat of foreclosure, declared bankruptcy in January. The purchase of 1035 Van Ness for \$27.75 million will be facilitated by a bridge loan from the San Francisco Housing Accelerator Fund (SFHAF). Total development cost for the Project is \$40.8M inclusive of land costs. The City funds requested, in combination with an award of Homekey+ grant funds in the amount of \$32.5 million (or, as a back-up funding option, a City PASS loan of \$30 million), will facilitate a modest renovation that will restore the building to its permitted 124 studio units and facilitate its ability to serve the new intended residents, consisting of formerly homeless veterans with Serious Mental Illness (SMI) or Substance Use Disorder (SUD). The site will benefit from a new commitment of 66 project-based vouchers (PBVs) through the Veterans Administration Supportive Housing (VASH) program. A 15-year LOSP contract will cover the remaining 58 units, funded by Our City our Home (OCOH) Fund. There will also be a small operating contract with Veterans Administration Medical Center (subject to pending procurement process.) There is no manager's unit as there is onsite staff 24 hours/day.

Because this Project will be owned by a nonprofit (Swords), it is being underwritten by--and will be monitored as an asset by the Mayor's Office of Housing and Community Development (MOHCD). The capital funding is being allocated by HSH through its OCOH Fund, as well as 2020 Health and Recovery GO Bonds. Services provided by Swords will be funded by HSH and VAMC will provide in-kind services for VASH residents. Project Open Hand, through a contract with the Department of Aging and Disability Services (DAS), will provide one cooked meal per day for residents. All Project units will be restricted to 30% TCAC AMI and persons with serious mental illness or substance use disorder per the Homekey+ requirements.

Swords to Plowshares was selected by HSH for this opportunity because of its current work at The Stanford Hotel/250 Kearny and other PSH sites serving veterans. The acquisition of 1035 Van Ness is catalyzed by the anticipated closure of 250 Kearny, a traditional SRO building which currently serves Homeless Veterans with special needs that and has experienced high vacancies.

As mentioned previously, total development cost for the Project is \$40.8M. The requested City financing of \$8M will be used first to repay the SFHAF acquisition loan/construction loan, and the Project will undergo a permanent financing conversion within six months of construction start in 2026. Construction will last no longer than 12 months per Homekey+ requirements and lease-up must be completed within 3 months of construction completion.

Project Description:-

Construction Type:	Type I	Project Type:	Rehabilitation
Number of Stories:	9 + underground parking	Lot Size (acres and sf):	.28 acres / 12,352 sf

Number of Units:	124	Architect:	Saida Sullivan
Total Residential Area:	83,244 sf	General Contractor:	D&H
Total Commercial Area:	0 sf	Property Manager:	Swords to Plowshares
Total Building Area:	90,513 sf	Supervisor and District:	Sup. Sherill D2
Current Land-Owner:	San Francisco Care Center, LP (dba "The Avenue Assisted Living")	Ultimate Landowner:	1035Vets LLC
Total Development Cost (TDC):	\$43,054,030	Total Acquisition Cost:	\$27,750,000
TDC/unit:	\$347,210	TDC less land cost/unit:	\$123,420
Loan Amount Requested:	\$8,000,000 HSH \$30,000,000 PASS	Request Amount / unit:	\$64,516
HOME Funds?	No	Parking?	Yes – 35 spaces (7,269 sf)

PRINCIPAL DEVELOPMENT ISSUES

- **Timing – Due Diligence:** The acquisition due diligence period is extraordinarily short (45 days), with a go/no go decision on the Purchase and Sale Agreement required before a Homekey+ application is submitted (let alone awarded.) This limits time to accurately estimate the complete costs of the rehabilitation and necessitates a back-up plan for the financing (see below Financing Risk.) **See section 1.1.**
- **Timing - Site Acquisition:** Seller has filed for bankruptcy protection while their mortgage lender pursues a foreclosure. This means that a Court must approve the purchase terms. The HAF is seeking a price concession related to non-disclosure of 13 half-bathrooms on the 2nd and 3rd floors. There are 120 days between the date the Court is expected to approve the PSA (May 23, 2025) and close of escrow (September 14, 2025.) The proposed Plan B - PASS loan serves as a back-up plan if the HK+ funds are delayed or not made available. **See section 1.1.**
- **Ownership Structure:** Swords to Plowshares has been successfully serving and housing veterans for decades and has many contracts with HSH, VAMC, and others. However, they have limited experience as the primary building owner/asset steward. The ownership structure for the Project – direct nonprofit ownership – is preferred by HSH because of simplicity. Swords is working with a development consultant, Scott Falcone, to ensure that they have systems in place for auditing, compliance, and facilities planning. **See Section 1.35.**
- **Construction Cost Containment:** The Initial rehabilitation cost estimate, prepared by a consultant to the SFHAF, was not sufficient to achieve all rehabilitation goals under the initial capital budget. Estimates from the architect and general contractor have been provided, and incorporated into this evaluation, but there is limited time to analyze, and scope has already been reduced to meet budget limitations. Sponsor has worked with HAF to limit costs of the bridge loan where possible, scope such as roof replacement has been scheduled for 5 years from now, and there is a hard cost contingency of 15%. **See Section 4.**
- **Financing Risk:** \$1.033 Billion of Homekey+ funds are set aside for Veterans, of which \$141.6M is allocated to the Bay Area. It is believed that the veterans pool will be undersubscribed this round. If the City and Swords are not awarded HK+ funds, others funds must be identified to repay the HAF acquisition/construction loan. MOHCD has identified the PASS loan fund as a potential replacement for HK+ funds. Unlike HK+, which is a grant, the PASS is a loan program that requires annual debt payments for the duration of its 40-year term. **See Section 6.**

SOURCES AND USES SUMMARY

Acquisition/Rehabilitation/ Construction Sources	Amount	Per Unit	Terms	Status
SFHAF*	\$38,806,267	\$312,954	6 mos @ 5.75%	Pending Request
Total	\$38,806,267	\$322,581		

Permanent Sources – Plan A	Amount	Per Unit	Terms	Status
HSH/MOHCD	\$8,000,000	\$64,516	55 yrs @0% Res Rec	This request
HCD Homekey+	\$32,800,000	\$264,516	One-time Grant	Application due May 30
HCD Homekey+ COSR	\$2,254,030	\$18,178	Annual Grant, Years 1-5	Application due May 30
Total	\$43,054,030	\$347,210		

Permanent Uses – Plan A	Amount	Per Unit	Per SF
Acquisition	\$28,149,435	\$227,012	\$311.00
Hard Costs	\$7,635,703	\$61,578	\$84.36
Soft Costs	\$2,961,129	\$23,880	\$32.71
Reserves	\$1,053,733	\$8,498	\$11.64
Developer Fee	\$1,000,000	\$8,065	\$11.05
Capitalized Operating Subsidy Reserve (COSR)	\$2,254,030	\$18,178	\$24.90
Total	\$43,054,030	\$347,210	\$475.67

Permanent Sources – Plan B	Amount	Per Unit	Terms	Status
HSH/MOHCD	\$8,000,000	\$64,516	55 yrs @0% Res Rec	This request
MOHCD PASS	\$30,000,000	\$241,935	40 yrs @5% Simple	This request
Total	\$38,000,000	\$306,452		

Permanent Uses – Plan B	Amount	Per Unit	Per SF
Acquisition	\$28,149,435	\$227,012	\$311.00
Hard Costs	\$6,424,975	\$51,814	\$70.98
Soft Costs	\$2,295,849	\$18,515	\$25.36
Reserves	\$629,741	\$5,079	\$6.96
Developer Fee	\$500,000	\$4,032	\$5.52
Total	\$38,000,000	\$306,452	\$419.83

1. BACKGROUND

1.1. Project History Leading to This Request.

The California Department of Housing and Community Development (“HCD”) issued a Notice of Funding Availability (“NOFA”) dated November 26, 2024, and Amended January 31, 2025, for grant funds under the Homekey+ Program authorized by Health and Safety Code Section 50675.1.3 (Assem. Bill No. 140 (2021-2022 Reg. Sess.), § 20.); Health and Safety Code Section 50675.1.5 (Assem. Bill No. 531 (2023-2024 Reg. Sess.); Section 14184.402 of the Welfare and Institutions Code; Section 5891.5 of the Welfare and Institutions Code; and Round 5 and 6 of the Homeless Housing, Assistance and Prevention (HHAP) grant program. (Assem. Bill No. 129 (Chapter 40, Statutes 2023) and Assem. Bill No. 166 (Chapter 48, Statutes 2024), (“Homekey+”)

Since the inception of the Homekey grant program in 2024, the City has been awarded approximately \$239 million in Homekey grant funds that have supported the acquisition and operation of approximately 897 new units of permanent supportive housing serving adults, youth, and families. Homekey + differs in that it focuses on permanent housing and requires that residents meet criteria for serious mental illness (SMI) or substance use disorder (SUD) diagnosis.

Permanent supportive housing is the most effective, evidence-based solution to ending chronic homelessness, and also prevents new incidents of homelessness among highly vulnerable people with long experiences of homelessness. While significant progress has been made, veterans experiencing homeless comprise a significant proportion of homeless individuals in San Francisco.

Additional permanent supportive housing (PSH) furthers the City’s commitment to dismantling systemic racial inequities that disproportionately affect communities of color and contribute to the loss of stable housing. HSH has worked closely with Swords to Plowshares and the San Francisco Veterans Administration Health Care System to significantly reduce the number of homeless veterans in San Francisco.

The acquisition of 1035 Van Ness Avenue contributes to the City’s efforts to expand its PSH portfolio for veterans, providing stable housing and services to veterans experiencing homelessness. This initiative aligns with San Francisco’s broader strategy to address homelessness through the development and acquisition of supportive housing units.

Swords was selected by HSH to develop this permanent supportive housing under HSH's Chapter 21 emergency procurement waiver authorization to bring new PSH units quickly online with reduced cost. Further expediting of procurement is facilitated by the March 18, 2025 Breaking the Cycle Executive Directive and the Fentanyl State of Emergency Ordinance of January 7, 2025.

In addition, the acquisition and rehabilitation of the existing building will preserve housing at risk of loss due to interior demolition and neglect.

In order to take advantage of the opportunity to put the building back into operations with full usage, The San Francisco Housing Accelerator Fund (SFHAF) made an offer to purchase the building that was accepted on April 2, 2025. SFHAF will assign the PSA to Swords prior to the HK+ application. The acquisition due diligence period is extraordinarily short (45 days), with a go/no go decision on the Purchase and Sale Agreement required before a Homekey+ application is submitted (let alone awarded.) This limits time to accurately estimate the complete costs of the rehabilitation and necessitates a back-up plan for the financing in the event that the HK+ application is not successful. The back-up plan is described below as the "Plan B – PASS" loan.

1.2. Applicable NOFA/RFQ/RFP.

Swords was selected by HSH, with support from MOHCD, to act as the owner, developer, operator and services provider of 1035 Van Ness under its emergency authority outlined in Chapter 21.

The anticipated property acquisition cost of \$27,700,000 is consistent with an MAI licensed appraisal provided by Collier's as of April 29, 2025.

1.3. Borrower/Grantee Profile. (See Attachment B for Borrower Org Chart; See Attachment C for Developer Resume and Attachment D for Asset Management Analysis)

1.3.1. Borrower. 1035Vets LLC. Swords to Plowshares is the sole and managing member of this newly formed limited liability company established to own the property.

1.3.2. Joint Venture Partnership. N/A.

1.3.3. Demographics of Board of Directors, Staff and People Served.

Swords to Plowshares has more than 200 staff members, nearly 40% are veterans and approximately 72% are people of color including 42% Black, 11% two or more races, 8% Latino, 1% Asian. Sword's Executive Director is a Black woman, and the 15-member senior management team is 66% women, 30% Black, and 30% Asian.

Swords' 15-member Board of Directors includes community and business leaders from diverse backgrounds: 40% are women, 33% are Black, 7% are Asian, 7% are Latino. Additionally, 73% are Veterans and 13% are former clients with lived experience of homeless.

Swords to Plowshares Client Demographics					
Gender	%	Race	%	Era of Service	%
Male	90%	African American	34%	Post-9/11	39%
Female	9%	Asian	3%	Persian Gulf Era	18%
Transgender or Gender Nonconforming	1%	Hawaiian/Pac Islander	3%	Post-Vietnam Era	29%
Age	%	White	33%	Vietnam Era	11%
20-29	7%	Native American	4%	No defined era/undisclosed	3%
30-39	25%	Mixed race/Other	20%	Income	%
40-49	18%	Not disclosed	3%	Low-income (HUD)	97%
50-59	18%	Ethnicity	%	Below poverty line	47%
60+	32%	Hispanic or Latino	13%		

1.3.4. Racial Equity Vision. Swords to Plowshares strives to employ staff members and engage Board Members who are representative of the people they serve.

1.3.5. Relevant Experience.

Swords to Plowshares is a community-based nonprofit that has provided supportive services and service connections to San Francisco Bay Area veterans for more than 50 years. In 1974, a small group of Vietnam Veterans founded Swords to Plowshares to help their peers successfully transition to civilian life, find jobs after service, and access benefits and services within the Department of Veterans Affairs (VA).

Among other PSH programs and projects, Swords to Plowshares operates the Stanford Hotel (“Stanford”) at 250 Kearny Street, providing 131 permanent SRO units and services for homeless veterans with 125 project-based VASH and 6 Continuum of Care subsidies.

Swords to Plowshares has recent relevant experience in managing the acquisition and rehabilitation of 629 Post Street. 629 Post is a \$30 million development project comprising 62 units of permanent and transitional housing for homeless and formerly homeless veterans. Swords to Plowshares acquired the property in June 2023 for \$17 million with a loan from MOHCD. Swords is currently engaged in the permitting process and anticipate beginning construction in November 2025. The project includes the conversion of 20 SRO units into studio apartments with kitchenettes, as well as the renovation of the basement, lobby, and mezzanine to accommodate offices, a community room, and a kitchen. Construction is scheduled to be completed by November 2026. At final closing, the project is anticipated to be financed with a \$6 million PASS loan and \$24 million in soft debt from the MOHCD. This project has been delayed from the initial schedule agreed upon at acquisition loan closing but is now considered back on track, and a loan extension was recently approved by Loan Committee.

Since Swords has modest experience as the primary owner/asset manager for PSH, MOHCD recommends, if not already completed, that relevant staff pursue CHAM courses in Asset Management and Technical Assistance from Corporation for Supportive Housing (CSH).

1.3.6. Project Management Capacity. Key staff with capacity to support this project include Steve Culbertson, Deputy Director of Residential Services & Housing Development, who has more than 20 years of housing development experience in Philadelphia (12 years) and California (8 years). He has led supportive service programs for veterans experiencing homelessness and financial hardship for more than a decade. His career at Swords to Plowshares began in 2017 and he has provided direct oversight for all housing development and planning initiatives at Swords to Plowshares since 2020. Mr. Culbertson holds a Master’s Degree in City Planning from the University of Pennsylvania and will dedicate 20% of his time to this project. Swords has engaged the services of experienced development professional Scott Falcone to assist with all aspects of project development; Scott will dedicate 5% of his time to this project.

1.3.7. Past Performance.

1.3.7.1. City audits/performance plans. There are no known open performance issues with Swords for fiscal compliance with MOHCD and HSH or other city funding departments, or performance issues for compliance with their current MOHCD

service grant and HSH grants. Please see the attached list of City contracts held by Swords (Attachment E).

1.3.7.2. Marketing/lease-up/operations. Swords has not used DAHLIA as all units in their portfolio are referrals from HSH’s Coordinated Entry System that have not required a marketing plan. HSH will also refer tenants to 1035 VN and therefore a marketing plan will not be required. The VA will refer tenants to the VASH units, which will be supported by a VASH HAP contract with SFHA.

2. SITE (See Attachment F for Site map with amenities)

Site Description	
Zoning:	RC-4 Residential-Commercial, High Density
Maximum units allowed by current zoning (N/A if rehab):	N/A
Number of units added or removed (rehab only, if applicable):	Originally permitted number of units (124) to be restored
Seismic (if applicable):	N/A
Soil type:	N/A
Environmental Review:	Exempt from CEQA - Pursuant to AB 83, a CEQA statutory exemption was added to Health and Safety Code Section 50675.1.2 for Homekey projects
Adjacent uses (North):	Restaurant
Adjacent uses (South):	Assisted Living
Adjacent uses (East):	Hotel
Adjacent uses (West):	Multifamily Residential
Neighborhood Amenities within 0.5 miles:	Grocery: Whole Foods, 1765 California Healthcare: CPMC Van Ness Campus, 1260 Franklin/1100 Van Ness Pharmacy: CVS, 701 Van Ness
Public Transportation within 0.5 miles:	Geary & Van Ness Bus Stops – 200 feet (38 going E/W and 14/49 going N/S)
Article 34:	Exempt per Homekey+ but will request letter for consistency/tracking
Article 38:	Exempt
Accessibility:	19 units mobility accessible; 7 adaptable mobility units. Under Homekey+, project is subject to HCD UMR related to accessibility (15% is 19 units).
Green Building:	N/A
Recycled Water:	Exempt
Storm Water Management:	N/A

2.1. Description. 1035 Van Ness is a 9-story assisted living facility located between Myrtle and Geary Streets that was completed in 2004 on land formerly owned by the San Francisco Redevelopment Agency (SFRA), and both prior restrictions and the Notice of Violation from the Building Department will be reconveyed. All 124 units will become permanent supportive housing units for Veterans with special needs after refurbishment. An estimated fourteen (14) tenants, who require medical assistance, will all be relocated to appropriate, comparable locations at cost to the current owner seller (see previous).

Of the 124 units, 14 do not have full bathrooms (12 have half bathrooms, and 2 have no bathroom or kitchenette). Additionally, DBI has issued Notices of Violation and liens against the property related to the demolition of certain unit walls that were removed without permits.

The existing site contains 35 parking spaces, which will be offered to staff and residents, as available. Shared outdoor space is available on the 5th floor terrace.

2.2. Zoning. In order to be used as Residential, the Planning Department must approve a Change of Use from Institutional to Residential This may be done ministerially and is in process. A full application package will be submitted on May 16, 2025 and review/approval of the PAL is anticipated by June 6th.

2.3. Probable Maximum Loss. N/A

2.4. Local/Federal Environmental Review.

2.4.1. CEQA: Site is exempt per Homekey+ regulations.

2.4.2. NEPA: Required due to anticipated VASH operating subsidy contract. Application submitted to MOHCD in April 2025 and anticipated to be completed/approved within 3 months (by July 30, 2025.)

2.5. Environmental Issues.

Phase I/II Site Assessment Status and Results.

Phase I: The Assessment, from Essel Environmental & Emergency Response, was completed on May 3, 2025 and states:

“This assessment has not revealed recognized environmental conditions associated with the subject property. One *de minimis* condition is associated with the north-adjacent property due its past operation as a dry cleaner and/or laundry service. Essel recommends no further action for the subject property. No significant data gaps in connection with the subject property were identified during the course of this Phase I ESA.”

2.6. Adjacent uses and neighborhood amenities. 1035 Van Ness is in the Western Addition neighborhood on a parcel that was previously part of the San Francisco Redevelopment Agency Area A-2. This part of Western Addition is a high-density area served by transit, grocery stores, CPMC Van Ness, and other shopping including a pharmacy. Along Van Ness alone, there are a variety of uses including cafes and restaurants, shopping, a movie theater, entertainment venues for the symphony and opera, and auto dealerships.

2.7. Green Building. N/A - no green building (energy efficiency or decarbonization) upgrades are anticipated.

3. COMMUNITY SUPPORT

3.1. Prior Outreach. No direct community outreach has been completed by the Sponsor to date. The plans for acquisition/rehab were discussed with the Supervisor representing District 2 by MOHCD and HSH staff in early April. HSH requested that Swords leadership attends the next meeting of the Cathedral Hill Community Association.

3.2. Future Outreach. Future outreach will focus on the residents at 250 Kearny, who will have the opportunity to move to 1035 Van Ness upon its completion. This will begin approximately 120 days before the start of lease-up.

3.3. 1998 Proposition I Citizens' Right-To-Know. A notice will be posted at least 30 days before submit Board request for funds (estimated posting date July 1, 2025.) At minimum, the notice must be posted 30 days before the Mayor signs any agreements.

4. DEVELOPMENT PLAN

4.1. Site Control.

4.1.1. Proposed Property Ownership Structure: 1035Vets LLC, an affiliate of Swords, will own the land and improvements. The site Purchase and Sale Agreement (PSA) for the land and building was entered into on April 3, 2025, between the HAF and San Francisco Care Center. The HAF will assign the PSA to Swords before the application for funds from HCD through the Homekey+ program, no later than May 17, 2025, which is the formal end of the due diligence period under the contract and when a deposit of \$1.5 million becomes non-refundable. Close of escrow per the PSA is anticipated no later than September 14, 2025. HSH is not taking ownership of the land in this case to facilitate the simplicity of asset management and to align with other Homekey funded properties that HSH has purchased recently and also required rehabilitation work prior to occupancy as PSH.

