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: JUNE 26, 2026 (rev1)

TO: CITYWIDE AFFORDABLE HOUSING LOAN COMMITTEE

FROM: SARA AMARAL, DIRECTOR OF HOUSING DEVELOPMENT, MOHCD

RE: 160 FREELON, 3300 MISSION, SOMA STUDIOS, AMBASSADOR RITZ, AND SOUTH PARK SCATTERED SITES – AFFORDABLE HOUSING OPPORTUNITY FUND (AHOF) CONTRACTS

1. PURPOSE AND BACKGROUND

In November 2024, San Francisco voters approved Proposition G, the Affordable Housing Opportunity Fund ("AHOF"), which amended the San Francisco Charter ("Charter") to fund rental subsidies in affordable housing developments serving Acutely or Extremely Low-Income Households ("Eligible Households") including seniors, families, and persons with disabilities. AHOF, Section 16.132of the San Francisco City Charter will expire by operation of law on December 31, 2046 . In fiscal year 2026-27, the initial program year, the amount available for the Fund is $8,250,000; in 27-28, the amount is $8,171,470.

On January 13, 2026, MOHCD issued a Notice of Funding Availability ("NOFA") for AHOF, with up to $3,254,476 available in FY 26-27 and up to $4,274,655 available in FY27-28 for rental subsidies to support Acutely or Extremely Low-Income Disabled Households and Seniors at 15% MOHDC Area Median income ("AMI") and 25% (AMI) and for Families at 35% AMI, with up to 20% set aside for existing sites within the MOHCD portfolio ("Preservation" projects). Four preservation projects and 5 new construction projects applied; 8 projects were awarded funding. After award of the 8 contracts, there will be approximately $827k remaining for preservation projects and another $12M in funds for new construction projects available in FY 2027-2028. MOHCD will issue another NOFA in 2027 to program these funds.

Staff are now seeking approval of five new AHOF contracts for two new construction projects (160 Freelon and 3300 Mission), plus three Preservation projects (SOMA Studios, Ambassador Ritz, and South Park Scattered Sites) as summarized below. The other 3 new construction projects will come to the Citywide Affordable Housing Loan Committee on a rolling basis for approval.

Project	Sponsor	Amount	Term	# Units Supported
160 Freelon	Related/SFDC	$2,559,101	15.5 years	15
3300 Mission	BHNC/Tabernacle/ Mitchelville	$4,445,777	15.5 years	26
SOMA Studios	TNDC	$3,239,075	16.5 years	27
Ambassador Ritz	TNDC	$4,493,845	16.5 years	31
South Park Scattered Sites	MHDC	$3,798,723	16.5 years	46
Total		**$18,536,521**		**145**

The new construction projects will execute 15.5-year contracts. The preservation projects will execute 16.5-year contracts, as there were funds available in FY26-27 for longer-term contracts. Loan Committee and Board of Supervisors' approval of these contracts is required as the contracts are longer than 10 years.

2. AHOF PROGRAM OVERVIEW

Key elements of the AHOF Program include:

- Project must have secured an award of City capital funding previously;
- Funding will support developments with households that are not currently subsidized, earning 15%, 25%, or 35% of AMI published by MOHCD as specified by the AHOF legislation;
- Acutely and Extremely Low-Income Households served include Seniors, Families (including single adults) and People with Disabilities;
- Funding will start in fiscal years 26-27 or 27-28 and units will maintain those restricted rents for the duration of the contract;
- AHOF will pay the difference between the restricted units AMI and up to 60% AMI rents, but no more than the underlying regulatory agreement restriction;
- Subsidy maintains financial health of 100% affordable housing sites for the subsidy term while facilitating access to units by Eligible Households who otherwise would not qualify for such housing;

- Up to 20% of AHOF funds may be allocated to existing 100% affordable housing sites ("Preservation Sites"), with the remaining funds allocated to Permanent Affordable Housing sites ("Permanent Affordable Housing");
- In no case shall the AHOF be used to cross subsidize other subsidized units;
- Due to the length of the contract term, Sponsors can obtain permanent debt for their projects, thereby reducing MOHCD permanent loan;
- Once contract amounts are approved by the Loan Committee, the grant agreements will require BOS approval because the contracts are either greater than 10 years in duration and/or valued at more than $10 million;
- Sponsors will submit requests for disbursement at the beginning of each calendar year.

3. PROJECT PROFILES

160 Freelon

160 Freelon, sponsored by Related California and San Francisco Housing Development Corporation, closed construction financing in June 2025 and should start lease-up in Spring 2027. The project is a 9-story affordable family housing development consisting of 85 units, of which 22 are for households experiencing homelessness and 5 units are set aside for PLUS Housing residents. All units in the project are restricted to households earning between 30%-80% AMI. The AHOF will support 15 units; of which there will be 10 units set aside for disabled households and another 5 for non-disabled households. All 5 PLUS housing units will be subsidized in this set aside supported by AHOF.

