

Project Description
Multifamily Securities Program
City and County of San Francisco

Balboa Reservoir Building E

Overview

The funds described in the “Financing Structure” section below will be used to finance the development of Balboa Reservoir Building E, a 128-unit affordable multifamily housing project to be located at approximately 11 Frida Kahlo Way, San Francisco, CA 94112 in the City and County of San Francisco (the “Project”).

Upon completion, the Project will include approximately 155,038 square feet of gross floor area, comprised of 117,422 square feet of residential area and 37,616 square feet of non-residential area. Non-residential spaces will include common spaces, balcony/terrace, circulation, utility and offices.

Total project costs, including the cost to acquire the land and construct new buildings, will be approximately \$119,519,858 or \$933,749 per dwelling unit.

The residential unit distribution, which will include 1 2-bedroom superintendent unit, and 1 3-bedroom superintendent unit is:

<u>Unit type</u>	<u>Number of units</u>
Studio	0
1-Bedroom	56
2-Bedroom	40
3-Bedroom	32
4-Bedroom	0

27 percent of the residential units will serve households earning less than 40 percent of the San Francisco County Area Median Income (AMI), while the balance of units will serve households earning less than 60 percent of AMI.

There is no form of rental subsidy in this project.

Residents

No residents will be displaced as the site is currently a vacant lot.

Site Description and Scope of Work

Address: 11 Frida Kahlo Way, San Francisco, CA 94112
Block/Lot: Block 3180, Lot 1

The scope of work for the property amenities will include:

- community room for the Balboa Reservoir community and Building E residents

- onsite property management and services offices
- on-site central laundry facility
- bicycle parking
- elevators
- shared balconies/terraces

Development and Management Team

Project Sponsor:	BRIDGE Housing Corporation
General Contractor:	Nibbi Brothers General Contractor and Pilot Construction Management
Architect of Record:	Van Meter Williams Pollack LLP
Property Manager:	BRIDGE Property Management Company

Project Ownership Structure

Borrower Entity: Balboa Lee Avenue LP

Managing General Partner/
Sole Member Balboa Lee Avenue LLC/ BRIDGE Housing Corporation

A to-be-selected investor limited partner will own a 99.99% interest in the borrower entity.

Financing Structure

The following sources of capital financing are expected to be utilized:

- tax-exempt bonds issued by the City;
- 4% low income housing tax credits (LIHTC);
- seller carryback financing from Balboa Lee Avenue LLC;
- a conventional first mortgage; and
- soft debt from the City.

The sale of LIHTC will generate equity financing for the Project. The amount of private activity tax-exempt bonds used during construction will be sized specifically to meet the 50% of aggregate basis test required for the LIHTC.

Schedule

Financing is anticipated to close between November 2022 and April 2023 with construction commencing within 15 days closing. All construction is scheduled to be completed by January 2025.

Narrative Description of Project Sponsor Experience

The Applicant is BRIDGE Housing Corporation, a California non-profit public benefit corporation (BRIDGE). The project will be developed and owned by Balboa Lee Avenue LP. BRIDGE will develop the building and provide property management and asset management services during operations.

BHC Balboa Builders LLC currently has site control of the land parcel and will close by December 2022. The land will be transferred to MOHCD concurrent with construction finance closing, and Balboa Lee Avenue LP will enter into a ground lease agreement with MOHCD in connection with the closing.

The principal for the Balboa Lee Avenue LP is Brad Wiblin, Executive Vice President of BRIDGE.

BRIDGE has 39 years of development experience and has developed over 4,000 units in the past five years. For more information on BRIDGE please visit <https://bridgehousing.com/>