4.1.2. Securing City Interest: The City will encumber the property with a Deed of Trust, recorded at loan execution along with a Declaration of Restrictions (DOR) in second lien position (behind HCD), and an Option to Purchase (Option). The Option secures the City's right to

purchase the property under any conditions that could require a sale/foreclosure during the life of the Project. The City will subordinate to HCD's deed restriction through the Homekey+ grant period of 55 years.

- 4.1.3. Proposed Design. After acquisition, the property will undergo minimal rehab, primarily focused on restoring units that were removed or modified without permits, creating full bathrooms in units that only had a sink and toilet, and adding or enlarging existing in-unit kitchenettes so that all apartments have at least a sink, cooktop, and some counter/storage space. Also included are some changes to staff and common areas, including the creation of a mail room on the ground floor, restoration of walls to fully partition off two retail spaces, setting up office spaces, and providing laundry machines on each floor.

No major structural or seismic upgrades are anticipated. An engineer visited the site and issued a report, with the only scope being restoration of a concrete shear wall to its original condition (patching and opening that was added after the original construction. Please see the following budget for a breakdown of costs:

Continued on next page...

			Date: 04/30/2025 rev 4
Division	Sub Division	Cost Code	Subtotal \$
10-00-0000 - MASTER COST CODES	10-00-0000 - MASTER COST CODES	10-01-0002 - Gross Receipt Taxes - Allowance *	\$ 7,000
		10-01-0053 - Project Compliance	\$ 52,485
	10-02-0000 - SITE CONSTRUCTION	10-02-1100 - Site Coordination, Safety and Support	\$ 167,998
		10-02-1150 - Debris Off haul	\$ 25,980
		10-02-4000 - Demolition	\$ 238,300
	10-03-0000 - CONCRETE	10-03-3000 - Cast -in -Place Concrete - Allowance *	\$ 15,000
	10-07-0000 - THERMAL AND MOISTURE PROTECTIO	10-07-1400 - Fluid Applied Waterproofing	\$ 62,750
		10-07-2000 - Building Insulation	\$ 17,730
		10-07-4400 - Firestopping - Allowance *	\$ 10,000
		10-07-9200 - Joint Sealants - Allowance *	\$ 10,000
	10-08-0000 - OPENINGS	10-08-0500 - Doors, Frames and Hardware	\$ 70,402
	10-09-0000 - FINISHES	10-09-0650 - Floor Prep - Allowance *	\$ 10,000
		10-09-2000 -Metal Framing and Drywall	\$ 331,911
		10-09-6000 - Flooring	\$ 88,920
		10-09-9113 - Exterior Painting - Elastomeric Painting	\$ 39,025
		10-09-9123 - Interior Painting	\$ 127,660
	10-10-0000 - SPECIALTIES	10-10-0500 - Janitorial	\$ 70,300
		10-10-1400 - Signage	\$ 37,600
		10-10-2800 - Bathroom Accessories	\$ 42,312
		10-10-3000 - Range Mounted Fire Extinguishers	\$ 6,177
		10-10-4416 - Fire Extinguishers Maintenance - Allowance *	\$ 5,000
		10-10-5500 - Postal Specialties	\$ 31,300
		10-10-8100 - Pest Control - Allowance *	\$ 10,000
	10-11-0000 - EQUIPMENT	10-11-3013 - Residential Appliances	\$ 67,425
	10-12-0000 - FURNISHINGS	10-12-2100 - Window Coverings	\$ 3,600
		10-12-3200 - Cabinets	\$ 297,400
		10-12-3600 - Countertops	\$ 85,600
	10-14-0000 - CONVEYING EQUIPMENT	10-14-8000 - Scaffolding and Swing Stage - Allowance *	\$ 250,000
	10-21-0000 - FIRE SUPPRESSION	10-21-1300 - Fire Sprinkler Systems	\$ 197,100
	10-22-0000 - PLUMBING	10-22-0500 - Plumbing	\$ 1,757,230
	10-23-0000 - HVAC	10-23-0500 - Heating, Ventilating & Air Con	\$ 498,048
	10-26-0000 - ELECTRICAL	10-26-1000 - Electrical	\$ 392,639
		10-26-5000 - Lighting - Allowance *	\$ 25,000
	10-27-0000 - COMMUNICATIONS	10-27-2000 - Data / CATV / Telephone	\$ 18,300
	10-28-0000 - ELECTRONIC SAFETY AND SECURITY	10-28-1000 - Entry System and Access Control	\$ 15,400
		10-28-4600 - Fire Alarm System	\$ 217,360
10-00-0000 - MASTER COST CODES Total			\$ 5,304,436
05-00-0000 - GENERAL CONDITIONS	05-10-0000 - GENERAL CONDITIONS	05-10-0500 - Project General Conditions	\$ 524,395
	05-50-0000 - xxxxxx	05-50-3100 - Insurance	\$ 125,747
		05-50-3105 - Bonds	\$ 64,131
05-00-0000 - GENERAL CONDITIONS Total			\$ 714,273
11-00-0000 - MARKUP & CONTINGENCY	11-01-0000 - HEADER	11-01-0100 - Contingency - Allowance *	\$ 159,133
		11-01-0300 - Overhead & Profit	\$ 299,398
11-00-0000 - MARKUP & CONTINGENCY Total			\$ 458,531
Grand Total			\$ 6,477,241

4.2 Construction Supervisor/Construction Representative’s Evaluation:

1035 Van Ness is approximately 25 years old and appears to be generally very well constructed and maintained, with most finishes appearing to be original but in relatively good shape. The scope of work provided to the Construction Representative for review on 4/16/25 and updated 5/12/25 appears to be reasonable. Both the architect and contractor were under intense time pressure to produce the drawings and budget that this review is based on, but they appear to have come up with a reasonable scope of work and realistic budget. In the rush to pare down the scope to match the budget, they have omitted some items that they are hopefully able to add back, and with a healthy contingency, they should be able to do so.

Below are some items to consider through add-alternates in the bidding process as plans develop:

- Creation of up to 13 office spaces for property management and resident services. While the preliminary plans show what appears to be sufficient space for property management on the first floor and Swords to

- Plowshares staff on the fifth floor, the space set aside for VA offices (also on the 5th floor) shows no scope, and it is not clear if the space could be made to work as offices without some significant work.
- All units do not in fact have kitchens, as some have only a sleeping area, closet, “kitchenette” (differentiated from a full kitchen due to only having a plug-in induction “hot plate” as opposed to a full oven) and restroom. Providing kitchens to each unit would involve adding ducted exhaust ventilation, Due to budget limitations, the number of units to be full studios will be 66.
 - Existing kitchenettes have plastic laminate countertops and veneer cabinets that, while generally in good repair, are nearing the end of their useful life, and would not be expected to wear well in a PSH setting.
 - In addition to expanding or creating new in-unit kitchenettes, there was discussion of new “full” kitchens on each floor so that residents could use a range oven if their unit only had an induction hotplate. This does not appear to be planned for at present, but the in-unit cooking options should be sufficient.
 - While there appears to be space for sufficient shared laundry facilities on each floor, some of those rooms have existing showers that would need to be removed to allow for sufficient accessibility to new or existing washer/dryer machines. It does not appear that this demolition work was shown on the drawings or reflected in the estimate.
 - Further review of unit bathrooms is needed to confirm that required Accessible and Adaptable features are provided.
 - Fire sprinkler heads are exposed, and on all floors but the upper-most, within reach of residents to inadvertently activate them by, for example, hanging clothes on them, as frequently happens in PSH facilities. Recessing heads, or at least providing protective cages, is recommended by the CR.
 - Carpet flooring throughout the building was in good shape, but vinyl flooring in bathrooms was peeling up at edges and seams, and ideally should be replaced with an epoxy or other seamless waterproof material that is more durable than sheet vinyl. Plans/budget appear to only show new bathroom flooring in the enlarged / re-built bathrooms; CR recommends replacing throughout.
 - Similarly to above, existing bathroom exhaust fans and PTAC units are only shown to be replaced in modified/restored units. For reduced maintenance costs and creating consistency of equipment in all units for ease of maintenance work, CR recommends replacing all units.
 - Work scope could trigger a Title 24-mandated updates, at present it is unclear what these might be and what they might cost.

Additional notes:

- The fifth floor deck facing Van Ness has uplifted tiles that would need to be replaced to pass accessibility inspections. In the rush to produce this

set of drawings, that work was not shown, and therefore does not appear to be budgeted for. This will have to be added back into the scope.

- Roof replacement was discussed, but that now is planned to occur at a later date. The roof appeared to be in good enough shape to likely last another 5-10 years before any full replacement needed, though regular observation is recommended, and there might possibly be a need for spot maintenance repairs before the full replacement occurs.

4.2. Commercial Space. N/A - no commercial space.

5. Service Space.

5.1. Interim Use. N/A

5.2. Infrastructure. N/A

5.3. Communications Wiring and Internet Access. Though difficult to tell during the site visit because furniture obscured outlets, the drawings show telephone and tv coax cable outlets in every unit and this looks to be consistent with photos. Units need to have telephone access per state requirement, so the telephone jack would capture this minimum requirement. There is also an existing internal public address system in common areas and a low voltage alert system in some of the more intensive care units.

Project should carry an allowance for potential repairs to the existing system and provide new drops for new office areas and then hold an estimate to integrate Fiber to Housing infrastructure. If determined eligible, the City's Fiber to Housing team would bring fiber to the property and then the project carries the cost for running conduit, cabling, etc. to get wireless access points corridors to cover units and common areas and then they can also hardwire to data outlets in service offices. This would enable free internet for staff and residents, and residents will have the option to buy additional services through vendors like Comcast that can be accessible through their unit coax cable outlets if they want something beyond the free Fiber to Housing internet.

5.4. Public Art Component. N/A

5.5. Marketing, Occupancy, and Lease-Up: All tenants must be veterans who are referred to available units through HSH's Coordinated Entry system (Swords manages the access point for Veterans) or by the VA, which does placement and marketing for the 66 VASH units. Residents of The Stanford at 250 Kearny will count 1035 Van Ness as an option for move-in. The Project is expected to be 100% occupied by Homekey+ eligible Veterans within 3 months of completion of rehabilitation (estimated 7 months from loan closing), though no later than December 31, 2026 to meet HK+ deadline. All referred households must meet the HK+ requirements for diagnosis of mental illness or substance use disorder.

5.6. Relocation. The HK+ program requires that these laws, regulations and statutes be considered related to the relocation of the Households at the Property: the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. 4601 et seq. (Uniform Act), CFR 49, Part 24; HUD Handbook 1378; California Relocation Assistance Law – Government Code 7260 aka CRAL; and California Relocation Assistance Guidelines – Code of Regulations Title 26, Chapter 6 aka the Guidelines.

- Attorney Karen Tiedemann has advised the SFHAF and Sponsor that the current occupants of 1035 Van Ness are not subject to the above laws, because the existing facility is licensed and subject to the jurisdiction of the Department of Social Services under the Community Care Licensing laws and regulations. The current owner of the property, San Francisco Care Center, L.P. will be responsible for preparing a closure plan compliant with the community care licensing laws applicable to the facility. California Code of Regulations Title 22, Division 6, Section 80078 requires a licensed provider to prepare a relocation plan for each resident when a resident is to be relocated. The written plan must include detailed information on the resident's needs and resources available to the resident including, available licensed care facilities that meet the resident's health care needs. The relocation plan must be approved by Community Care Licensing before implementation. The resident must be relocated to a facility that is able to provide the appropriate care and supervision of the resident. Community Care Licensing will review and monitor the relocation process to ensure that the existing residents are relocated to facilities that can meet each resident's needs. The use of the new funds will not result in displacement of any residents.
- The current owner of the property has filed for bankruptcy and anticipates shutting the facility as part of the bankruptcy discharge. The relocation of the residents is being necessitated by the current owner's bankruptcy actions which will necessarily result in the termination of the owner's license for the facility and the need for the residents to move to alternative licensed facilities. As such, the residents do not constitute displaced persons under the California Relocation Assistance Law (California Government Code Section 7260 et seq.) or the California Relocation Assistance and Real Property Acquisition Guidelines (Cal. Code of Regs. Title 25, Division 1, Chapter 6). Government Code Section 7260 defines a displaced person as any person who moves from real property "as a direct result of a written notice to acquire, or the acquisition of, the real property, in whole or in part, for a program undertaken by a public entity or by any person having an agreement with, or acting on behalf of, a public entity." (emphasis added). The residents of the property are not moving as a direct result of the acquisition of the property but rather as a result of

the existing owner’s bankruptcy and closure of the business currently being conducted by the existing owner.

- The seller of 1035 Van Ness is required to deliver the building vacant under the terms of the Purchase and Sale Agreement.
- HSH intends to close down The Stanford at 250 Kearny upon completion of the acquisition and rehabilitation of 1035 VN. Residents supported by VASH will get a Tenant Protection Voucher and be offered the opportunity to move to 1035 Van Ness. 250 Kearny is in poor physical condition (contributing to high vacancy) and it is anticipated that many will move from Kearny to 1035VN; however, for the purposes of underwriting, the City loans and operating contracts, we assume that no one who moves over will bring a voucher with them.
- Insofar as there are moving costs to support up to 112 households at 250 Kearny to re-locate to 1035 Van Ness, those costs will be incurred by the 250 Kearny project operating budget.

6. DEVELOPMENT TEAM

Development Team			
Consultant Type	Name	SBE/LBE	Outstanding Procurement Issues
Project Management	Swords to Plowshares	No	No
Architect	Saida Sullivan	Yes	No
General Contractor	D&H	No	No
Owner’s Rep/Construction Manager	Phil Ritter	No	No
Development Consultant	Scott Falcone	No	No
Legal	Lubin Olson	No	No
Property Manager	Swords to Plowshares	No	No
Services Provider	Swords to Plowshares	No	No

6.1. Procurement Plan. N/A - The Project is exempt from procurement and City Contract Management rules per the Breaking the Cycle Executive Order. Prevailing wages will be paid to satisfy requirements of the VASH program.

6.2. Opportunities for BIPOC-Led Organizations. Swords to Plowshares is a BIPOC led organization.

7. FINANCING PLAN (See Attachments K and N for Sources and Uses)

7.1. Prior MOHCD/HSH Funding - N/A - none

7.2. Disbursement Status. – N/A

7.3. Fulfillment of Loan Conditions. N/A

7.4. Proposed Predevelopment Financing – N/A

7.5. Proposed Permanent Financing – HK+ and PASS alternatives

7.5.1. Permanent Sources Evaluation Narrative: The Borrower proposes to use the following sources to permanently finance the Project:

HK+:

- MOHCD Loan (up to \$8,000,000): 0% residual receipts, 55 years. Upon availability, within 6 months of acquisition, funds to be used to repay the SFHAF for its acquisition/construction bridge loan.
- HCD Homekey Grant (\$32,800,000): As a grant, there are no repayment terms prescribed by HCD, though the HCD affordability covenant will be for 55 years. MOHCD is permitted to loan these funds to Swords at the same terms as the City funds. HK+ funds will be available during construction. Funds will be used to pay off the outstanding SFHAF bridge loan used for acquisition and predevelopment.
- HCD Homekey+ Operating Grant: HSH is requesting a capitalized operating subsidy in the amount of \$2,254,030. These are also grant funds. This would replace the entire value of the LOSP operating contract for the first five (5) years of operations.

PASS:

- MOHCD Loan (up to \$8,000,000): 0% residual receipts, 55 years.
- MOHCD Pass Loan (up to \$30,500,000): 5% simple interest, 40 years. Upon availability, within 6 months of acquisition, funds to be made available to repay the SFHAF for its acquisition/construction loan. The project sponsor is eligible for a larger loan, though Swords’ Board has approved only up to \$30 million. To reduce the capital budget and limit debt repayment obligations under this scenario, the PASS budget is skinnier in several respects and there is reliance on the VASH FMR’s to support the PASS debt. The LOSP contract for this PASS Loan must be increased, as well, since there is no funding anticipated from HK+ for operations.

7.5.2. HOME Funds Narrative: N/A – no HOME funds.

7.5.3. Commercial Space Sources and Uses Narrative: N/A – no commercial space

7.5.4. Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes

Hard Cost per unit is within standards	Y	Rehabilitation of \$54k/unit (building is relatively new, went into service 2004; MOHCD has no comps)
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	15%
Architecture and Engineering Fees are within standards	Y	Architecture \$268k (\$2,161/unit); Engineering \$177k
Construction Management Fees are within standards	Y	\$47,600 paid over 12 months
Developer Fee is within standards, see also disbursement chart below	Y	Total developer fee of \$1M
Consultant and legal fees are reasonable	Y	Not a tax credit deal so fewer legal fees.
Entitlement fees are accurately estimated	Y	Entitlements are ministerial. \$75k budget is for building permits.
Construction Loan interest is appropriately sized	Y	HAF Loan to cover entire acquisition for 6 months at 5.75% interest rate.
Soft Cost Contingency is 10% per standards	N	Soft Cost Contingency is 6.1%. Waiver requested.
Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to 4 months and includes Operating and Services funding. This is a HK+ requirement for Plan A. In Plan B, the reserve is sized for 3 months, operating funding only.
Capitalized Replacement Reserves are a minimum of \$1,000 per unit (Rehab only)	Y	\$20,000 initial deposit and \$500/unit/year supported by CNA—building circa 2004.
Vacancy reserve is sufficient	Y	5%
Lease up reserve is sufficient	Y	NIC – will come from operating contract.

7.5.5. Developer Fee Evaluation: The proposed milestones for the payment of the developer fee to the sponsor are below:

Total Developer Fee:	\$1,000,000
Project Management Fee Paid at Milestones:	\$500,000
- Upon City loan losing	\$200,000
- During Construction, distributed as % of completion	\$200,000
- Project Close-out	\$100,000
Amount of Fee at Risk (the "At Risk Fee"):	\$500,000

- 95% Leased	\$250,000
- Cessation of Operations at 250 Kearny	\$250,000

8. PROJECT OPERATIONS (See Attachments L and M for Operating Budget and Proforma)

8.1. Annual Operating Budget.

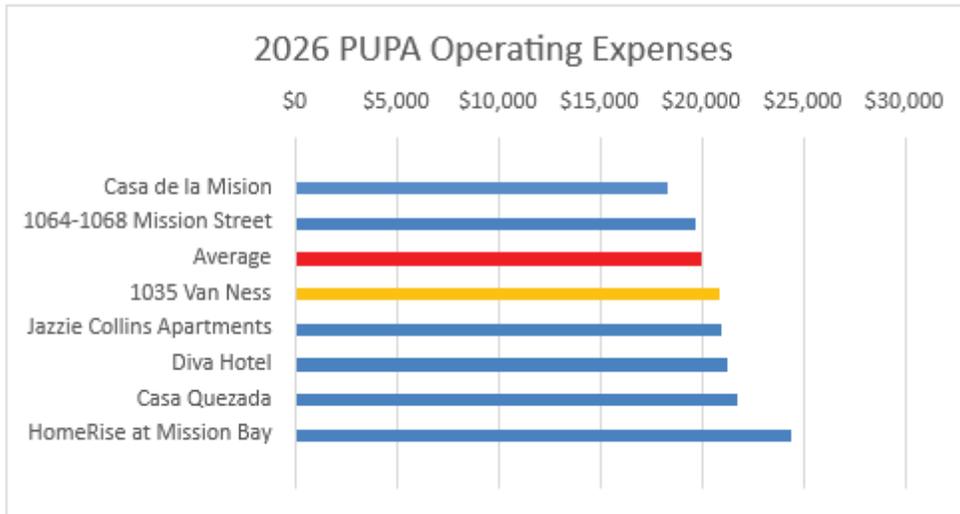
- PUPA operating expense is proposed at just under \$21,000 which is comparable to other PSH sites serving high needs households such as formerly homeless Veterans with special needs. The cost to the City is relatively low because of the high value of the VASH operating subsidy and VAMC-provided in-kind medical and behavioral health services.
- Office salaries, insurance, utilities, and janitorial contracts are all significant but in line with what is expected with PSH.
- Annual Replacement Reserve deposits are currently sized at \$500/unit, supported by a new a Capital Needs Assessment that also calls for a \$20,000 capitalized payment into the account.
- Year 1 Value of VASH = \$2,003,760 (using 2025 FMRs for 66 studios)
- 5 Year Value of HK+ COSR = \$2,524,030
- Year 6 Value of LOSP (HK+) = \$628,472 / Year 1 Value of LOSP (PASS) = \$1,797,120
- Property Management Staffing is proposed as follows:
 - 1 FTE Property Manager
 - 1 FTE Assistant Property Manager
 - 1 FTE Lead Program Monitor
 - 8.4 FTE Program Monitors (equivalent to Front Desk Clerks, coverage required by VA)
 - 2 FTE Maintenance Technicians
 - \$180,000 Janitorial Services Contract

8.2. Annual Operating Expenses Evaluation.

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Debt Service Coverage Ratio is minimum 1.1:1 in Year 1 and stays above 1:1 through Year 17 *	N/A	Plan A: No debt. Project is expected to be cash flow positive through entirety of City loan due to operating subsidies. Plan B: PASS loan debt coverage is higher than 1.15 per PASS requirements, downward trending.