Unit Type	Count	Tenant AMI	Population
1 Bed	3	35%	
2 Bed	2	35%	
Studio	4	25%	Disabled
2 Bed	3	25%	Disabled
3 Bed	3	25%	Disabled
	15		

3300 Mission

3300 Mission, sponsored by Bernal Heights Neighborhood Center, Tabernacle Community Development Corporation and Mitchelville Real Estate Group, closed construction financing in November 2024 and should start lease-up in Fall 2026. The project is a 6-story affordable family housing development consisting of 35 units, of which one is set-aside for the on-site manager. All units in the project are restricted to households earning between 30%-80% AMI. The AHOF will support a total of 26 units, reducing the total number of unsubsidized units to 11 units.

Unit Type	Count	Tenant AMI	Population
Studio	15	35%	
Studio	11	25%	Disabled
	26		

SOMA Studios

SOMA Studios is an existing 88-unit affordable housing development located at 1190 Howard Street, developed by Tenderloin Neighborhood Development Corporation ("TNDC"), and which started operations in 2006. The project is a 5-story affordable housing development for individuals consisting of 88 studios units, with 10 units restricted to HOPWA referrals (rents are restricted to 30% of income, but are not subsidized) and another 10 supported by Continuum of Care subsidies. There are 10 units with tenant vouchers and another 67 unsubsidized units. The AHOF will support a total of 27 units, reducing the total number of unsubsidized units to 31 units. Of these 27 units, two will be for disabled households at 25% AMI, and the rest will be for non-disabled tenants at 35% AMI. SOMA Studios has reported an operating deficit since 2020, and the AHOF will help to stabilize the property. At annual monitoring, Project must demonstrate that AHOF subsidies will relieve tenant rent burden and improve the building's financial position.

Unit Type	Count	Tenant AMI	Population
Studio	25	35%	
Studio - Mobility	2	25%	Disabled
	27		

Ambassador Ritz

Ambassador Ritz is an existing 188-unit affordable housing development located at 55 Mason Street, developed by TNDC, which started operations under TNDC's management in 2003. The project is a 5-story affordable housing development consisting of 188 SRO units. Currently, there are 119 referral units, including 31 units supported by Continuum of Care subsidies, which support households experiencing homelessness, and another 88 units are supported by Project Based Vouchers (PBVs). There are another 67 units not subsidized. The AHOF will support a total of 31 units, reducing the total number of unsubsidized units to 36 units. Of these 31 units, there will be three units set aside for disabled households at 25% AMI. The remaining 28 units will be for Low Income tenants at 35% AMI. At annual monitoring, Project must demonstrate that AHOF subsidies will relieve tenant rent burden and improve the building's financial position.

Unit Type	Count	Tenant AMI	Population
SRO	28	35%	

SRO	3	25%	Disabled
	31		

South Park Scattered Sites

South Park is a scattered site project consisting of three Single Room Occupancy (SRO) buildings located within a block of each other on South Park Street in SoMA—Hotel Madrid (22 S. Park), the Park View (102 S. Park) and the Gran Oriente (106 S. Park). The Project Sponsor, Mission Housing Development Corporation, acquired Hotel Madrid and the Parkview in 1982 and the Gran Oriente in 2020. In total, the buildings are comprised of 106 affordable units and two manager's units. There are 16 units supported through Continuum of Care funding, 44 units receive PBV assistance, and the remaining 46 units are unsubsidized. AHOF will support a total of 3 disabled tenants at 15% AMI and 2 disabled tenants at 25% AMI and 41 units at 35% AMI, eliminating the unsubsidized units entirely. South Park Scattered Sites has reported an operating deficit since 2023, and the AHOF will help to stabilize the property. At annual monitoring, Project must demonstrate that AHOF subsidies will relieve tenant rent burden and improve the building's financial position.

Unit Type ,	Count ,	AMI	Population
SRO	41	35%	
SRO	3	15%	Disabled
SRO	2	25%	Disabled
	46		

4. STAFF RECOMMENDATION

MOHCD staff recommend approval of the AHOF Contracts and AHOF Schedule for each project.

If this funding request is approved, it would result in five new approximately 15.5-year contracts for 160 Freelon, 3300 Mission, SOMA Studios, Ambassador Ritz, and South Park Scattered Sites. Upon approval by the Loan Committee, grant agreements for the projects will be submitted to the Board of Supervisors for approval before the end of July 2026. Though all requested funds will be committed under single, long-term contracts for each project, the AHOF funds will be disbursed thereunder annually, upon review and approval of the annual request.