Vacancy rate is based on project's historical actuals	N/A	The vacancy rate will be set at 5%. All units will be filled through HSH's Coordinated Entry System and VAMC.
Annual Income Growth is increased at 2.5% per year or 1% for LOSP tenant rents	Y	LOSP tenant paid rents are proposed to increase by 1.5% annually.
Annual Operating Expense escalation is based on project's historical actuals	N	No historical actuals available for full occupancy. Expenses escalation factor is the standard 3.5%, with an exception for utilities and insurance as allowed under LOSP. LOSP budget to be re-evaluated separately at gap loan evaluation est 7/15/25.
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are \$20,941 per unit per year, which is close to the average compared to comps, as shown in the table below.
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee is at \$122,016 maximum allowable or \$82 PUPM
Property Management staffing level is reasonable per comparables	Y	<p><u>Proposed staffing:</u></p> <ul style="list-style-type: none"> • 1 FTE Property Manager • 1 FTE Assistant Property Manager • 1 FTE Lead Program Monitor <ul style="list-style-type: none"> • 2 FTE Maintenance Technicians • 8.4 FTE Program Monitors • \$180,000 Janitorial Services Contract
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is \$28,500/yr which is above the maximum for 2026. Waiver to this limit is requested due to actual costs for this Sponsor. No PM fee as it is not a tax credit deal.
Replacement Reserve Deposits meet project needs based on CNA	Y	Initial Deposit of \$20,000, then \$500/unit annual, no inflation, supported by updated NA.
Limited Partnership Asset Management Fee meets standards	N/A	No LP
Operating Reserve Deposits	Y	HK+ requirement is for 4 months of operating and services. PASS requirement is 6 months of operating. In both cases, insofar as there is surplus cash after expenses, operating reserve should be built up to 6 months of operating and services expenses before distribution/payment of residual receipts.

Cost comps tool comparison of similar properties (new construction and rehabbed PSH sites with LOSP):



8.3. Property Needs Assessment & Replacement Reserve Analysis.

A Physical Needs Assessment (PNA) was completed by Elizabeth McLaughlin on May 9, 2025. With an initial deposit of \$20,000, the replacement needs can be met with \$500/unit/year additional funding into replacement reserves.

A light rehabilitation is anticipated in 5 years to include the roof replacement, water heaters, etc that were not included in the initial rehab due to budget constraints. This scope of work is not anticipated to require relocation.

A new PNA will also be required every 5 years, per MOHCD policy.

8.4. Income Restrictions for All Sources & MOHCD restrictions.

Income and rents for units are capped at 30% TCAC AMI to be consistent with Homekey+ requirements. All units will be targeted to Veterans who have experienced homelessness and will be referred through the Coordinated Entry system or the VA. Tenants will pay no more than 30% of their income as rent, as all units are subsidized. No manager’s unit is proposed.

The chart below will be incorporated into Exhibit A of the MOHCD Loan Agreement and into the MOHCD Declaration of Restrictions. The City is waiving its right to float up to higher maximum incomes/rents as part of the Homekey+ application to maximize the application score (as was done with all previous Homekey applications submitted by HSH). All residents will be required to have a “Behavioral Health Challenge” as defined in the California Welfare and Institutions Code Section 5965.02 to include but not be limited to a serious mental illness, as described in subdivision (c) or (d) of Section 14184.402, or a substance use disorder, as described in Section 5891.5. Enrollment in Medi-Cal

or in any other health plan shall not be a condition for accessing housing or continuing to be housed.

Unit Size	No. of Units	Maximum Income Level	Rental/Operating Subsidy
Studio - VASH	66	30% of TCAC Median Income	VASH HAP, VAMC
SRO-LOSP	58	30% of TCAC Median Income	LOSP, VAMC
Total units	124		

9. SUPPORT SERVICES

9.1. Services Plan.

- Lead Provider/s name: Swords to Plowshares
- Staffing: Swords to Plowshares (STP) intends to operate 1035 Van Ness in coordination with the San Francisco Veterans Affairs Medical Center (the VA), HSH and DPH.
- Onsite supportive services will be provided to 66 veteran tenants at 1035 Van Ness by the VA as part of the HUD-VASH Operating subsidies for the building. The VA intends to commit 2.5 FTE for the Project to include 2 Social workers and 0.5FTE of a Peer Specialist. The VA is committed to providing mental health care, physical health care, substance abuse services and linkage to all identified services for those veterans who are VA healthcare eligible. The VA also connects veterans who are not VA health care eligible to similar services in the community.
- In addition, Swords to Plowshares (STP) intends to provide site-based case management services and peer support services to the 58 veterans not otherwise receiving these services from the VA. Swords intends to provide three (3) Mental Health Specialists (Case Managers) and one (1) peer specialist at 1035 Van Ness. These will be funded by HSH.
- It is anticipated that additional clinical services will include referrals to DPH’s Permanent Housing Advanced Clinical Services (PHACS) team, as needed, for residents who do not qualify for VA medical services.
- Onsite groups and activities for Veterans living at the property will be based on the community's identified needs, which may also include nursing services, depending on acuity.
- Peer Support staff will engage with Veterans to assist with non-clinical supports and interventions such as helping to encourage veterans to engage with onsite case management staff, reporting building-based issues to property management, accompaniment to health care appointments and other offsite services.

- Daily meal provision (one hot meal) to all tenants. This meal is provided by Project Open Hand under contract to the San Francisco Department of Disability and Adult Services.
- Staffing Plan:

Services Staff	Minimum required staff preparation	FTE	Organization	On or Off-Site
HMIS Administrator	Responsible for internal compliance, data entry and data quality. Minimum High School Diploma with data management experience. Bachelor's preferred with at least one year of experience in data management and/or compliance. Veteran status preferred, not required.	0.17	Lead Service Provider	Off-Site
Case Manager - Swords to Plowshares	Mental Health Specialist - Masters level, Clinical licensure required, minimum 4 years post-masters experience providing direct services to homeless, substance use disorder and dual diagnosed individuals. Provides individual psychotherapy to a caseload of dually diagnosed veteran residents; and assists veteran residents to meet program goals regarding Residential Stability, Increased Skills or Income, Greater Self-determination, Connection with Mainstream Resources, Payment of Rent, Housing Placement and Money Management.	3.00	Lead Service Provider	On-Site
Peer Specialist	High School diploma. Veteran preferred. Minimum one year experience working with or on behalf of low-income individuals. Experience in crisis intervention. Engagement with all veterans in the building and creates community-building activities. Assist veterans in better connecting with the onsite supportive services and property management teams. Aides veterans in getting to appointments when needed.	1.00	Lead Service Provider	On-Site

Case Manager - VA	VA HUD-VASH Case Manager - Education and experience determined by the the VA, minimum education MSW level	2.00	Other Supportive Services Provider	On-Site
Peer Support - VA	VA Peer Support Specialist. Veteran status required. Discharged or released from active duty in the armed forces under other than honorable conditions accepted. A person with mental health and/or co-occurring conditions who has been trained to help others with these conditions, identify and achieve specific life and recovery goals, Must be certified as a Section 405 of Public Law 110-387, as codified in 38 U.S.C. 7402(b)(13). Provides peer support and leads peer-based groups, supports participation in community involvement and leadership.	0.50	Other Supportive Services Provider	On-Site
Community Organizer	Community Organizer - High School diploma. Veteran preference (current staff member is a veteran). Minimum one year experience working with or on behalf of low-income individuals. Experience in crisis intervention. Organizes resident engagement and community-building activities.	0.17	Lead Service Provider	On-Site

9.2. Services Budget. The current HSH services budget at 250 Kearny is approximately \$418k. For 1035 Van Ness, assuming only 66 VASH referred-residents (fewer than currently at 250 Kearny), the services budget is \$549,389. As additional VASH eligible households are referred to 1035 Van Ness, the need for HSH/DPH services becomes reduced and the VAMC would provide additional supports proportional to the additional VASH qualifying households served.

9.3. HSH Assessment of Service Plan and Budget. HSH has an existing services agreement with Swords, which includes a scope of services and budget for 250 Kearny. HSH and Sword’s intention is to phase out residency and services that site and enter into a new agreement for 1035 Van Ness effective upon the completion of construction (April 2026.)

10. STAFF RECOMMENDATIONS

10.1. Proposed Loan/Grant Terms

Financial Description of Proposed PERMANENT Loan – HK+ Plan A or PASS Plan B

Loan Amount:	Up to \$8,000,000
Loan Term:	55 years
Loan Maturity Date:	2080
Loan Repayment Type:	Residual Receipts, Deferred
Loan Interest Rate:	0%
Date Loan Committee approves prior expenses can be paid:	4/525

Financial Description of Proposed PERMANENT PASS Loan – Plan B only	
Loan Amount:	Up to \$30,000,000
Loan Term:	40 years
Loan Maturity Date:	2063
Loan Repayment Type:	Simple Interest
Loan Interest Rate:	5%
Date Loan Committee approves prior expenses can be paid:	4/5/25

10.2. Recommended Loan Conditions

1. Prior to funding, sponsor must provide MOHCD with funding commitments from all other financing sources, including SFHAF and the Veterans Administration.
2. Sponsor must provide MOHCD with monthly updates via the MOHCD Monthly Project Update upon approval by Loan Committee and at construction start, via the Post Closing Reporting form through lease up "
3. Sponsor must work with MOHCD staff and Project’s General Contractor to keep construction on schedule and on budget.
4. Sponsor must provide updated lease-up plan within 60 days of loan closing with dates for expected completion and 100% lease-up and provide a monthly post-closing report until the Certificate of Completion is received.
5. Sponsor must provide written, quarterly updates to MOHCD on progress towards the close-down at The Stanford/250 Kearny and any plan modifications until Project is fully leased and The Stanford/250 Kearny is closed.
6. Sponsor to work with MOHCD and HSH to update the LOSP budget and income restrictions for the referrals from Coordinated Entry by November 2025 (November preceding the fiscal year that LOSP contract begins.)

7. Sponsor must order a new PNA upon project completion.
8. Sponsor must provide quarterly updated responses to any letters requesting corrective action.

11. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

Approval indicates approval with modifications, when so determined by the Committee.

APPROVE. DISAPPROVE. TAKE NO ACTION.

DocuSigned by:
Daniel Adams
4471F01DF594686...

Date: 5/19/2025 | 7:05 AM PDT

Daniel Adams, Director
Mayor's Office of Housing and Community Development

APPROVE. DISAPPROVE. TAKE NO ACTION.

DocuSigned by:
Salvador Menjivar
4471F01DF594686...

Date: 5/16/2025 | 4:37 PM PDT

Salvador Menjivar, Director of Housing
Department of Homelessness and Supportive Housing

APPROVE. DISAPPROVE. TAKE NO ACTION.

DocuSigned by:
Marc Slutzkin
712AB8E1A649C472...

Date: 5/19/2025 | 9:09 AM PDT

Marc Slutzkin on behalf of Thor Kaslofsky,
Executive Director of Office of Community
Investment and Infrastructure

APPROVE. DISAPPROVE. TAKE NO ACTION.

DocuSigned by:
Vishal Trivedi
03D8E03CF384F...

Date: 5/19/2025 | 9:02 AM PDT

Vishal Trivedi on behalf of Anna Van Degna
Director Controller's Office of Public Finance

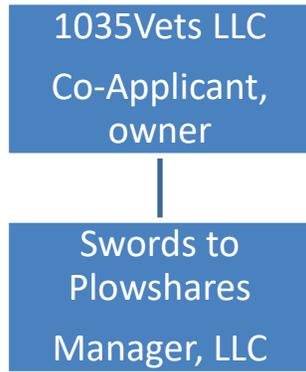
- Attachments:
- A. Project Milestones/Schedule
 - B. Borrower Org Chart
 - C. Developer Resumes
 - D. Asset Management Analysis of Sponsor
 - E. List of Swords' Contracts with City
 - F. Site Map with amenities
 - G. Elevations and Floor Plans
 - H. List of San Francisco Homekey Projects
 - I. - Omitted
 - J. - Omitted
 - K. Development Budget – HK+
 - L. 1st Year Operating Budget – HK+
 - M. 20-year Operating Pro Forma- HK+
 - N. Development Budget – PASS
 - O. 1st Year Operating Budget – PASS
 - P. 20-year Operating Pro Forma- PASS

Attachment A: Project Milestones and Schedule

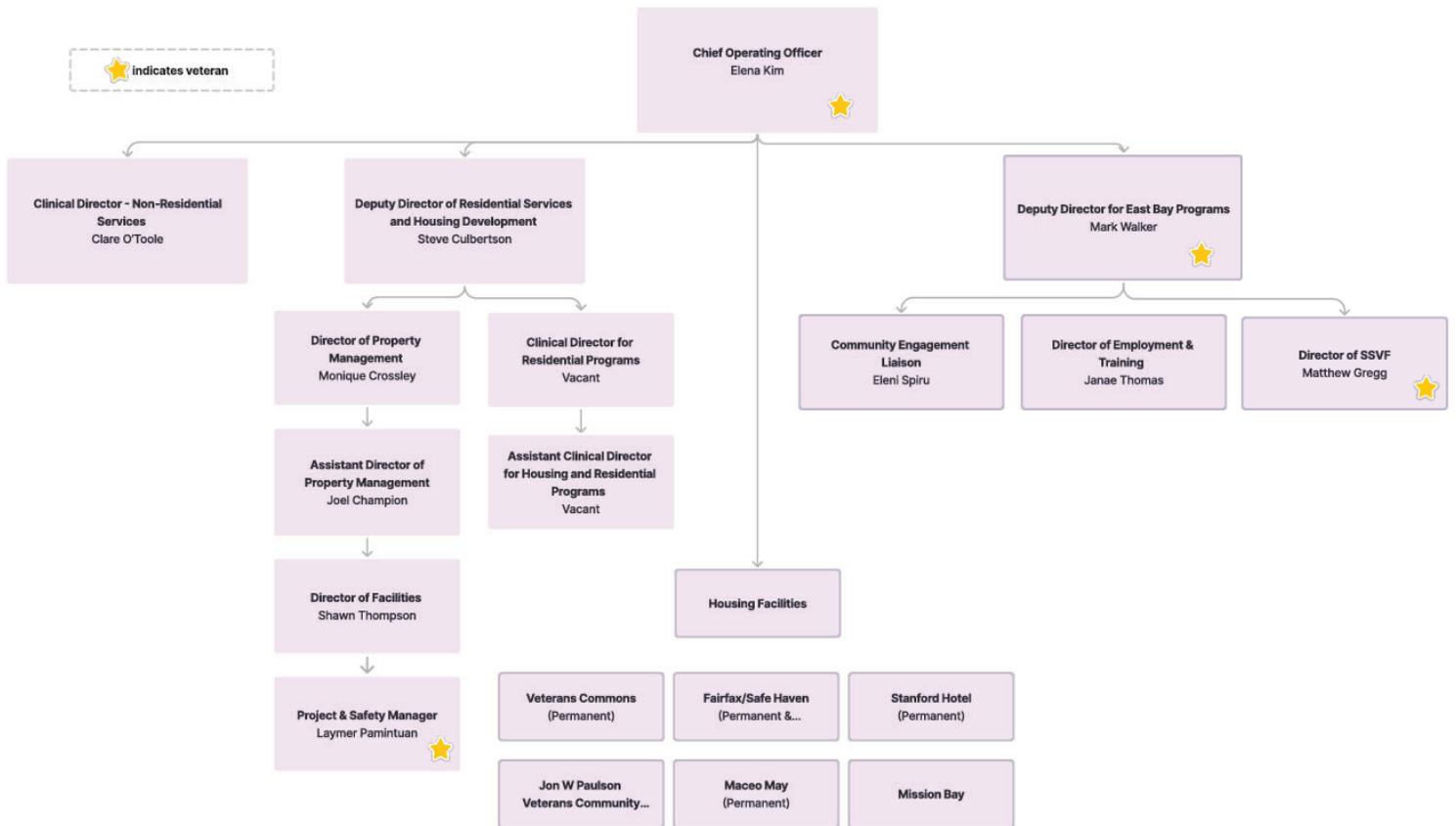
No.	Performance Milestone	Estimated or Actual Date	Notes
A	Prop I Noticing	7/1/25	
1	Acquisition/Predev Financing Commitment	5/16/25	
2.	Site Acquisition	9/14/25	
3.	Development Team Selection		
a.	Architect	Complete	
b.	General Contractor	Complete	
c.	Owner's Representative	Complete	
d.	Property Manager	Complete	
e.	Service Provider	Complete	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate		
b.	Submittal of Design Development & Cost Estimate		
c.	Submittal of 50% CD Set & Cost Estimate		
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)		
5.	Commercial Space	N/A	
a.	Commercial Space Plan Submission	N/A	
b.	LOI/s Executed	N/A	
6.	Environ Review/Land-Use Entitlements		
a.	SB 35 Application Submission	N/A	
b.	CEQA Environ Review Submission (CEQA Exemption Request)	April 2025	
c.	NEPA Environ Review Submission	4/13/25	
d.	CUP Ministerial Submission	5/16/25	
7.	PUC/PG&E		
a.	Temp Power Application Submission	N/A	
b.	Perm Power Application Submission	N/A	
8.	Permits		
a.	Building / Site Permit Application Submitted		
b.	Addendum #1 Submitted		
c.	Addendum #2 Submitted		
9.	Request for Bids Issued	7/1/25	
10.	Service Plan Submission		
a.	Preliminary	N/A	
b.	Final	10/31/25	
11.	Additional City Financing		
a.	Preliminary Gap Financing Application	5/16/25	
b.	Gap Financing Application	7/18/25	

12.	Other Financing		
a.	HCD Application for HK+	5/30/25	
b.	Construction Financing -SF HAF	5/16/25	
c.	AHP Application	N/A	
d.	CDLAC Application	N/A	
e.	TCAC Application	N/A	
f.	Other Financing Application	N/A	
g.	LOSP Funding Request	November 2025	
13.	Closing		
a.	Construction Loan Closing	9/14/25	
b.	Conversion of Construction Loan to Permanent Financing	7/14/26*	
14.	Construction		
a.	Notice to Proceed	10/1/25	
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	9/30/26	
15.	Marketing/Rent-up		
a.	Marketing Plan Submission	N/A	
b.	Commence Marketing	3/1/26	
c.	95% Occupancy	8/31/26	
16.	Cost Certification/8609	N/A	
17.	Close Out MOH/OCII Loan(s)	10/1/26	

Attachment B: Borrower Org Chart



Swords to Plowshares Organizational Chart / Senior Management



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1035 Van Ness Avenue

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Attachment C: Development Staff Resumes

Steve Culbertson, Swords to Plowshares

See narrative in Section 1.3.6.

Scott Falcone, Falcone Development Services

See Resume on following pages.

Scott R. Falcone

415-218-0411

scott@falconeddevelopment.com

PROFESSIONAL EXPERIENCE

FALCONE DEVELOPMENT SERVICES LLC (San Francisco, CA)

A development services firm assisting partners in real estate and community development projects.

Principal (2009- present)

- Provide clients with a range of real estate strategic analysis, acquisition and development feasibility, project management, owners’ representation, asset management, financial modeling, and housing policy services.

Partial List of Clients

Affordable Housing Development

- Mission Housing Development Corporation
- Sequoia Living Inc.
- MidPen Housing
- Tenderloin Neighborhood Development Corp
- Alta Housing

Supportive and Homeless Housing

- Insight Housing
- Swords-to-Plowshares
- Dolores Street Community Services
- Episcopal Community Services
- Unity Care Inc.

Financial Consulting

- CA Housing Partnership Coalition
- Community Economics

Asset Management

- Sequoia Living Inc

For-Profit Development

- Avalon Bay/Reservoir Partners

CITIZENS HOUSING CORPORATION (San Francisco, CA)

An award-winning regional non-profit developer of affordable family, senior, and supportive housing.

Director of Development (2007-09), **Senior Project Manager** (2004-06), **Project Manager** (2000-03)

- Oversee the development of over 1,500 affordable housing units throughout the San Francisco Bay Area, including direct project management for 800 of these units.
- Manage a department of eight staff members responsible for affordable rental, homeownership, commercial, and mixed-use real estate development projects and programs, including work in the areas of site acquisition, pre-development, finance, entitlements, design, construction, and lease-up.
- Develop and implement acquisition and project financing strategies, including debt, equity, government subsidy funds, tax credits, and grants, while developing relationships with lenders and investors.
- Ensure the efficient transition of projects from the development process to property and asset management, coordinating staffs’ comprehensive review of real estate projects throughout the entire development process.
- Consult with senior asset and property management staff on real estate portfolio performance.
- Represent organization before governmental agencies, public hearings, and community groups.

NCB DEVELOPMENT SERVICES (Oakland, CA)

The development services arm of a cooperative bank focused on community development projects.

Project Manager Intern (1999)

MISSION ECONOMIC DEVELOPMENT CORPORATION (San Francisco, CA)

A neighborhood-based economic development and planning non-profit organization.

Community Development Intern (1998)

EDUCATION

University of California (Berkeley, CA), 2000

Master's in City Planning, *Housing Development*

Wesleyan University (Middletown, CT), 1990

Bachelor of Arts, *Russian Literature, Language, and History- Graduated with High Honors*

Phillips Academy (Andover, MA), 1986

References are available upon request.

Attachment D: Asset Management Evaluation of Project Sponsor

- **Current asset management staffing:**
 - Elena Kim, Chief Operating Officer - 5%
 - Steve Culbertson, Deputy Director of Residential Programs and Housing Development - 10%
 - Stephen Chen, Chief Financial Officer 10%
 - Omar Shaikh, Affordable Housing Accountant - 50%
 - Joe Fong, Senior Budget Analysis - 50%
 - Shawn Thompson, Director of Facilities - 50%
 - Monique Crossley, Director of Property Management - 5%
 - Joel Champion, Assistant Director of Property Management 5%

- **Scope and range of duties of sponsor's asset management team:** to analyze, maintain, assess, and translate physical, financial, compliance, and long-term needs of properties

- **Coordination between asset management and other functional teams, including property management, accounting, compliance, facilities management, etc:** Asset Management collaborates with all departments within ECS, as well as outside agencies such as City of SF, SFHA, VAMC, HCD, etc.

- **Budget for asset management team:** \$257,500

- **# of projects expected to be in AM portfolio in 5 years:** 8, including:
 - Two (currently vacant) properties on DeMontfort Avenue
 - Jon W. Paulson Veterans Community (formerly Veterans Academy)
 - Veterans Commons
 - Edwin M. Lee Apartments
 - Maco May Apartments
 - 629 Post (as a replacement for our current operations at the Fairfax Hotel)
 - 1035 Van Ness (as a replacement for the current operations at 250 Kearney Street)
 - A potential development in Oakland

Attachment E: List of Swords' Contracts with City

See following page.

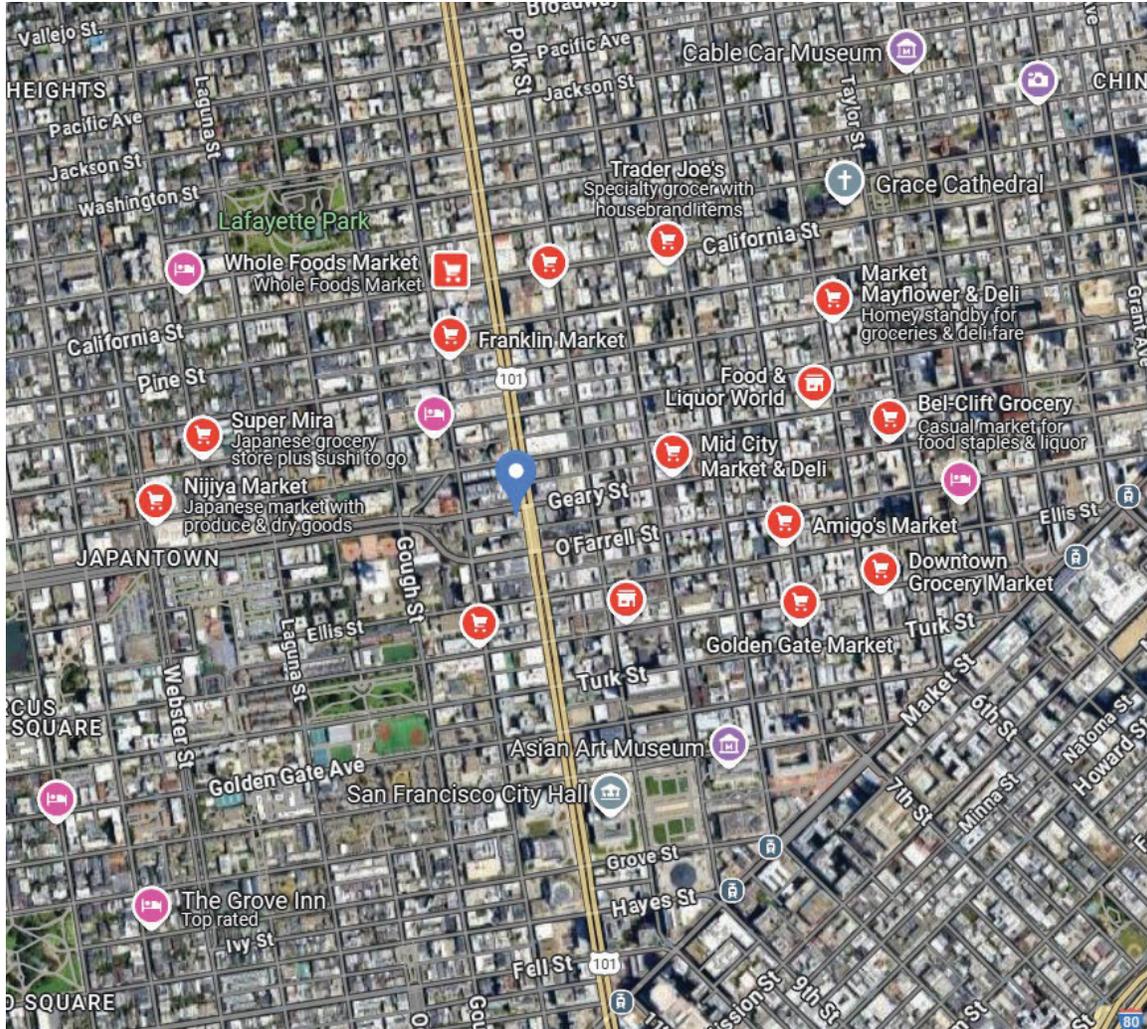
Attachment E – Swords to Plowshares Other City Grants

**Subgrantees must also list their interests in other City Grants

City Department or Commission	Program Name	Dates of Grant Term	Not-To-Exceed Amount
Department of Disability and Aging Services	Community Services Program	01/01/20 - 06/30/27	\$785,265
Department of Disability and Aging Services	Legal Assistance for Vets with Mental Health Claims	07/01/24 – 06/30/26	\$172,500
Department of Disability and Aging Services	Supportive Services and Service Connections for Veterans	07/01/22 - 06/30/27	\$1,970,282
Department of Homelessness and Supportive Housing	250 Kearny Property Management Gap Agreement	7/1/2024 to 1/31/2025	\$690,755
Department of Homelessness and Supportive Housing	250 Kearny Property Support Services	07/01/21 – 06/30/27	\$2,752,494
Department of Homelessness and Supportive Housing	Adult Access Point	07/01/21 - 06/30/26	\$2,771,296
Department of Homelessness and Supportive Housing	Case Management I for Vets at Stanford / Fairfax and Rental Assistance	04/01/21 - 03/31/26	\$4,010,231
Department of Homelessness and Supportive Housing	Case Management II for Vets Maceo May @ Treasure Island and Rental Assistance	11/01/18 - 10/31/26	\$6,052,670
Department of Homelessness and Supportive Housing	Mission Bay Property Management wages - GF	11/1/24 to 6/1/25	\$10,172
Department of Homelessness and Supportive Housing	Mission Bay –Supportive Services and Rental Assistance	11/01/24 - 7/31/30	\$1,875,406
Department of Homelessness and Supportive Housing	Veterans Academy	07/01/15 - 06/30/25	\$4,956,745
Department of Homelessness and Supportive Housing	Veterans Commons Supportive Services at 150 Otis and Rental Asst	07/01/24 – 06/30/29	\$3,190,036
Department of Public Health	Health and Social Services Programs/COVER Program	7/1/2024 to 6/30/2025	\$662,409
Mayor’s Office of Housing and Community Development	Securing VA Benefits for Low-Income and Homeless Veterans	7/1/2024 to 6/30/2025	\$86,264
Office of Economic and Workforce Development	Employment Services at 1060 Howard Street	7/1/2023 to 6/30/2025	\$217,326

Attachment F: Site Map with amenities

1035 Van Ness Avenue



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1035 Van Ness Avenue

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Attachment G: Elevations and Floor Plans

See following pages

DEMOLITION PLAN

DEMOLITION PLAN - SCALE 1"=20'-0"

PLOT PLAN

MYRTLE STREET - 35'-0" WIDE

VAN NESS AVENUE - 125'-0" WIDE

LEGEND

- ACCESSIBLE PATH OF TRAVEL
- EXIT PATH OF TRAVEL
- 4 HOUR AREA SEPARATION (MALL TYPE OR 2" MIN. CONC.)
- 3 HOUR OCCUPANCY SEPARATION
- 2 HOUR AREA SEPARATION (MALL TYPE OR 1" MIN. CONC.)
- 2 HOUR SEPARATION (MALL TYPE OR 1" MIN. CONC.)
- 1 HOUR OCCUPANCY SEPARATION
- 1 HOUR SEPARATION
- EXIT CORNER

NOTE:

1. 2" OR HIGHER SEPARATION (MALL TYPE) BETWEEN RESIDENTIAL UNITS, EXCEPT AS SHOWN BETWEEN RESIDENTIAL UNITS, SEE WALL TYPES B, C & D ON 12, 16 & 20A.3.
2. FLOOR TO FLOOR SEPARATION BETWEEN OCCUPANCIES A & B AND 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

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www.kodamadesign.com

1" = 20'
SCALE

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San Francisco, CA
Melvin D. Lee and Associates
2001 Harrison Street, San Francisco, CA 94110
Tel: 415 225-2800 Fax: 415 225-1988

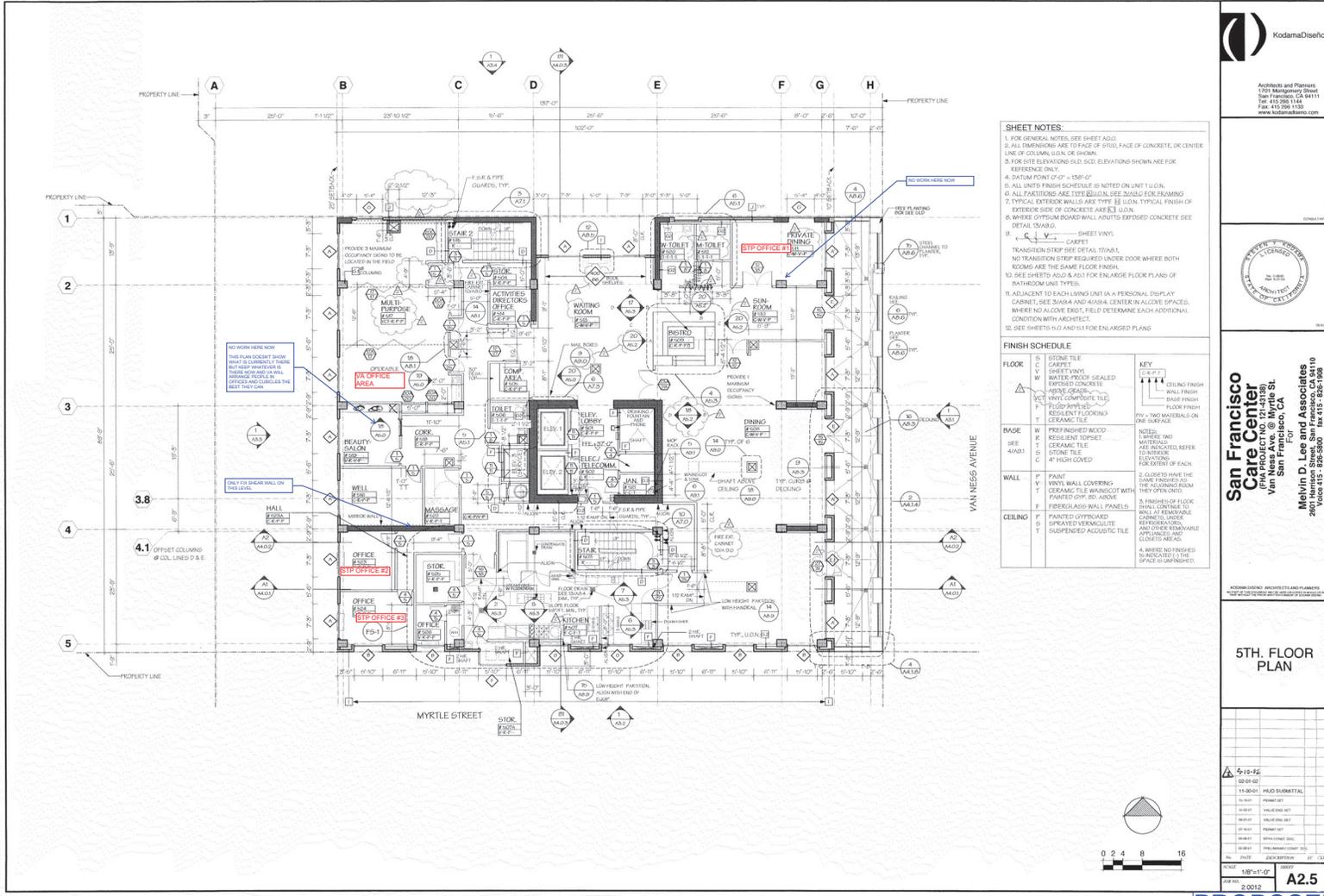
EXITING AND ACCESS COMPLIANCE

<p>ROOF</p> <p>NON-OCCUPIED SPACE</p>	<p>FIFTH FLOOR</p> <p>OCCUP. GROUP: A-3 SE: 10,000 OCCUP. FACTOR: SEE PLAN OCCUP. LOAD: 50 REG. DATE: 2 MAX TRAV. DIST: 250'</p>	<p>THIRD FLOOR</p> <p>OCCUP. GROUP: R-2 SE: 10,000 OCCUP. FACTOR: 200 OCCUP. LOAD: 51 REG. DATE: 2 MAX TRAV. DIST: 250'</p>	<p>FIRST FLOOR</p> <p>OCC. GROUP: B & M SE: 10,000 (2) B & M (NON OCCUPABLE) OCCUP. FACTOR: SEE PLAN TOTAL FLOOR LOAD: 40 REG. DATE: 2 ABOVE & 1 EACH ON THIS FLOOR MAX TRAV. 250'</p>
<p>NINTH FLOOR (FLOORS 8-8 SIM)</p> <p>OCCUP. GROUP: R-2 SE: 10,000 OCCUP. FACTOR: 200 OCCUP. LOAD: 46 REG. DATE: 2 MAX TRAV. DIST: 250'</p>	<p>FOURTH FLOOR</p> <p>OCCUP. GROUP: R-2 SE: 10,000 OCCUP. FACTOR: 200 OCCUP. LOAD: 51 REG. DATE: 2 MAX TRAV. DIST: 250'</p>	<p>SECOND FLOOR</p> <p>OCCUP. GROUP: R-2 SE: 10,000 OCCUP. FACTOR: 200 OCCUP. LOAD: 51 REG. DATE: 2 MAX TRAV. DIST: 250'</p>	<p>BASEMENT</p> <p>OCC. GRP: S-3 SE: 10,000 OCC. FACTOR: 200 OCC. LOAD: 63.40 REG. DATE: 2 MAX TRAV. DIST: 250'</p> <p>NOTE: ACCESSIBLE VAN PARKING SHALL ON SECOND FLOOR</p>

CODE ANALYSIS

No.	DATE	DESCRIPTION	BY
1	2012	NOTED	A0.2

PROPOSED



SHEET NOTES:

- FOR GENERAL NOTES, SEE SHEET A010.
- ALL DIMENSIONS ARE TO FACE OF STUD, FACE OF CONCRETE, OR CENTER LINE OF COLUMN, WALL, OR SHOWN.
- FOR SITE ELEVATIONS, SEE S.D. ELEVATIONS SHOWN ARE FOR REFERENCE ONLY.
- DATE POINT CIP = 1/26/07
- ALL UNITS FINISH SCHEDULE IS NOTED ON UNIT 1 U.O.N.
- ALL PARTITIONS ARE TYPE EQUON, SEE S.D. FOR FRAMING.
- TYPICAL EXTERIOR WALLS ARE TYPE 22 U.O.N. TYPICAL FINISH OF EXTERIOR SIDE OF CONCRETE ARE R3 U.O.N.
- WHERE OPTIMUM BOARD WALL UNITS EXPOSED CONCRETE SEE DETAIL 15A/B.G.
- SHEET VINYL
 — CARPET
 TRANSITION STEP SEE DETAIL TRAD.1.
 NO TRANSITION STEP REQUIRED UNDER DOOR WHERE BOTH ROOMS ARE THE SAME FLOOR FINISH.
- SEE SHEETS A010 & A011 FOR ENLARGED FLOOR PLANS OF BATHROOM UNIT TYPES.
- ADJACENT TO EACH LIVING UNIT IS A PERSONAL DISPLAY CABINET, SEE S.D. AND A010 CENTER IN WALK-IN SPACES, WHERE NO ALCOVE, BEST FIELD DETERMINE EACH ADDITIONAL CONDITION WITH ARCHITECT.
- SEE SHEETS A010 & A011 FOR ENLARGED PLANS.

FINISH SCHEDULE

BASE	W	PREPARED WOOD
BASE	4	4" HIGH COVER
WALL	F	PAINT
WALL	V	VINYL WALL COVERING
WALL	T	CERAMIC TILE W/GROUT WITH PAINTED GYF. 2" ABOVE
WALL	Y	FIBERGLASS WALL PANELS
CEILING	F	PAINTED GYPSUM BOARD
CEILING	T	SUSPENDED ACoustic TILE

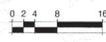
KEY

—	CEILING FINISH
—	WALL FINISH
—	FLOOR FINISH
—	ONE SURFACE
—	TWO MATERIALS ON ONE SURFACE
—	NOTES AND MATERIALS ARE INCLUDED, REFER TO FINISH SCHEDULE FOR ELEVATION
—	FINISHES OF FLOOR SHALL CONTRAST TO WALL AT REMOVABLE CONTROLS, DOORS AND OTHER REMOVABLE OFFICES AND CLOSETS AREAS.
—	A BARRIER WITH FINISH IS INDICATED 1" THE SPACE IS UNFINISHED.