5. LOAN COMMITTEE MODIFICATIONS

6. LOAN COMMITTEE RECOMMENDATION

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

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

Signed by:
Daniel Adams
E09C20545F78457... Date: 7/5/2026 | 9:58 AM PDT

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

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

DocuSigned by:
Salvador Menjivar
4471E0DF5946486... Date: 7/2/2026 | 11:05 PM PDT

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

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

DocuSigned by:
Elizabeth Colomello
2BF262B60E9C425... Date: 7/6/2026 | 8:44 AM PDT

Marc Slutzkin, Deputy Director
Office of Community Investment and Infrastructure

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

DocuSigned by:
Vishal Trivedi
63D9B405CF594FF... Date: 7/6/2026 | 6:51 PM PDT

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

Attachments:
A. 160 Freelon AHOF Annual Payment and Schedule
B. 3300 Mission AHOF Annual Payment and Schedule
C. SOMA Studios AHOF Annual Payment and Schedule
D. Ambassador Ritz AHOF Annual Payment and Schedule
E. . South Park Scattered Sites AHOF Annual Payment and Schedule

A. 160 Freelon AHOF Annual Payment and Schedule

Contract Year	Annual Budget
FY 2026-2027	$ 122,304
FY 2027-2028	$ 127,196
FY 2028-2029	$ 132,284
FY 2029-2030	$ 137,576
FY 2030-2031	$ 143,079
FY 2031-2032	$ 148,802
FY 2032-2033	$ 154,754
FY 2033-2034	$ 160,944
FY 2034-2035	$ 167,382
FY 2035-2036	$ 174,077
FY 2036-2037	$ 181,040
FY 2037-2038	$ 188,282
FY 2038-2039	$ 195,813
FY 2039-2040	$ 203,645
FY 2040-2041	$ 211,791
FY 2041-2042	$ 110,131
Total	**$ 2,559,101**

B. 3300 Mission AHOF Annual Payment and Schedule

Contract Year	Annual Budget
FY 2026-2027	$ 212,472
FY 2027-2028	$ 220,971
FY 2028-2029	$ 229,810
FY 2029-2030	$ 239,002
FY 2030-2031	$ 248,562
FY 2031-2032	$ 258,505
FY 2032-2033	$ 268,845
FY 2033-2034	$ 279,599
FY 2034-2035	$ 290,783
FY 2035-2036	$ 302,414
FY 2036-2037	$ 314,510
FY 2037-2038	$ 327,091
FY 2038-2039	$ 340,175
FY 2039-2040	$ 353,781
FY 2040-2041	$ 367,933
FY 2041-2042	$ 191,325
Total	**$ 4,445,777**

C. SOMA Studios AHOF Annual Payment and Schedule

Contract Year	Annual Budget
FY 2027-2028	$ 142,308
FY 2028-2029	$ 148,000
FY 2029-2030	$ 153,920
FY 2030-2031	$ 160,077
FY 2031-2032	$ 166,480
FY 2032-2033	$ 173,139
FY 2033-2034	$ 180,065
FY 2034-2035	$ 187,268
FY 2035-2036	$ 194,758
FY 2036-2037	$ 202,549
FY 2037-2038	$ 210,651
FY 2038-2039	$ 219,077
FY 2039-2040	$ 227,840
FY 2040-2041	$ 236,953
FY 2041-2042	$ 246,431
FY 2042-2043	$ 256,289
FY 2043-2044	$ 133,270
Total	**$ 3,239,075**

D. Ambassador Ritz AHOF Annual Payment and Schedule

Contract Year	Annual Budget
FY 2026-2027	$197,436
FY 2027-2028	$ 205,333
FY 2028-2029	$ 213,547
FY 2029-2030	$ 222,089
FY 2030-2031	$ 230,972
FY 2031-2032	$ 240,211
FY 2032-2033	$ 249,820
FY 2033-2034	$ 259,812
FY 2034-2035	$ 270,205
FY 2035-2036	$ 281,013
FY 2036-2037	$ 292,254
FY 2037-2038	$ 303,944
FY 2038-2039	$ 316,101
FY 2039-2040	$ 328,745
FY 2040-2041	$ 341,895
FY 2041-2042	$ 355,571
FY 2042-2043	$ 184,897
Total	**$ 4,493,845**

E. South Park Scattered Sites Annual Payment and Schedule

Contract Year	Annual Budget
FY 2026-27	$ 166,896
FY 2027-2028	$ 173,572
FY 2028-2029	$ 180,515
FY 2029-2030	$ 187,735
FY 2030-2031	$ 195,245
FY 2031-2032	$ 203,055
FY 2032-2033	$ 211,177
FY 2033-2034	$ 219,624
FY 2034-2035	$ 228,409
FY 2035-2036	$ 237,545
FY 2036-2037	$ 247,047
FY 2037-2038	$ 256,929
FY 2038-2039	$ 267,206
FY 2039-2040	$ 277,894
FY 2040-2041	$ 289,010
FY 2041-2042	$ 300,570
FY 2042-2043	$ 156,297
Total	**$ 3,798,723**