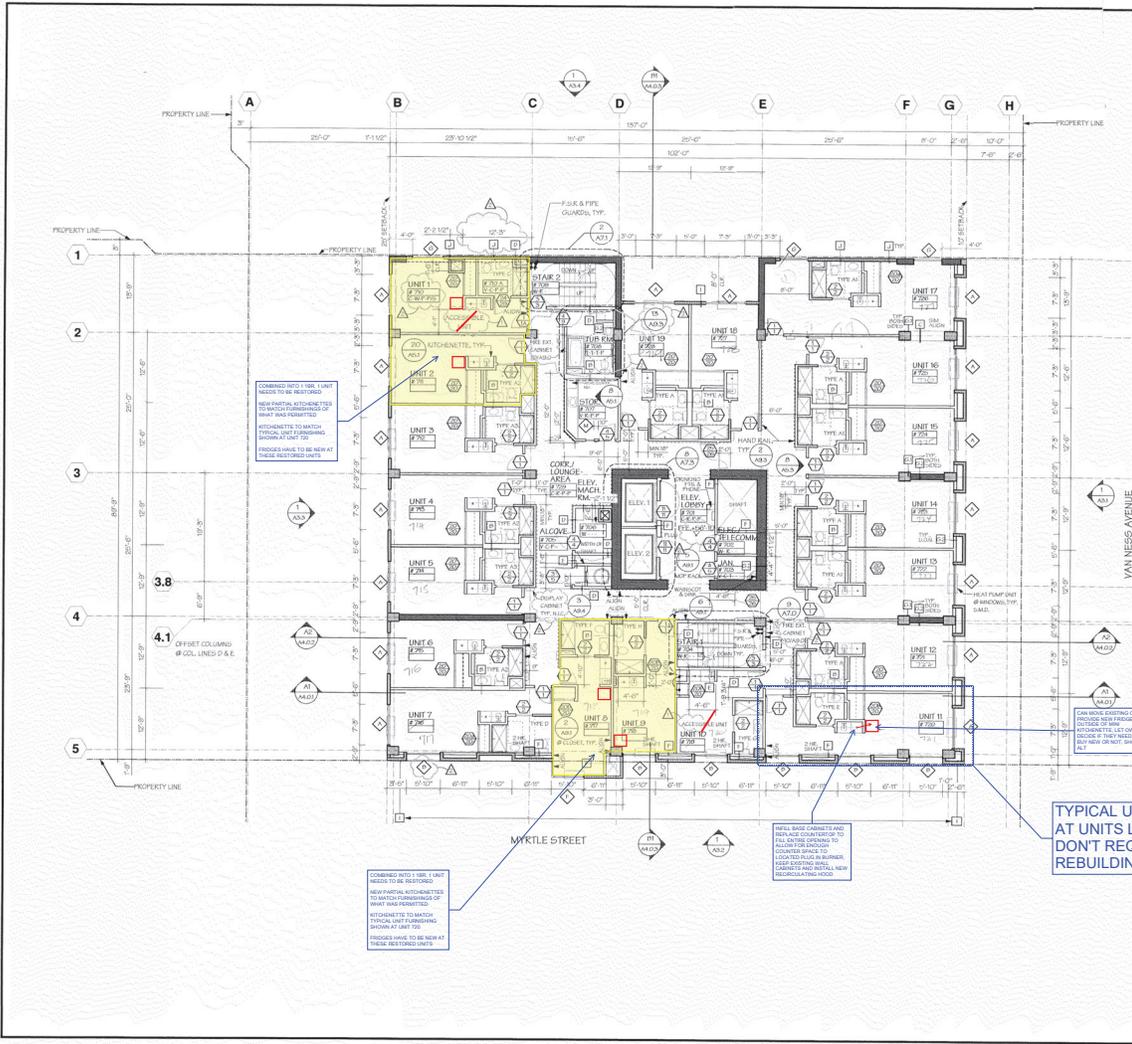
San Francisco Care Center
 Van Ness Ave. @ Myrtle St.
 San Francisco, CA
 Melvin D. Lee and Associates
 2601 Harrison Street, San Francisco, CA 94119
 Voice 415-226-2800 Fax 415-226-1988

5TH. FLOOR PLAN

NO. 11-20-02	PLUG SUBMITTAL
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NO. 11-20-100	PLUG SET



PROPOSED



- SHEET NOTES:**
1. FOR GENERAL NOTES, SEE SHEET AGG.
 2. ALL DIMENSIONS ARE TO FACE OF STUD, FACE OF CONCRETE, OR CENTER LINE OF COLUMN, UGON OR SHOWN.
 3. FOR SITE ELEVATIONS SLD, SCD, ELEVATIONS SHOWN ARE FOR REFERENCE ONLY.
 4. DATUM POINT OF $CG = 156'00"$
 5. ALL UNITS FINISH SCHEDULE IS NOTED ON UNIT FLOOR PLAN.
 6. ALL PARTITIONS ARE TYPE B/C/D/A, SEE S2A2/D FOR FINISHING.
 7. TYPICAL EXTERIOR WALLS ARE TYPE B UGON. TYPICAL FINISH OF EXTERIOR SIDE OF CONCRETE ARE UGON.
 8. WHERE OPTIMUM BOARD WALL ABUTTS EXPOSED CONCRETE SEE DETAIL S2A3/D.
 9. --- SHEET VINYL CARPET TRANSITION STRIP SEE DETAIL T2A1/L. NO TRANSITION STRIP REQUIRED UNDER DOOR WHERE BOTH ROOMS ARE THE SAME FLOOR FINISH.
 10. SEE SHEETS A2/D & A2/L FOR ENLARGE FLOOR PLANS OF BATHROOM UNIT TYPES.
 11. ADJACENT TO EACH LIVING UNIT IS A PERSONAL DISPLAY CABINET. SEE S2A8/A & A2A14 CENTER IN ALCOVE SPACES. WHERE NO ALCOVE EXIST, FIELD DETERMINE EACH ADDITIONAL CONDITION WITH ARCHITECT.
 12. SEE SHEETS S1/D AND S1/L FOR ENLARGE PLAN.

FINISH SCHEDULE

FLOOR	DESCRIPTION	KEY
D	STONE TILE	KEY
C	CERAMIC TILE	CEILING FINISH
V	UNIT'S VINYL CARPET	WALL FINISH
W	WATER PROOF SEALED PORTLAND CONCRETE	PAUSE FINISH
F	FLUOR APPLIED	FLOOR FINISH
A	ACRILEX DRAKE	CEILING FINISH
F	CERAMIC TILE	FLOOR FINISH
W	PREFINISHED WOOD	ONE SURFACE
R	RESIDENT FOREST	WALL FINISH
T	CERAMIC TILE	PAUSE FINISH
S	STONE	FLOOR FINISH
C	4" HIGH COVERED	CEILING FINISH
V	PAINT	FOR EXTENT OF EACH
F	VINYL WALL COVERINGS	3. CLOSETS HAVE THE SAME FINISH AS THE CORRIDOR.
T	CERAMIC TILE WANSICOTT WITH PAINTER COPY, RO, AZORE	2. CLOSETS HAVE THE SAME FINISH AS THE CORRIDOR.
F	PEREGO WALL PANELS	1. WHERE TWO MATERIALS ARE INDICATED, REFER TO FINISH FOR THE CORRIDOR.
S	SPRAYED VERMICULITE	3. FINISH OF FLOOR SHALL CORRESPOND WITH WALL AS REMOVABLE CABINETS, UNDER WAREHOUSING, AND OTHER REMOVABLE APPLIANCES AND CLOSETS REMAIN.
T	SUSPENDED, ACOUSTIC TILE	4. WHERE NOT FINISHED IS INDICATED, THE SPACE IS UNFINISHED.

COMBINED INTO 1 HR. 1 UNIT NEEDS TO BE RESTORED. NEW PARTIAL ARCHITECTURES TO MATCH FURNISHINGS OF WHAT WAS RESTORED.

COMBINED INTO 1 HR. 1 UNIT NEEDS TO BE RESTORED. NEW PARTIAL ARCHITECTURES TO MATCH FURNISHINGS OF WHAT WAS RESTORED.

INELL BASE CABINETS AND BENCH ARE TO BE RESTORED TO MATCH FURNISHINGS OF WHAT WAS RESTORED.

TYPICAL UNIT APPROACH AT UNITS 7-9 THAT DON'T REQUIRE REBUILDING



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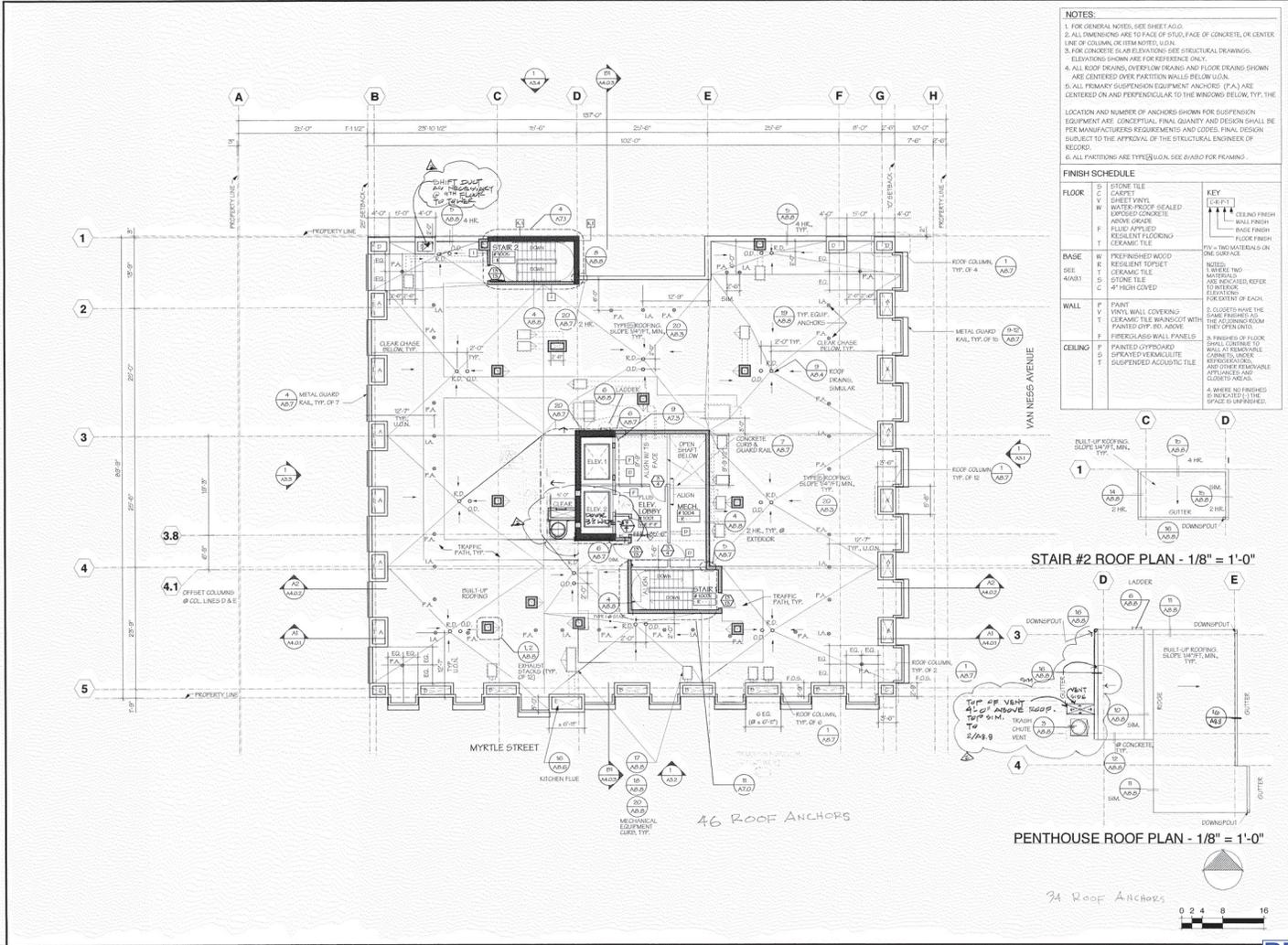
19-UNITS
7TH FLOOR PLAN (ASSISTED LIVING)

REVISIONS

NO.	DATE	DESCRIPTION
1	02/23/01	ISSUED FOR PERMITS
2	02/23/01	ISSUED FOR PERMITS
3	02/23/01	ISSUED FOR PERMITS
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5	02/23/01	ISSUED FOR PERMITS
6	02/23/01	ISSUED FOR PERMITS
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86	02/23/01	ISSUED FOR PERMITS
87	02/23/01	ISSUED FOR PERMITS
88	02/23/01	ISSUED FOR PERMITS
89	02/23/01	ISSUED FOR PERMITS
90	02/23/01	ISSUED FOR PERMITS
91	02/23/01	ISSUED FOR PERMITS
92	02/23/01	ISSUED FOR PERMITS
93	02/23/01	ISSUED FOR PERMITS
94	02/23/01	ISSUED FOR PERMITS
95	02/23/01	ISSUED FOR PERMITS
96	02/23/01	ISSUED FOR PERMITS
97	02/23/01	ISSUED FOR PERMITS
98	02/23/01	ISSUED FOR PERMITS
99	02/23/01	ISSUED FOR PERMITS
100	02/23/01	ISSUED FOR PERMITS

PROPOSED

San Francisco Care Center 1/F 2438 06/08/01 9:00:00 AM



NOTES:

- FOR GENERAL NOTES, SEE SHEET A010.
- ALL DIMENSIONS ARE TO FACE OF CONCRETE, OR CENTER LINE OF COLUMN, OR ITEM NOTED, U.O.N.
- FOR CONCRETE CLEAR ELEVATIONS SEE STRUCTURAL DRAWINGS. ELEVATIONS SHOWN ARE FOR REFERENCE ONLY.
- ALL ROOF BEAMS, OVERFLOW BEAMS AND FLOOR DRAINS SHOWN ARE CENTERED OVER PARTITION WALLS BELOW U.O.N.
- ALL PRIMARY SUSPENSION EQUIPMENT ANCHORS (P.A.) ARE CENTERED ON AND PERPENDICULAR TO THE WINDOWS BELOW. TYP. THE LOCATION AND NUMBER OF ANCHORS SHOWN FOR SUSPENSION EQUIPMENT ARE CONCEPTUAL. FINAL QUANTITY AND DESIGN SHALL BE PER MANUFACTURER'S REQUIREMENTS AND CODES. FINAL DESIGN SUBJECT TO THE APPROVAL OF THE STRUCTURAL ENGINEER OF RECORD.
- ALL PARTITIONS ARE TYPE(U.O.N. SEE A010) FOR FINISHING.

FINISH SCHEDULE

FLOOR	FINISH	KEY
1	STONE TILE	1
2	GRATE	2
3	WATER PROOF SEALED	3
4	EXPOSED CONCRETE	4
5	RESILIENT FLOORING	5
6	RESILIENT FLOORING	6
7	RESILIENT FLOORING	7
8	RESILIENT FLOORING	8
9	RESILIENT FLOORING	9
10	RESILIENT FLOORING	10
11	RESILIENT FLOORING	11
12	RESILIENT FLOORING	12
13	RESILIENT FLOORING	13
14	RESILIENT FLOORING	14
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43	RESILIENT FLOORING	43
44	RESILIENT FLOORING	44
45	RESILIENT FLOORING	45
46	RESILIENT FLOORING	46

Kodama Design

Architects and Planners
1701 Management Street
San Francisco, CA 94111
Tel: 415-392-1144
Fax: 415-392-1145
www.kodamadesign.com

San Francisco Care Center

1/F 2438

Myrtle St.
San Francisco, CA

Melvin D. Lee and Associates
2601 Harrison Street, San Francisco, CA 94110
Voice: 415-426-5800 Fax: 415-426-1800

ROOF PLAN

1/8" = 1'-0"

A2.10

0 2 4 8 16

PROPOSED

Attachment H: List of San Francisco Homekey Projects

San Francisco has received Homekey awards to help acquire six (8) buildings to date:

Acquired by ECS in partnership with HSH:

Granada – 214

Diva – 122

Acquired directly by the San Francisco Department for Homeless and Supportive Housing (HSH) and leased to operators of Permanent Supportive Housing:

Eula Hotel (Casa Esperanza) – 25

1321 Mission (The Margot) – 160

Mission Inn – 50

City Gardens – 200

685 Ellis – 67 (currently non-congregate shelter)

42 Otis - 24

Homekey+ Applications anticipated in partnership with HSH:

835 Turk – 106 (this will be owned by HSH and leased to a nonprofit operator)

1035 Van Ness – 124 (this will be owned by a nonprofit operator)

These units will provide permanent housing to over 1,500 people, including TAY, adults, seniors and families with children, and represent significant progress in fulfilling the Homelessness Recovery Plan (HRP) to leverage State funds and ensure no one sheltered during COVID became unsheltered.

Attachment K: Development Budget HK+

See following page.

Attachment L: 1st Year Operating Budget – HK+

See following page

Attachment M: 20-year Operating Proforma – HK+

See following page.

Application Date: 4/4/2025 # Units: 124
 Project Name: 1035 Van Ness # Bedrooms: 124
 Project Address: 1035 Van Ness # Beds:
 Project Sponsor: Swords to Plowshares

		Total Sources				Comments
SOURCES		32,800,000	5,912,794	2,087,206	-	40,800,000
	Name of Sources:	MOHCD/OCH	Homekey+	CCSF/HSH GO Bonds	HSH OCOH	

USES

ACQUISITION

Acquisition cost or value		27,750,000				27,750,000	appraisal underway
Legal / Closing costs / Broker's Fee		161,125				161,125	legal and closing costs for acquisition
Holding Costs		30,150				30,150	interest on HAF's deposit prior to loan
Transfer Tax		208,125				208,125	assumes waiver, base rate only
TOTAL ACQUISITION		28,149,435	0	0	0	28,149,435	

CONSTRUCTION (HARD COSTS)

* Unit Construction/Rehab		4,070,720	705,098			4,775,818	adjusted to allocate between City/HK; all bond eligible
Commercial Shell Construction		0	0			0	
* Conversion of SRO's to studio units		579,845	660,155			1,240,000	Changed title of line item to make clear, is not demo. All bond eligible.
Environmental Remediation		0	0			0	
Onsite Improvements/Landscaping		0	0			0	
Offsite Improvements		0	0			0	
Infrastructure Improvements		0	0			0	
Parking		0	0			0	
GC Bond Premium/GC Insurance/GC Taxes		158,758				158,758	
GC Overhead & Profit		268,668				268,668	
CG General Conditions		196,000				196,000	
Sub-total Construction Costs		4,650,565	1,968,879	0	0	6,639,244	
Design Contingency (remove at DD)		0	0	0	0	0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+ 0.0%
Bid Contingency (remove at bid)		0	0	0	0	0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+ 0.0%
Plan Check Contingency (remove/reduce during Plan Review)		0	0	0	0	0	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+ 0.0%
Hard Cost Construction Contingency		0	996,459	0	0	996,459	3% new construction / 15% rehab 15.0%
Sub-total Construction Contingencies		0	996,459	0	0	996,459	
TOTAL CONSTRUCTION COSTS		4,650,565	2,965,338	0	0	7,615,903	

SOFT COSTS

Architecture & Design

Architect design fees			268,195			268,195	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)			50,120			50,120	
Architect Construction Admin			0			0	
Reimbursables			0			0	
Additional Services			0			0	
Sub-total Architect Contract		0	318,315	0	0	318,315	
Other Third Party design consultants (not included under Architect contract)			0			0	Consultants not covered under architect contract, name consultant type and contract amount
Total Architecture & Design		0	318,315	0	0	318,315	

Engineering & Environmental Studies

Survey			0			0	All due diligence paid for by HSH on separate contract
Geotechnical studies			0			0	
Phase I & II Reports			0			0	
CEQA / Environmental Review consultants			0			0	
NEPA / 106 Review			0			0	
CNA/PNA (rehab only)			0			0	
Other environmental consultants			0			0	
Total Engineering & Environmental Studies		0	0	0	0	0	

Financing Costs

Construction Financing Costs			194,000			194,000	90 bp
Construction Loan Origination Fee			194,000			194,000	Assumes 5.75% interest rate, HAF bridge until Homekey funded & most following CDE
Construction Loan Interest			829,314			829,314	
Title & Recording			25,000			25,000	
CDLAC & CDJAC fees			0			0	
Bond Issuer Fees			0			0	
Other Bond Cost of Issuance			0			0	
Other Lender Costs (specify)			9,000			9,000	HAF lender inspection costs
Sub-total Const. Financing Costs		0	1,057,314	0	0	1,057,314	
Permanent Financing Costs			0			0	
Permanent Loan Origination Fee			0			0	
Credit Enhance. & Appt. Fee			0			0	
Title & Recording			20,000			20,000	
Sub-total Perm. Financing Costs		0	20,000	0	0	20,000	
Total Financing Costs		0	1,077,314	0	0	1,077,314	

Legal Costs

Borrower Legal fees			25,000			25,000	Swords legal costs
Land Use / CEQA Attorney fees			0			0	
Tax Credit Counsel			0			0	
Bond Counsel			0			0	
Construction Lender Counsel			40,000			40,000	HAF lender counsel
Permanent Lender Counsel			25,000			25,000	borrower counsel for perm closing
Other Legal (specify)			0			0	
Total Legal Costs		0	90,000	0	0	90,000	

Other Development Costs

Appraisal			0			0	
Market Study			0			0	
Insurance			250,000			250,000	general liability and builder's risk
Property Taxes			330,573			330,573	Assume pay thru construction (12 months)
Accounting / Audit			0			0	
Organizational Costs			0			0	covered under borrower legal
Entitlement / Permit Fees			75,000			75,000	Placeholder - check against comps
Marketing / Rent-Up			0			0	Separate budget for transition period
Furnishings			452,600			452,600	\$2,000/unit. See MOHCD LUW Guidelines: http://sfmohcd.org/documents-reports-and-forms
PG&E / Utility Fees			0			0	furnishings budget added per Swords 4/18
TCAC App / Alloc / Monitor Fees			0			0	
Financial Consultant fees			0			0	
Construction Management fees / Owner's Rep			47,600			47,600	Swords CM
Security during Construction			0			0	
Relocation			0			0	
Development Services Consultant			150,000			150,000	incl in HSH contract
Other (specify)			0			0	
Other (specify)			0			0	
Total Other Development Costs		0	272,600	1,033,473	0	1,306,073	

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)		0	169,427	0	0	169,427	8.10%
TOTAL SOFT COSTS		0	1,927,656	1,033,473	0	2,961,129	

RESERVES

Operating Reserves			0	1,053,733		1,053,733	4 months of operating AND services (per HK+)
Replacement Reserves			0	0		0	
Tenant Improvements Reserves			0	0		0	
Other (specify)			0	0		0	
Other (specify)			0	0		0	
Other (specify)			0	0		0	
TOTAL RESERVES		0	0	1,053,733	0	1,053,733	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones			500,000			500,000	
Developer Fee - Cash-out At Risk			500,000			500,000	
Commercial Developer Fee			0			0	
Developer Fee - GP Equity (also show as source)			0			0	
Developer Fee - Deferred (also show as source)			0			0	
Development Consultant Fees			0			0	
Other (specify)			0			0	
TOTAL DEVELOPER COSTS		0	1,000,000	0	0	1,000,000	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source		0	32,800,000	5,912,794	2,087,206	0	0	40,800,000
Development Cost/Unit as % of TDC by Source		0%	264,516	47,684	16,832	0	0	329,032
		0.0%	80.4%	14.5%	5.1%	0.0%	0.0%	100.0%

Acquisition Cost/Unit by Source

		0	223,790	0	0	0	0	223,790
Construction Cost (inc Const Contingency)/Unit by Source		0	37,505	24,074	0	0	0	61,578
Construction Cost (inc Const Contingency)/SF		0.00	51.38	32.98	0.00	0.00	0.00	84.36

*Possible non-eligible GO Bond/COP Amount:

City Subsidy/Unit		1,365,253						
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Tax Credit Equity Pricing:

Construction Bond Amount:		0.000						
Construction Loan Term (in months):		38,806,267	This is the HAF loan					
Construction Loan Interest Rate (as %):		6 months						
		5.75%						

Application Date: 4/4/2025
 Total # Units: 124
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2026

Account No.	LOSP Units		Non-LOSP Units	
	88	86	88	86
	47%	53%		

Project Name: 1035 Van Ness
 Project Address: 1035 Van Ness
 Project Sponsor: Swords to Plowshares

TCAC Income Limits in Use! Correct errors noted in Col N

INCOME	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM
Residential - Tenant Rents	139,200	158,450	297,650	Links from New Proj. - Rent & Unit Mix Worksheet	non-LOSP	Approved By: (read)	2,400
Residential - Tenant Assistance Payments (OSG Payments)							200
Residential - Tenant Assistance Payments (Other Non-LOSP)	2,003,750	2,003,750		Links from New Proj. - Rent & Unit Mix Worksheet			16,159
Residential - LOSP Tenant Assistance Payments	0	0	0				1,347
Commercial Space	0	0	0	From Commercial Op. Budget Worksheet Commercial to Residential allocation 100%			-
Commercial Parking	0	0	0	From Utilities & Other Income Worksheet			-
Miscellaneous Rent Income	0	0	0	Links from Utilities & Other Income Worksheet	non-LOSP	Approved By: (read)	-
Passive Services Income	0	0	0	No services used from Operations	Alternative LOSP Split		-
Interest Income - Project Operations	0	0	0	Links from Utilities & Other Income Worksheet	non-LOSP	Approved By: (read)	-
Landscaping and Landfill	0	0	0	Links from Utilities & Other Income Worksheet	LOSP	LOSP	-
Tenant Changes	0	0	0	Links from Utilities & Other Income Worksheet	LOSP	LOSP	-
Miscellaneous Residential Income - VAMC Contract	0	0	0	Links from Utilities & Other Income Worksheet	LOSP	LOSP	-
Other Commercial Income	0	0	0	From Commercial Op. Budget Worksheet Commercial to Residential allocation 100%	Alternative LOSP Split	non-LOSP	Approved By: (read)
Withdrawal from Capitalized Reserve (deposit to operating account)	182,491	209,177	391,668	This is the HCC COSR for years 1-5	Withdrawal from Capitalized Reserve (deposit to operating account)		3,183
Vacancy Loss - Residential - Tenant Rents	(6,965)	(7,420)	(14,385)	0% Vacancy loss is 5% of Tenant Rents			1120
Vacancy Loss - Residential - Tenant Assistance Payments	324,695	2,371,337	2,696,032	0% Vacancy loss is 5% of Tenant Assistance Payments			6581
Vacancy Loss - Commercial	0	0	0	From Commercial Op. Budget Worksheet Commercial to Residential allocation 100%			-
EFFECTIVE GROSS INCOME	517,736	2,263,229	2,880,965	PUPA: 20,614			

OPERATING EXPENSES	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM	
Management Fee	6320	57,348	63,668	122,016 \$82 PUPM	Management Fee	non-LOSP	Approved By: (read)	
Asset Management Fee	11,329	11,109	22,438	\$22/Unit for entire 4th floor	Asset Management Fee		984	
Sub-total Management Expenses	74,549	78,457	153,006	PUPA: 1,214			230	
Salaries/Benefits	6310	44,039	50,349	93,700 Links from Staffing Worksheet	Alternative LOSP Split	non-LOSP	Approved By: (read)	
Office Salaries	6310	44,039	50,349	Links from Staffing Worksheet	Office Salaries		736	
Manager's Salary	6320	68,410	74,730	147,690 Links from Staffing Worksheet	Manager's Salary		1,191	
Health Insurance and Other Benefits	6320	19,300	24,600	36,300 employee benefits	Health Insurance and Other Benefits		259	
Other Salaries/Benefits	0	0	0		Other Salaries/Benefits		-	
Administrative Rent-Free Unit	6331	128,958	144,982	No fee-in-manager, lease 24/24 debt coverage	Administrative Rent-Free Unit		-	
Sub-total Salaries/Benefits	128,958	144,982	273,940	PUPA: 2,206			-	
Advertising and Marketing	6210	470	530	1,000	Advertising and Marketing		8	
Office Expenses	6311	8,400	10,600	20,000 IT, Phone, Printing, Postage	Office Expenses		161	
Office Rent	6310	11,750	13,250	25,000 legal counsel related to property operations, evictions, etc.	Legal Expenses - Property	LOSP	LOSP	
Legal Expenses - Property	6310	11,750	13,250	25,000 legal counsel related to property operations, evictions, etc.	Legal Expenses - Property	LOSP	LOSP	
Audit Expense	6330	2,350	2,650	5,000	Audit Expense		40	
Bookkeeping/Accounting Services	6331	8,875	10,000	19,000	Bookkeeping/Accounting Services		101	
Rent Debt	6370	2,350	2,650	5,000	Rent Debt	LOSP	LOSP	
Miscellaneous	6390	470	530	1,000	convention/meetings	Miscellaneous	LOSP	LOSP
Sub-total Administration Expenses	32,665	38,835	71,500	PUPA: 560			8	
Utilities	6450	52,170	58,830	111,000 based on owner's operating, projected cost at full occupancy and updated rates	Utilities	LOSP	LOSP	
Water	6451	48,850	55,120	104,000 based on owner's operating, projected cost at full occupancy and updated rates	Water		895	
Gas	6452	29,380	34,600	64,000 based on owner's operating, projected cost at full occupancy and updated rates	Gas		839	
Steam	6453	48,850	55,120	104,000 based on owner's operating, projected cost at full occupancy and updated rates	Steam		839	
Sub-total Utilities	175,510	197,690	373,200	PUPA: 3,069			70	
Taxes and Licenses	6710	4,511	5,000	\$36 for special assessments	Taxes and Licenses	non-LOSP	Approved By: (read)	
Rental State Taxes	6711	75,691	85,252	160,000 updated estimate from Section 4.18	Rental State Taxes		24	
Special Taxes	6712	0	0	0	Special Taxes		1,097	
Miscellaneous Taxes, Licenses and Permits	6730	0	0	0	Miscellaneous Taxes, Licenses and Permits		-	
Sub-total Taxes and Licenses	77,911	86,842	164,753	PUPA: 1,321			-	
Insurance	6720	164,500	185,500	380,000 Secured securing quote - also-include estimate for new	Insurance		2,823	
Property and Liability Insurance	6721	0	0	0	Property and Liability Insurance	Alternative LOSP Split	non-LOSP	
Fidelity Bond Insurance	6722	22,850	25,576	48,256 updated estimate from Section 4.18	Fidelity Bond Insurance		389	
Workers Compensation	6723	0	0	0	Workers Compensation		-	
Sub-total Insurance	187,190	211,076	398,256	PUPA: 3,212			-	
Maintenance & Repair	6510	52,790	59,530	112,300 Links from Staffing Worksheet	Maintenance & Repair	LOSP	LOSP	
Payroll	6515	28,200	31,800	60,000 Office, janitorial, window and unit supplies	Payroll		906	
Supplies	6520	113,176	127,624	240,000 ambient \$1.00/2000 and control	Supplies		484	
Contractors	6525	31,967	36,033	68,100	Contractors		1,542	
Garbage and Trash Removal	6530	211,768	238,800	450,000 Links from Staffing Worksheet	Garbage and Trash Removal	non-LOSP	Approved By: (read)	
Security Guard/Contract	6540	2,350	2,650	5,000	Security Guard/Contract		3,834	
HVAC Repairs and Maintenance	6550	0	0	0	HVAC Repairs and Maintenance		40	
Painting and Maintenance (Exterior/Interior/Windows and Doors)	6560	73,085	82,414	155,000 bank and general service (SG), maintenance items (SM), security contract (SK), repairs	Painting and Maintenance (Exterior/Interior/Windows and Doors)		1,254	
Miscellaneous Operation and Maintenance Expenses	6590	0	0	0	Miscellaneous Operation and Maintenance Expenses		-	
Sub-total Maintenance & Repair Expenses	612,436	677,853	1,290,289	PUPA: 8,793			-	
Supportive Services	6900	0	0	0	Separate Services Contract with HSH	Alternative LOSP Split	non-LOSP	
Commercial Expenses	0	0	0	0	From Commercial Op. Budget Worksheet Commercial to Residential allocation 100%	Commercial Expenses		
TOTAL OPERATING EXPENSES	1,623,914	1,335,052	2,958,966	PUPA: 20,314				

RESERVES/GROUND LEASE BASE RENT/BOND FEES	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM
Ground Lease Base Rent	0	0	0	No tax exempt bonds	Ground Lease Base Rent		-
Rent Monitoring Fee	0	0	0	0	Rent Monitoring Fee	non-LOSP	Approved By: (read)
Redemption Reserve Deposit	1320	28,140	32,860	\$2,000/Unit, 1600 Units	Redemption Reserve Deposit		600
Operations Reserve Deposit	1365	0	0	See COSR env.	Operations Reserve Deposit		-
Other Reserved Reserve 1 Deposit	1365	0	0	0	Other Reserved Reserve 1 Deposit		-
Other Reserved Reserve 2 Deposit	0	0	0	0	Other Reserved Reserve 2 Deposit		-
Non-tax Reserved Deposits, Commercial	29,140	32,860	62,000	62,000 PUPA: 500			-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	29,140	32,860	62,000	PUPA: 500			-
TOTAL OPERATING EXPENSES (Reserves/Gl. Base Rent/Bond Fees)	1,213,054	1,367,912	2,580,966	PUPA: 20,614			

NET OPERATING INCOME (INCOME minus OP EXPENSES)	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM
Net Operating Income	(895,317)	895,317	(0)	PUPA:			
Debt Service (Must Pay Payments) (hard debt) (amortized bonds)	Hard Debt - First Lender	na	na	N/A City/HSH GO Bonds	Debt Service (Must Pay Payments) (hard debt) (amortized bonds)	0%	LOSP
Hard Debt - Second Lender (HCD Program @ 4% plus or other 2nd Lender)	0	0	0	0	Hard Debt - Second Lender (HCD Program @ 4% plus or other 2nd Lender)	100.00%	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	0	Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		
Hard Debt - Fourth Lender	0	0	0	0	Hard Debt - Fourth Lender		
Commercial Hard Debt Service	0	0	0	0	From Commercial Op. Budget Worksheet Commercial to Residential allocation 100%		
TOTAL HARD DEBT SERVICE	0	0	(0)	PUPA: 0			

USES OF CASH FLOW BELOW (This row also shows DSCR.)	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM
Partnership Management Fee (see notes for limits)	0	0	0	0	Partnership Management Fee (see notes for limits)		-
Reserve Service Fee (na, n/a, if Asset Mgmt Fee, see notes for limits)	0	0	0	0	Reserve Service Fee (na, n/a, if Asset Mgmt Fee, see notes for limits)	Alternative LOSP Split	non-LOSP
Other Payments	0	0	0	0	Other Payments		Approved By: (read)
Non-amortizing Loan Print - Lender 1 (subject lender in comments field)	0	0	0	0	Non-amortizing Loan Print - Lender 1 (subject lender in comments field)		-
Non-amortizing Loan Print - Lender 2 (subject lender in comments field)	0	0	0	0	Non-amortizing Loan Print - Lender 2 (subject lender in comments field)		-
Deferred Developer Fee (Other unit or Max Fee from cell 1130)	0	0	0	0	Deferred Developer Fee (Other unit or Max Fee from cell 1130)	#####	100.00%
TOTAL PAYMENTS PRECEDING MOHCD	0	0	(0)	PUPA: 0			

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS)	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM
Residual Receipts Calculation	(895,317)	895,317	(0)	(0)	Project has MOHCD ground base?	No	
Does Project have a MOHCD Residual Receipt Obligation?							
Will Project Deficit Developer Fee?							
Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1							
% of Residual Receipts available for distribution to soft debt lenders in							
Soft Debt Lenders with Residual Receipts Obligations							
MOHCD - Soft Debt Loans							
MOHCD - Ground Lease Value or Land Use Cost							
HCD soft debt Lender - Lender 1							
Other Soft Debt Lender - Lender 4							
Other Soft Debt Lender - Lender 5							
MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
MOHCD Residual Receipts Amount Due	0	0	0	0	0% of residual receipts, multiplied by 100% - MOHCD's pro rata share of all soft debt		
Proposed MOHCD Residual Receipts Amount to Loan Repayment	0	0	0	0	Enter override amount of residual receipts proposed for loan repayment		
Proposed MOHCD Residual Receipts Amount to Redeem Ground Lease	0	0	0	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repaymt		
Proposed MOHCD Residual Receipts Amount to Redeem Reserve	0	0	0	0	MOHCD res recs to Res Res (RR) until RR balance >= 1 & Original Capitalized RR amt		
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS	0	0	(0)	PUPA: 0			

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM
HCD Residual Receipts Amount Due	0	0	0	0	HCD Residual Receipts Amount Due		
Lender 4 Residual Receipts Due	0	0	0	0	Lender 4 Residual Receipts Due		
Lender 5 Residual Receipts Due	0	0	0	0	Lender 5 Residual Receipts Due		
Total Non-MOHCD Residual Receipts Debt Service	0	0	(0)	PUPA: 0			

REMAINDER (should be zero unless there are distributions below)	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM
Owner Distribution/Incentive Management Fee	0	0	0	0	Owner Distribution/Incentive Management Fee		
Other Distribution/Incentive	0	0	0	0	Other Distribution/Incentive		
Final Balance (should be zero)	0	0	(0)	PUPA: 0			

DEBT SERVICE (Must Pay Payments) (hard debt) (amortized bonds)	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM
Hard Debt - First Lender	na	na	N/A	City/HSH GO Bonds	Debt Service (Must Pay Payments) (hard debt) (amortized bonds)	0%	LOSP
Hard Debt - Second Lender (HCD Program @ 4% plus or other 2nd Lender)	0	0	0	0	Hard Debt - Second Lender (HCD Program @ 4% plus or other 2nd Lender)	100.00%	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	0	Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		
Hard Debt - Fourth Lender	0	0	0	0	Hard Debt - Fourth Lender		
Commercial Hard Debt Service	0	0	0	0	From Commercial Op. Budget Worksheet Commercial to Residential allocation 100%		
TOTAL HARD DEBT SERVICE	0	0	(0)	PUPA: 0			

USES OF CASH FLOW BELOW (This row also shows DSCR.)	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split	PUPA	PUM
Partnership Management Fee (see notes for limits)	0	0	0	0	Partnership Management Fee (see notes for limits)		-
Reserve Service Fee (na, n/a, if Asset Mgmt Fee, see notes for limits)	0	0	0	0	Reserve Service Fee (na, n/a, if Asset Mgmt Fee, see notes for limits)	Alternative LOSP Split	non-LOSP
Other Payments	0	0	0	0	Other Payments		Approved By: (read)
Non-amortizing Loan Print - Lender 1 (subject lender in comments field)	0	0	0	0	Non-amortizing Loan Print - Lender 1 (subject lender in comments field)		-
Non-amortizing Loan Print - Lender 2 (subject lender in comments field)	0	0	0	0	Non-amortizing Loan Print - Lender 2 (subject lender in comments field)		-
Deferred Developer Fee (Other unit or Max Fee from cell 1130)	0	0	0	0	Deferred Developer Fee (Other unit or Max Fee from cell 1130)	#####	100.00%
TOTAL PAYMENTS PRECEDING MOHCD	0	0	(0)</				

The image displays a large, multi-row grid of data. The top portion consists of approximately 15 rows of data, each with a header row and several columns of cells. Some cells are highlighted in yellow, and others in grey. Below this, there are several rows of data with a similar layout, but with more frequent highlighting. The bottom portion of the grid is a dense array of small, square icons or symbols, arranged in a regular grid pattern. The overall appearance is that of a detailed data table or a complex form with many fields.

Evaluation of Request for Construction/Perm Financing
1035 Van Ness Avenue

May 16, 2025
Page 41 of 43

N. Development Budget - PASS

See following page

O. 1st Year Operating Budget – PASS

See following page.

Application Date: 4/4/2025 # Units: 124
 Project Name: 1035 Van Ness # Bedrooms: 124
 Project Address: 1035 Van Ness # Beds:
 Project Sponsor: Swords to Plowshares

SOURCES		30,000,000	6,724,386	1,275,614			Total Sources	Comments
	MOHCD PASS						38,000,000	
	CCSF HSH Grant							
	COCHF HSH OCOH (not bond eligible)							

USES

ACQUISITION

Name of Sources:	MOHCD/OCH	PASS	CCSF HSH Grant	COCHF HSH OCOH (not bond eligible)				
Acquisition cost or value		27,750,000					27,750,000	
Legal / Closing costs / Broker's Fee		161,125					161,125	
Holding Costs		30,185					30,185	
Transfer Tax		208,125					208,125	
TOTAL ACQUISITION	0	28,149,435	0	0	0	0	28,149,435	

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab		1,850,565	2,294,525				4,145,090	
Commercial Shell Construction							0	
Demolition			660,000				660,000	Assumes conversion of 66 units to studios
Environmental Remediation							0	
Onsite Improvements/Landscaping							0	
Offsite Improvements							0	
Infrastructure Improvements							0	
Parking							0	
GC Bond Premium/GC Insurance/GC Taxes			158,758				158,758	
GC Overhead & Profit			288,868				288,868	
CG General Conditions			196,000				196,000	
Sub-total Construction Costs	0	1,850,565	3,577,951	0	0	0	5,428,516	
Design Contingency (remove at DD)							0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)							0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)							0	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency			996,459				996,459	5% new construction / 15% rehab
Sub-total Construction Contingencies	0	0	996,459	0	0	0	996,459	
TOTAL CONSTRUCTION COSTS	0	1,850,565	4,574,410	0	0	0	6,424,975	

Construction line item costs as a % of hard costs
 2.9%
 4.9%
 3.6%
 0.0%
 0.0%
 0.0%
 18.4%

SOFT COSTS

Architecture & Design

Architect design fees			268,195				268,195	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)			50,000				50,000	
Architect Construction Admin							0	
Reimbursables							0	
Additional Services							0	
Sub-total Architect Contract	0	0	318,195	0	0	0	318,195	
Other Third Party design consultants (not included under Architect contract)							0	Consultants not covered under architect contract; name consultant type and contract amount
Total Architecture & Design	0	0	318,195	0	0	0	318,195	

Engineering & Environmental Studies

Survey							0	
Geotechnical studies							0	
Phase I & II Reports							0	
CEQA / Environmental Review consultants							0	
NERA / IIS Review							0	
CNA/PNA (rehab only)							0	
Other environmental consultants							0	Name consultants & contract amounts
Total Engineering & Environmental Studies	0							

Financing Costs

Construction Financing Costs

Construction Loan Origination Fee			184,662				184,662	
Construction Loan Interest			753,586				753,586	See HAF Plan B underwriting; assumes MOHCD comes in with capital and PASS in month 6
Title & Recording			25,000				25,000	
COAC & COIAC Fees							0	
Bond Issuer Fees							0	
Other Bond Cost of Issuance							0	
Other Lender Costs (specify)			9,000				9,000	
Sub-total Const. Financing Costs	0	0	972,248	0	0	0	972,248	
Permanent Financing Costs								
Permanent Loan Origination Fee							0	
Credit Enhance. & Appl. Fee							0	
Title & Recording			20,000				20,000	
Sub-total Perm. Financing Costs	0	0	20,000	0	0	0	20,000	
Total Financing Costs	0	0	992,248	0	0	0	992,248	

Legal Costs

Borrower Legal fees			25,000				25,000	
Land Use / CEQA Attorney fees							0	
Tax Credit Counsel							0	
Bond Counsel							0	
Construction Lender Counsel			40,000				40,000	
Permanent Lender Counsel			25,000				25,000	
Other Legal (specify)				15,000			15,000	not bond eligible
Total Legal Costs	0	0	90,000	15,000	0	0	105,000	

Other Development Costs

Appraisal							0	
Market Study							0	
Insurance			250,000				250,000	not bond eligible
Property Taxes			330,873				330,873	not bond eligible
Accounting / Audit							0	
Organizational Costs							0	
Entitlement / Permit Fees			75,000				75,000	
Marketing / Rent-up							0	
Furnishings				50,000			50,000	\$2,000/unit. See MOHCD UWF Guidelines on: http://sfmohcd.org/documents-reports-and-forms
PG&E / Utility Fees							0	not bond eligible, reduced per Swords
TCAC App / Allow / Monitor Fees							0	
Financial Consultant fees							0	
Construction Management fees / Owner's Rep			47,600				47,600	
Security during Construction							0	
Relocation							0	
Other (specify)							0	
Other (specify)							0	
Other (specify)							0	
Total Other Development Costs	0	0	122,600	630,873	0	0	753,473	

Contingency as % of Total Applicable Soft Costs
 6.9%

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)			126,933				126,933	6.90%
TOTAL SOFT COSTS	0	0	1,649,976	645,873	0	0	2,295,849	

RESERVES

Operating Reserves				629,741			629,741	3 month operating reserve, not bond eligible
Replacement Reserves							0	
Tenant Improvements Reserves							0	
Other (specify)							0	
Other (specify)							0	
Other (specify)							0	
TOTAL RESERVES	0	0	0	629,741	0	0	629,741	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones			105,000				105,000	
Developer Fee - Cash-out At Risk			395,000				395,000	
Commercial Developer Fee							0	
Developer Fee - GP Equity (also show as source)							0	
Developer Fee - Deferred (also show as source)							0	
Development Consultant Fees							0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)							0	
TOTAL DEVELOPER COSTS	0	0	500,000	0	0	0	500,000	

TOTAL DEVELOPMENT COST

	0	30,000,000	6,724,386	1,275,614	0	0	38,000,000	
Development Cost/Unit by Source	0.0%	241,935	54,229	10,287	0	0	308,452	
Development Cost/Unit as % of TDC by Source		78.9%	17.7%	3.4%	0.0%	0.0%	100.0%	

Acquisition Cost/Unit by Source

	0	223,790	0	0	0	0	223,790	
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Construction Cost (inc Const Contingency)/Unit By Source

	0	14,924	36,890	0	0	0	51,814	
Construction Cost (inc Const Contingency)/SF	0.00	20.45	50.54	0.00	0.00	0.00	70.98	

*Possible non-eligible GO Bond/COP Amount:
 City Subsidy/Unit

Tax Credit Equity Pricing	n/a
Construction Bond Amount:	n/a
Construction Loan Term (in months):	n/a
Construction Loan Interest Rate (as %):	n/a

Application Date: 4/4/2025 Project Name: 1035 Van Ness
 Total # Units: 124 Project Address: 1035 Van Ness
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2026 Project Sponsor: Swords to Plowshares

Correct errors noted in Col N1

INCOME	Total	Comments	PUPA	PUPM
Residential - Tenant Rents	297,600	Links from 'New Proj - Rent & Unit Mix' Worksheet	2,400	200
Residential - Tenant Assistance Payments (SOS Payments)	0	Comments		
Residential - Tenant Assistance Payments (Other Non-LOSP)	2,003,760	Links from 'New Proj - Rent & Unit Mix' Worksheet	16,159	1,347
Residential - LOSP Tenant Assistance Payments	0			
Commercial Space	0	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-
Residential Parking	0	Links from 'Utilities & Other Income' Worksheet	-	-
Miscellaneous Rent Income	0	Links from 'Utilities & Other Income' Worksheet	-	-
Supportive Services Income	0		-	-
Interest Income - Project Operations	0	Links from 'Utilities & Other Income' Worksheet	-	-
Laundry and Vending	0	Links from 'Utilities & Other Income' Worksheet	-	-
Tenant Charges	0	Links from 'Utilities & Other Income' Worksheet	-	-
Miscellaneous Residential Income	2,297,117	Links from 'Utilities & Other Income' Worksheet	18,525	
Other Commercial Income	0	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	0		-	-
Gross Potential Income	4,598,477			
Vacancy Loss - Residential - Tenant Rents	(14,880)	5% Vacancy loss is 5% of Tenant Rents.	(120)	
Vacancy Loss - Residential - Tenant Assistance Payments	(100,188)	5% Vacancy loss is 5% of Tenant Assistance Payments.	(808)	
Vacancy Loss - Commercial	0	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-
EFFECTIVE GROSS INCOME	4,483,409	PUPA: 36,157		
OPERATING EXPENSES				
Management				
Management Fee	122,016	82 PUPM	984	82
Asset Management Fee	28,500		230	
Sub-total Management Expenses	150,516	PUPA: 1,214		
Salaries/Benefits				
Office Salaries	93,700	Links from 'Staffing' Worksheet	756	
Manager's Salary	147,680	Links from 'Staffing' Worksheet	1,191	
Health Insurance and Other Benefits	32,171	employee benefits	259	
Other Salaries/Benefits	0		-	-
Administrative Rent-Free Unit	0		-	-
Sub-total Salaries/Benefits	273,551	PUPA: 2,206		
Administration				
Advertising and Marketing	1,000		8	
Office Expenses	20,000	IT, Phone, Printing, Postage	161	
Office Rent	0		-	-
Legal Expense - Property	25,000	legal counsel related to property operations, evictions, etc.	202	
Audit Expense	5,000		40	
Bookkeeping/Accounting Services	12,500		101	
Bad Debts	5,000		40	
Miscellaneous	1,000	conventions/meetings	8	
Sub-total Administration Expenses	69,500	PUPA: 560		
Utilities				
Electricity	111,000	based on owners operating	895	75
Water	104,000	based on owners operating	839	70
Gas	54,000	based on owners operating	435	36
Sewer	104,000	based on owners operating	839	70
Sub-total Utilities	373,000	PUPA: 3,008		
Taxes and Licenses				
Real Estate Taxes	3,000	per property tax bills	24	
Payroll Taxes	160,853	updated per Swords 4/18	1,297	
Miscellaneous Taxes, Licenses and Permits	0		-	-
Sub-total Taxes and Licenses	163,853	PUPA: 1,321		
Insurance				
Property and Liability Insurance	350,000	Swords securing quote	2,823	
Fidelity Bond Insurance	0		-	-
Worker's Compensation	48,256		389	
Director's & Officers' Liability Insurance	0		-	-
Sub-total Insurance	398,256	PUPA: 3,212		
Maintenance & Repair				
Payroll	112,320	Links from 'Staffing' Worksheet	906	
Supplies	60,000	office, janitorial, kitchen, unit supplies	484	
Contracts	240,800	janitorial (\$180,800) and pest control (\$60K)	1,942	
Garbage and Trash Removal	68,100	based off stanford hotel	533	
Security Payroll/Contract	450,569	Links from 'Staffing' Worksheet	3,634	
HVAC Repairs and Maintenance	5,000		40	
Vehicle and Maintenance Equipment Operation and Repairs	0		-	-
Miscellaneous Operating and Maintenance Expenses	155,500	bank and payroll service (6K); maintenance temps (\$40K); security contract (\$5K); repairs	1,254	
Sub-total Maintenance & Repair Expenses	1,090,289	PUPA: 8,793		
Supportive Services	0	Links from 'Staffing' Worksheet	-	-
Commercial Expenses	0	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-
TOTAL OPERATING EXPENSES	2,518,965	PUPA: 20,314		
Reserves/Ground Lease Base Rent/Bond Fees				
Ground Lease Base Rent	0	Provide additional comments here, if needed.	-	-
Bond Monitoring Fee	5,000	PASS fees	40	
Replacement Reserve Deposit	62,000		500	
Operating Reserve Deposit	0		-	-
Other Required Reserve 1 Deposit	0		-	-
Other Required Reserve 2 Deposit	0		-	-
Required Reserve Deposits, Commercial	0	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	67,000	PUPA: 540		
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond)	2,585,965	PUPA: 20,855		
NET OPERATING INCOME (INCOME minus OP EXPENSES)	1,897,444	PUPA: 15,302		
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)				
Hard Debt - First Lender	1,658,784	CCSF PASS Loan		
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	0	Provide additional comments here, if needed.		
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	Provide additional comments here, if needed.		
Hard Debt - Fourth Lender	0	Provide additional comments here, if needed.		
Commercial Hard Debt Service	0	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%		
TOTAL HARD DEBT SERVICE	1,658,784	PUPA: 13,377		
CASH FLOW (NOI minus DEBT SERVICE)	238,659			
USES OF CASH FLOW BELOW (This row also shows DSCR.)	1.14			
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0			
Partnership Management Fee (see policy for limits)	0			

Enter order for pymt (i.e., 1st, 2nd, etc.) in Comments c

MCHCD Pitoma - 20 Year Cash Flow Summary

1032 Van Ness

Total # Units: 124

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	
INCOME																					
Residential - Rental Receipts	2,972,500	300,576	305,522	306,618	307,654	312,741	315,059	319,567	322,258	325,881	328,738	332,023	335,543	338,697	342,084	345,504	348,958	352,449	355,973	359,533	
Residential - 6% Payments	4,076	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Residential - Rental Assistance Payments (Other Non-LOSP)	2,003,769	2,053,854	2,105,200	2,157,830	2,211,776	2,267,071	2,323,741	2,381,841	2,441,387	2,502,422	2,564,062	2,627,307	2,692,158	2,758,615	2,826,689	2,896,389	2,967,726	3,040,713	3,115,360	3,191,679	
Commercial - Rent	2,526	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gross Potential Income	4,989,477	4,730,251	4,844,784	4,974,276	5,106,885	5,249,239	5,392,574	5,536,934	5,682,645	5,829,811	5,978,549	6,128,877	6,280,804	6,434,341	6,589,506	6,746,311	6,904,776	7,064,911	7,226,726	7,390,224	
Operating Costs - Residential - Rent Receipts	(62)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	(18,265)	
Operating Costs - Residential - Rental Assistance Payments	(62)	(102,183)	(102,200)	(102,217)	(102,234)	(102,251)	(102,268)	(102,285)	(102,302)	(102,319)	(102,336)	(102,353)	(102,370)	(102,387)	(102,404)	(102,421)	(102,438)	(102,455)	(102,472)	(102,489)	
Operating Costs - Commercial	(62)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Effective Gross Income	4,485,409	4,390,739	4,725,354	4,851,747	4,966,345	5,113,747	5,269,051	5,434,664	5,599,874	5,775,241	5,960,015	6,154,309	6,358,174	6,561,615	6,764,641	6,967,256	7,169,461	7,371,246	7,572,611	7,773,556	
OPERATING EXPENSES																					
Residential	2,256	195,676	196,764	197,871	198,995	199,711	199,766	199,224	198,296	196,981	195,288	193,218	190,774	187,959	184,780	181,244	177,367	173,157	168,631	163,816	
Residential - Rent	3,576	273,651	281,125	289,135	297,691	306,801	316,464	326,684	337,464	348,801	360,701	373,171	386,211	399,821	414,001	428,761	444,101	459,121	474,811	490,171	
Residential - 6% Payments	3,576	48,500	49,125	49,750	50,375	51,000	51,625	52,250	52,875	53,500	54,125	54,750	55,375	56,000	56,625	57,250	57,875	58,500	59,125	59,750	
Residential - Rental Assistance	3,576	374,000	386,000	397,500	413,500	428,000	443,000	457,500	471,500	485,000	498,000	510,500	522,500	534,000	545,000	555,500	565,500	575,000	584,000	592,500	
Residential - Other	3,576	163,825	169,625	175,325	181,025	186,725	192,425	198,125	203,825	209,525	215,225	220,925	226,625	232,325	238,025	243,725	249,425	255,125	260,825	266,525	
Commercial	3,576	388,250	412,125	436,000	461,000	487,000	513,000	540,000	568,000	600,000	635,000	675,000	720,000	770,000	825,000	885,000	950,000	1,020,000	1,095,000	1,175,000	
Commercial - Rent	3,576	1,000,000	1,100,000	1,200,000	1,300,000	1,400,000	1,500,000	1,600,000	1,700,000	1,800,000	1,900,000	2,000,000	2,100,000	2,200,000	2,300,000	2,400,000	2,500,000	2,600,000	2,700,000	2,800,000	
Commercial - Other	3,576	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Expenses	2,616,965	2,697,129	2,696,379	2,792,822	2,890,671	2,991,741	3,096,452	3,204,827	3,316,996	3,433,091	3,553,249	3,677,613	3,806,330	3,939,551	4,077,435	4,220,146	4,367,851	4,520,728	4,679,851	4,842,714	
Net Operating Income (Income minus Op Expenses)	1,868,444	1,693,610	2,028,975	2,058,925	2,075,604	2,122,006	2,172,605	2,237,837	2,362,879	2,511,970	2,686,766	2,882,696	3,101,844	3,342,064	3,617,206	3,927,110	4,271,615	4,654,288	5,079,965	5,550,940	
DEBT SERVICE MUST PAYMENTS (Hard debt/amortized loans)	1,206,764	1,056,764																			
Net Operating Income (Income minus Op Expenses minus Debt Service)	661,680	636,846	972,211	1,002,161	1,018,840	1,065,242	1,115,841	1,181,073	1,306,115	1,455,006	1,629,002	1,825,932	2,045,080	2,285,300	2,560,442	2,870,346	3,214,851	3,597,524	4,024,201	4,494,176	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MCHCD)	236,659	289,826	301,192	332,741	364,457	396,322	428,315	460,416	492,601	524,848	557,131	589,423	621,715	654,007	686,299	718,591	750,883	783,175	815,467	847,759	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MCHCD) - Net	236,659	289,826	301,192	332,741	364,457	396,322	428,315	460,416	492,601	524,848	557,131	589,423	621,715	654,007	686,299	718,591	750,883	783,175	815,467	847,759	
REMAINING BALANCE AFTER MCHCD RESIDUAL RECEIPTS DEBT SERVICE	236,659	289,826	301,192	332,741	364,457	396,322	428,315	460,416	492,601	524,848	557,131	589,423	621,715	654,007	686,299	718,591	750,883	783,175	815,467	847,759	
REMAINING BALANCE AFTER MCHCD RESIDUAL RECEIPTS DEBT SERVICE - Net	236,659	289,826	301,192	332,741	364,457	396,322	428,315	460,416	492,601	524,848	557,131	589,423	621,715	654,007	686,299	718,591	750,883	783,175	815,467	847,759	
DEFERRED DEVELOPER FEE - RUNNING BALANCE	62,000	124,000	186,000	248,000	310,000	372,000	434,000	496,000	558,000	620,000	682,000	744,000	806,000	868,000	930,000	992,000	1,054,000	1,116,000	1,178,000	1,240,000	
DEFERRED DEVELOPER FEE - RUNNING BALANCE - Net	62,000	124,000	186,000	248,000	310,000	372,000	434,000	496,000	558,000	620,000	682,000	744,000	806,000	868,000	930,000	992,000	1,054,000	1,116,000	1,178,000	1,240,000	
DEFERRED DEVELOPER FEE - RUNNING BALANCE - Net	62,000	124,000	186,000	248,000	310,000	372,000	434,000	496,000	558,000	620,000	682,000	744,000	806,000	868,000	930,000	992,000	1,054,000	1,116,000	1,178,000	1,240,000	

P. 20-year Operating Proforma - PASS

See following page.

Attachment B - Updated Project Milestones/Schedule

A	Prop I Noticing	9/17/25	Completed
1	Acquisition/Predev Financing Commitment	5/16/25	
2.	Site Acquisition	7/9/25	
3.	Development Team Selection	5/15/25	
a.	Architect	Complete	
b.	General Contractor	Complete	
c.	Owner’s Representative	Complete	
d.	Property Manager	Complete	
e.	Service Provider	Complete	
4.	Design	In Progress	
a.	Submittal of Schematic Design & Cost Estimate	Complete	
b.	Submittal of Design Development & Cost Estimate	9/23/25	
c.	Submittal of 50% CD Set & Cost Estimate		
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)		
5.	Commercial Space	N/A	
a.	Commercial Space Plan Submission	N/A	
b.	LOI/s Executed	N/A	
6.	Environ Review/Land-Use Entitlements		
a.	SB 35 / AB 2162 Approval	6/11/25	Approved per AB 2162 by SF Planning
b.	CEQA Environ Review Submission (CEQA Exemption Request)	N/A	Exempt per AB 2162
c.	NEPA Environ Review Submission	5/28/25	Approved NEPA Exemption
d.	CUP Ministerial Submission	N/A	Approved per AB 2162 by SF Planning

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7.	PUC/PG&E		
a.	Temp Power Application Submission	N/A	Existing PG&E Service
b.	Perm Power Application Submission	N/A	Existing PG&E Service
8.	Permits	10/10/25	
a.	Building / Site Permit Application Submitted	10/10/25	
b.	Addendum #1 Submitted		
c.	Addendum #2 Submitted		
9.	Request for Bids Issued	7/1/25	
10.	Service Plan Submission	11/1/26	VASH units to be served by VA Staff. Remaining units subject to HSH Supportive Services Contract typically completed 3 months
a.	Preliminary	N/A	
b.	Final	10/31/25	
11.	Additional City Financing		
a.	Preliminary Gap Financing Application	5/16/25	
b.	Gap Financing Application	10/17/25	
12.	Other Financing		
a.	HCD Application for HK+	5/30/25	Approved Conditional Award
b.	Construction Financing SF HAF	5/16/25	Completed
c.	AHP Application	Mid 2026	Sponsor will apply at first funding round in 2026
d.	CDLAC Application	N/A	
e.	TCAC Application	N/A	
f.	Other Financing Application	N/A	
g.	LOSP Funding Request	11/2026	
13.	Closing		
a.	Construction Loan Closing	1/9/26	
b.	Conversion of Construction Loan to Permanent Financing	N/A	Homekey+ Capital Award and MOHCD Permanent Loan to be used for Construction Funds

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14.	Construction		
a.	Notice to Proceed	1/9/26	
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	7/31/26	Rehabilitation completion, no specific TCO provided.
15.	Marketing/Rent-up		
a.	Marketing Plan Submission	N/A	No Lottery Units, all referrals will come from Coordinated Entry, Veterans Affairs Supportive Housing (VASH), and SF Housing Authority
b.	Commence Marketing	N/A	
c.	95% Occupancy	3/31/27	
16.	Cost Certification/8609	N/A	No tax credits
17.	Close Out MOH/OCII Loan(s)	4/15/27	
18.	HCD Homekey+ Capital Award Deadline to Achieve Full Occupancy	4/18/27	

Attachment C - Updated Development Budget

Application Date: 4/4/25
 Project Name: 1035 Van Ness
 Project Address: 1035 Van Ness Ave
 Project Sponsor: Swords to Plowshares

Units: 124
 # Bedrooms: 124
 # Beds:

SOURCES	8,000,000	32,800,000	650,482	-	-	-	Total Sources	41,450,482	Comments
Name of Sources: MOHCD/OClI Homekey+ Swords Capital/Fundraising									

USES									
ACQUISITION									
Acquisition cost or value		27,684,000					27,684,000		Per settlement statement- SF
Legal / Closing costs / Broker's Fee		39,778					39,778		Per settlement statement- legal and closing costs- SF
Holding Costs		22,823					22,823		Per settlement statement- HAF's predev interest- SF
Transfer Tax		208,125					208,125		Per settlement statement- base rate \$3.75/\$500 of assessed valuation- SF
TOTAL ACQUISITION	0	27,954,726	0	0	0	0	27,954,726		

CONSTRUCTION (HARD COSTS)									
Unit Construction/Rehab	337,352	4,610,514	545,888				5,493,754		adjusted to allocate between City/HK, all bond eligible
Exploratory Demolition/ Pre-Construction							0		Per pre-construction services contracts- SF
Conversion of SRO's to studio units	765,553	234,760					1,000,313		Changed title of line item to make clear, is not demo. All bond eligible.
Environmental Remediation	0						0		
Onsite Improvements/Landscaping	0						0		
Offsite Improvements	0						0		
Infrastructure Improvements	0						0		
Parking	0						0		
GC Bond Premium/GC Insurance/GC Taxes	207,996						207,996		2.7%
GC Overhead & Profit	327,966						327,966		4.2%
CG General Conditions	742,727						742,727		9.6%
<i>Sub-total Construction Costs</i>	<i>2,381,594</i>	<i>4,845,274</i>	<i>545,888</i>				<i>7,772,756</i>		
Design Contingency (remove at DD)	0						0		5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)	0						0		5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)	0						0		4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency	777,276						777,276		Building completed in 2004
<i>Sub-total Construction Contingencies</i>	<i>777,276</i>	<i>0</i>	<i>0</i>				<i>777,276</i>		
TOTAL CONSTRUCTION COSTS	3,158,870	4,845,274	545,888	0	0	0	8,550,032		

SOFT COSTS									
Architecture & Design									
Architect design fees	268,195						268,195		See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)	50,120						50,120		
Architect Construction Admin	0						0		
Reimbursables	0						0		
Additional Services	0						0		
<i>Sub-total Architect Contract</i>	<i>318,315</i>	<i>0</i>	<i>0</i>				<i>318,315</i>		
Other Third Party design consultants (not included under Architect contract)			0				0		Consultants not covered under architect contract, name consultant type and contract amount
Total Architecture & Design	318,315	0	0	0	0	0	318,315		

Engineering & Environmental Studies									
Survey							0		All due diligence paid for by HSH on separate contract
Geotechnical studies							0		
Phase I & II Reports							0		
CEQA / Environmental Review consultants							0		
NEPA / 106 Review							0		
CNA/PNA (rehab only)							0		
Other environmental consultants							0		
Total Engineering & Environmental Studies	0								

Financing Costs									
Construction Financing Costs									
Construction Loan Origination Fee	186,500						186,500		Per settlement statement- SF
Construction Loan Interest	829,314						829,314		5.75% interest rate until Homekey funds 12/19/25 or approx. 6 mos post-acquisition- SF
Title & Recording	25,000						25,000		
CDLAC & CD/AC fees	0						0		
Bond Issuer Fees	0						0		
Other Bond Cost of Issuance	0						0		
Other Lender Costs (specify)	9,000						9,000		HAF lender inspection costs
<i>Sub-total Const. Financing Costs</i>	<i>1,049,814</i>	<i>0</i>	<i>0</i>				<i>1,049,814</i>		
Permanent Financing Costs									
Permanent Loan Origination Fee							0		
Credit Enhance. & Appl. Fee							0		
Title & Recording	20,000						20,000		
<i>Sub-total Perm. Financing Costs</i>	<i>20,000</i>	<i>0</i>	<i>0</i>				<i>20,000</i>		
Total Financing Costs	1,069,814	0	0	0	0	0	1,069,814		

Legal Costs									
Borrower Legal fees	75,000						75,000		Per recent Lubin billing- SF
Land Use / CEQA Attorney fees	0						0		
Tax Credit Counsel	0						0		
Bond Counsel	0						0		
Construction Lender Counsel	40,000						40,000		HAF lender counsel
Permanent Lender Counsel	25,000						25,000		borrower counsel for perm closing
Other Legal (specify)	0						0		
Total Legal Costs	140,000	0	0	0	0	0	140,000		

Other Development Costs									
Appraisal							0		
Market Study							0		
Insurance	128,853						128,853		Per settlement statement for general liability; \$30k builder's risk est. per S. Chan e-mail 8/11 + \$10k- SF
Property Taxes	330,387						330,387		Assume pay thru construction (12 months)
Accounting / Audit							0		covered under borrower legal
Organizational Costs							0		
Entitlement / Permit Fees	75,000						75,000		Estimate - Jules M checking fee amounts to DBI- SF
Marketing / Rent-up	200,486						200,486		This will cover any marketing materials as well as move-in for tenants of 250 Kearney
Furnishings	252,600						252,600		\$2870/unit; See MOHCD U/W Guidelines: http://sfmohcd.org/documents-reports-and-forms
PGE / Utility Fees							0		furnishings budget added per Swords 4/18
TCAC App / Alloc / Monitor Fees							0		
Financial Consultant fees							0		
Construction Management fees / Owner's Rep	47,600						47,600		FDS for Phil Ritter plus Jules Mancilla \$10k- SF
Security during Construction							0		
Relocation							0		See Marketing/Rent Up
Development Services Consultant	54,915		95,085				150,000		Falcone Development Services contract
Other (specify)							0		
Other (specify)							0		
Total Other Development Costs	1,089,841	0	95,085	0	0	0	1,184,926		

Soft Cost Contingency									
Contingency (Arch, Eng, Fin, Legal & Other Dev)	169,427		9,509				0	178,936	6.10%
TOTAL SOFT COSTS	2,787,397	0	104,594	0	0	0	2,891,991		6.6%

RESERVES									
Operating Reserves	1,053,733		0				1,053,733		4 months of operating & services (per HK+)
Replacement Reserves			0				0		
Tenant Improvements Reserves			0				0		
Other (specify)			0				0		
Other (specify)			0				0		
Other (specify)			0				0		
TOTAL RESERVES	1,053,733	0	0	0	0	0	1,053,733		

DEVELOPER COSTS									
Developer Fee - Cash-out Paid at Milestones	500,000						500,000		
Developer Fee - Cash-out At Risk	500,000						500,000		
Commercial Developer Fee			0				0		
Developer Fee - GP Equity (also show as source)			0				0		
Developer Fee - Deferred (also show as source)			0				0		
Development Consultant Fees			0				0		
Other (specify)			0				0		
TOTAL DEVELOPER COSTS	1,000,000	0	0	0	0	0	1,000,000		

TOTAL DEVELOPMENT COST	8,000,000	32,800,000	650,482	0	0	0	41,450,482		
Development Cost/Unit by Source	64,516	264,516	5,246	0	0	0	334,278		
Development Cost/Unit as % of TDC by Source	19.3%	79.1%	1.6%	0.0%	0.0%	0.0%	100.0%		
Acquisition Cost/Unit by Source	0	223,258	0	0	0	0	223,258		
Construction Cost (inc Const Contingency)/Unit By Source	25,475	39,075	4,402	0	0	0	68,952		
Construction Cost (inc Const Contingency)/SF	34.90	53.53	6.03	0.00	0.00	0.00	94.46		

*Possible non-eligible GO Bond/COP Amount: 545,888
 City Subsidy/Unit: 64,516

Tax Credit Equity Pricing: 0.000
 Construction Bond Amount: 30,275,181 **This is the HAF loan**
 Construction Loan Term (in months): 6 months
 Construction Loan Interest Rate (as %): 5.75%

Construction line item costs as a % of hard costs

Soft Cost Contingency as % of Total Applicable Soft Costs 6.6%

Attachment D - Updated 1st Year Operating Budget

Application Date: 4/4/25
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2027

LOSP Units	58	68
Non-LOSP Units		

Project Name: 1035 Van Ness
 Project Address: 1035 Van Ness Ave
 Project Sponsor: Swords to Plowshares

Account	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split
INCOME					
Residential - Tenant Rents	159,200	158,400	317,600	Links from New Prg - Rent Ltd Mkt Worksheet	Alternative LOSP Split
Residential - Tenant Assistance Payments (RCS Payments)	0	0	0	0 Comments	Alternative LOSP Split
Residential - Tenant Assistance Payments (Other Non-LOSP)	2,003,700	2,003,700	2,003,700	Links from New Prg - Rent Ltd Mkt Worksheet	Residential - Tenant Assistance Payments (Other Non-LOSP)
Residential - LOSP Tenant Assistance Payments	0	0	0	HK Operating Award Years 1 through 5 (See Sheet 7a - Row 177) LOSP Yrs 16-20	Alternative LOSP Split
Commercial Space	0	0	0	0 from Commercial Op. Budget Worksheet Commercial to Residential allocation: 100%	Alternative LOSP Split
Residential Parking	0	0	0	0	Alternative LOSP Split
Miscellaneous Rent Income	0	0	0	0	Alternative LOSP Split
Supportive Services Income	0	0	0	No services paid from Operating Budget	Supportive Services Income
Interest Income - Project Operations	0	0	0	0	Alternative LOSP Split
Laundry and Vending	0	0	0	0	Alternative LOSP Split
Tenant Charges	0	0	0	0	Alternative LOSP Split
Miscellaneous Residential Income - VAMC Contract	0	0	0	0	Alternative LOSP Split
Other Commercial Income	0	0	0	0 from Commercial Op. Budget Worksheet Commercial to Residential allocation: 100%	Alternative LOSP Split
Offset from Capitalized Reserve (depreciating asset)	185,495	209,117	394,612	HK Operating Award Years 1 through 5 (See Sheet 7a - Row 177)	Alternative LOSP Split
Offset from Capitalized Reserve (depreciating asset)	0	0	0	0	Alternative LOSP Split
Gross Potential Income	324,696	2,317,317	2,642,013		
Vacancy Loss - Residential - Tenant Rents	(6,960)	(7,950)	(14,910)	5% Vacancy Loss @ 5% of Tenant Rents	Alternative LOSP Split
Vacancy Loss - Residential - Tenant Assistance Payments	(100,380)	(100,380)	(200,760)	5% Vacancy Loss @ 5% of Tenant Assistance Payments	Alternative LOSP Split
Vacancy Loss - Commercial	0	0	0	0 from Commercial Op. Budget Worksheet Commercial to Residential allocation: 100%	Alternative LOSP Split
EFFECTIVE GROSS INCOME	317,736	2,263,229	2,580,965	PUPA: 20,814	

Account	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split
OPERATING EXPENSES					
Management					
Management Fee	87,348	64,668	152,016	8% PUPM	Alternative LOSP Split
Asset Management Fee	13,392	15,476	28,868	100% year for entire Ad team	Alternative LOSP Split
Sub-total Management Expenses	100,740	80,144	180,884	PUPA: 1,214	
Salaries/Benefits					
Office Salaries	44,038	49,661	93,700	Links from Staffing Worksheet	Alternative LOSP Split
Manager's Salary	69,410	78,270	147,680	Links from Staffing Worksheet	Alternative LOSP Split
Health Insurance and Other Benefits	15,120	17,091	32,211	Employee benefits	Alternative LOSP Split
Other Salaries/Benefits	0	0	0	0	Alternative LOSP Split
Administrative Rent-Free Unit	0	0	0	No live-in manager, have 24-7 desk coverage	Alternative Non-Free Unit
Sub-total Salaries/Benefits	128,568	144,982	273,550	PUPA: 2,196	
Administration					
Advertising and Marketing	470	530	1,000	0	Alternative LOSP Split
Office Expenses	8,400	10,600	19,000	IT, Phones, Printing, Postage	Alternative LOSP Split
Office Rent	0	0	0	0	Alternative LOSP Split
Legal Expenses - Property	11,790	13,790	25,580	Legal counsel related to property operations, evictions, etc.	Alternative LOSP Split
Audit Expenses	2,350	2,650	5,000	0	Alternative LOSP Split
Accounting/Accounting Services	1,870	6,820	8,690	0	Alternative LOSP Split
Real Estate	2,350	2,650	5,000	Conventions/meetings	Alternative LOSP Split
Miscellaneous	470	530	1,000	0	Alternative LOSP Split
Sub-total Administration Expenses	33,460	39,330	72,790	PUPA: 560	
Utilities					
Electricity	62,170	58,830	121,000	0	Alternative LOSP Split
Water	48,850	55,120	103,970	0	Alternative LOSP Split
Gas	25,380	28,620	54,000	0	Alternative LOSP Split
Sewer	48,860	55,120	103,980	0	Alternative LOSP Split
Sub-total Utilities	175,310	197,690	373,000	PUPA: 3,008	
Taxes and Licenses					
Real Estate Taxes	1,410	1,560	3,000	0% for special assessments	Alternative LOSP Split
Payroll Taxes	70,600	85,260	155,860	0	Alternative LOSP Split
Miscellaneous Taxes, Licenses and Permits	0	0	0	0	Alternative LOSP Split
Sub-total Taxes and Licenses	72,010	86,840	158,850	PUPA: 1,322	
Insurance					
Property and Liability Insurance	164,500	185,500	350,000	Swords securing quote - laborer/other estimates for now	Alternative LOSP Split
Fidelity Bond Insurance	0	0	0	0	Alternative LOSP Split
Worker's Compensation	22,890	25,970	48,860	0	Alternative LOSP Split
Sub-total Insurance	187,390	211,470	398,860	PUPA: 3,212	
Maintenance & Repair					
Payroll	62,790	69,520	132,310	Links from Staffing Worksheet	Alternative LOSP Split
Supplies	29,200	31,800	61,000	Office, janitor, kitchen, and unit supplies	Alternative LOSP Split
Contracts	153,170	157,624	310,794	Janitorial \$150,000-200K pest control	Alternative LOSP Split
Services and Trade Retain	31,967	55,023	86,990	0	Alternative LOSP Split
Security Payroll/Contract	211,768	238,800	450,568	Links from Staffing Worksheet	Alternative LOSP Split
MVAC Repairs and Maintenance	2,350	2,650	5,000	0	Alternative LOSP Split
Vehicle and Maintenance Equipment Operation and Repairs	0	0	0	0	Alternative LOSP Split
Miscellaneous Operating and Maintenance Expenses	73,085	62,415	135,500	Bank and payroll service (RCS), maintenance temps (40HR), security contract (80K), repairs and	Alternative LOSP Split
Sub-total Maintenance & Repair Expenses	512,324	577,893	1,090,219	PUPA: 1,793	
Supportive Services	0	0	0	Separate Services Contract with HSH	Alternative LOSP Split
Commercial Expenses	0	0	0	0 from Commercial Op. Budget Worksheet Commercial to Residential allocation: 100%	Alternative LOSP Split

TOTAL OPERATING EXPENSES 1,613,914 1,335,692 2,949,606 PUPA: 20,314

Account	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split
Reserve/Ground Lease Base Rent/Bond Fees					
Ground Lease Base Rent	0	0	0	No ground lease	Alternative LOSP Split
Bond Maintenance Fee	0	0	0	N/A. No tax exempt bonds	Alternative LOSP Split
Required Reserve Deposit	29,140	32,860	62,000	0	Alternative LOSP Split
Operating Reserve Deposit	0	0	0	See COIR entry	Alternative LOSP Split
Other Required Reserve 1 Deposit	0	0	0	0	Alternative LOSP Split
Other Required Reserve 2 Deposit	0	0	0	0	Alternative LOSP Split
Required Reserve Deposits - Commercial	0	0	0	0 from Commercial Op. Budget Worksheet Commercial to Residential allocation: 100%	Alternative LOSP Split
Sub-total Reserve/Ground Lease Base Rent/Bond Fees	29,140	32,860	62,000	PUPA: 600	
TOTAL OPERATING EXPENSES (Reserve/Gl Base Rent/ Bond Fees)	1,213,054	1,367,912	2,580,966	PUPA: 20,814	

Account	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split
NET OPERATING INCOME (INCOME minus OP EXPENSES)	(895,317)	895,317	0	PUPA:	
DEBT SERVICE/NET PAY PAYMENTS (third debt/financed loans)					
Hard Debt - First Lender	na	na	na	CH2SH DO Bonds	Alternative LOSP Split
Hard Debt - Second Lender (MCD Program 0.42% prnt, or other 2nd Lender)	0	0	0	Provide additional comments here, if needed	Alternative LOSP Split
Hard Debt - Third Lender (Other MCD Program, or other 3rd Lender)	0	0	0	Provide additional comments here, if needed	Alternative LOSP Split
Hard Debt - Fourth Lender	0	0	0	Provide additional comments here, if needed	Alternative LOSP Split
Commercial Hard Debt Service	0	0	0	0 from Commercial Op. Budget Worksheet Commercial to Residential allocation: 100%	Alternative LOSP Split
TOTAL HARD DEBT SERVICE	0	0	0	PUPA: 0	

Account	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split
CASH FLOW (Net Income DEBT SERVICE)	(895,317)	895,317	0	INA	
USES OF CASH FLOW BELOW (This row also shows DEGR.)					
USES THAT PRECEED MOCHD SERVICE IN WATERFALL					
Fluorine/Insol/Asset Mkt fee (accounting in new projects, see policy)	0	0	0	0	Alternative LOSP Split
Performance Management Fee (see policy for limits)	0	0	0	0	Alternative LOSP Split
Investor Service Fee (aka "LP Asset Mkt Fee") (see policy for limits)	0	0	0	0	Alternative LOSP Split
Other Payments	0	0	0	0	Alternative LOSP Split
Non-amortizing Loan Pmt - Lender 1 (asset under in comments field)	0	0	0	Provide additional comments here, if needed	Alternative LOSP Split
Non-amortizing Loan Pmt - Lender 2 (asset under in comments field)	0	0	0	Provide additional comments here, if needed	Alternative LOSP Split
Deferred Developer Fee (Enter amt <= Max Fee from cell 1130)	0	0	0	Provide additional comments here, if needed	Alternative LOSP Split
TOTAL PAYMENTS PRECEDING MOCHD	0	0	0	PUPA: 0	

Account	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING)	(895,317)	895,317	0	INA	
Residual Receipts Calculator					
Does Project have a MOCHD Residual Receipt Obligation?	Yes	Yes	Project has MOCHD ground lease?	No	Alternative LOSP Split
Will Project Developer Pay?	Yes	Yes	33%	67%	Alternative LOSP Split
Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:	0	0	0	0	Alternative LOSP Split
% of Residual Receipts available for distribution to soft debt lenders in Yr 1:	0	0	0	0	Alternative LOSP Split

Account	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split
Soft Debt Lenders with Residual Receipts Obligations					
MCHD/CDCI - Soft Debt Loan	0	0	0	All MCHD/CDCI Loans payable from soft debt	Alternative LOSP Split
MCHD/CDCI - Ground Lease Value or Land Acq Cost	0	0	0	0	Alternative LOSP Split
MCD (soft debt) - Lender 1	0	0	0	0	Alternative LOSP Split
Other Soft Debt Lender - Lender 4	0	0	0	0	Alternative LOSP Split
Other Soft Debt Lender - Lender 5	0	0	0	0	Alternative LOSP Split

Account	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split
MOCHD RESIDUAL RECEIPTS DEBT SERVICE					
MCHD Residual Receipts Amount Due	0	0	0	50% of residual receipts, provided by 100% - MCHD/CDCI pro-rata share of all soft debt	Alternative LOSP Split
Proposed MCHD Residual Receipts Amount to Loan Repayment	0	0	0	0	Alternative LOSP Split
Proposed MCHD Residual Receipts Amount to Residual Ground Lease	0	0	0	0	Alternative LOSP Split
Proposed MCHD Residual Receipts Amount to Residual Reserve	0	0	0	0	Alternative LOSP Split
REMAINING BALANCE AFTER MOCHD RESIDUAL RECEIPTS DEBT	0	0	0	INA	
NON-MOCHD RESIDUAL RECEIPTS DEBT SERVICE					
MCD Residual Receipts Amount Due	0	0	0	0	Alternative LOSP Split
Lender 4 Residual Receipts Due	0	0	0	0	Alternative LOSP Split
Lender 5 Residual Receipts Due	0	0	0	0	Alternative LOSP Split
Total Non-MOCHD Residual Receipts Debt Service	0	0	0	INA	
REMAINDER (Should be zero unless there are)					
Residual Balance	0	0	0	0	Alternative LOSP Split
Owner Distributions/Incentive Management Fee	0	0	0	0	Alternative LOSP Split
Other Distributions/Uses	0	0	0	0	Alternative LOSP Split
Final Balance (Should be zero)	0	0	0	INA	

Account	LOSP	Non-LOSP	Total	Comments	Alternative LOSP Split
SOFT DEBT DISTRIBUTION					
MCHD/CDCI - Soft Debt Loan	0	0	0	0	Alternative LOSP Split
MCHD/CDCI - Ground Lease Value or Land Acq Cost	0	0	0	0	Alternative LOSP Split
MCD (soft debt) - Lender 1	0	0	0	0	Alternative LOSP Split
Other Soft Debt Lender - Lender 4	0	0	0	0	Alternative LOSP Split
Other Soft Debt Lender - Lender 5	0	0	0	0	Alternative LOSP Split

