



THE KELSEY CIVIC CENTER

- 240 VAN NESS AVE. -

BUDGET AND FINANCE
COMMITTEE
FEBRUARY 8, 2023

ANNE ROMERO, SENIOR PROJECT MANAGER
MAYOR'S OFFICE OF HOUSING AND
COMMUNITY DEVELOPMENT

1

Item #230060
State Accelerator Loan

Authorization to execute a Standard Agreement from HCD for a State Accelerator Loan in the amount of \$37.3 million

2

Item #230063
City Ground Lease and Loan

- 1) Ground Lease for initial term of 74 yrs. plus option to extend and \$15,000 Annual Base Rent and

- 2) MOHCD Loan Agreement up to \$24.7M including bridge loan of \$1 million for FHLB AHP

3

Item #230064
State AHSC Grant and Loan

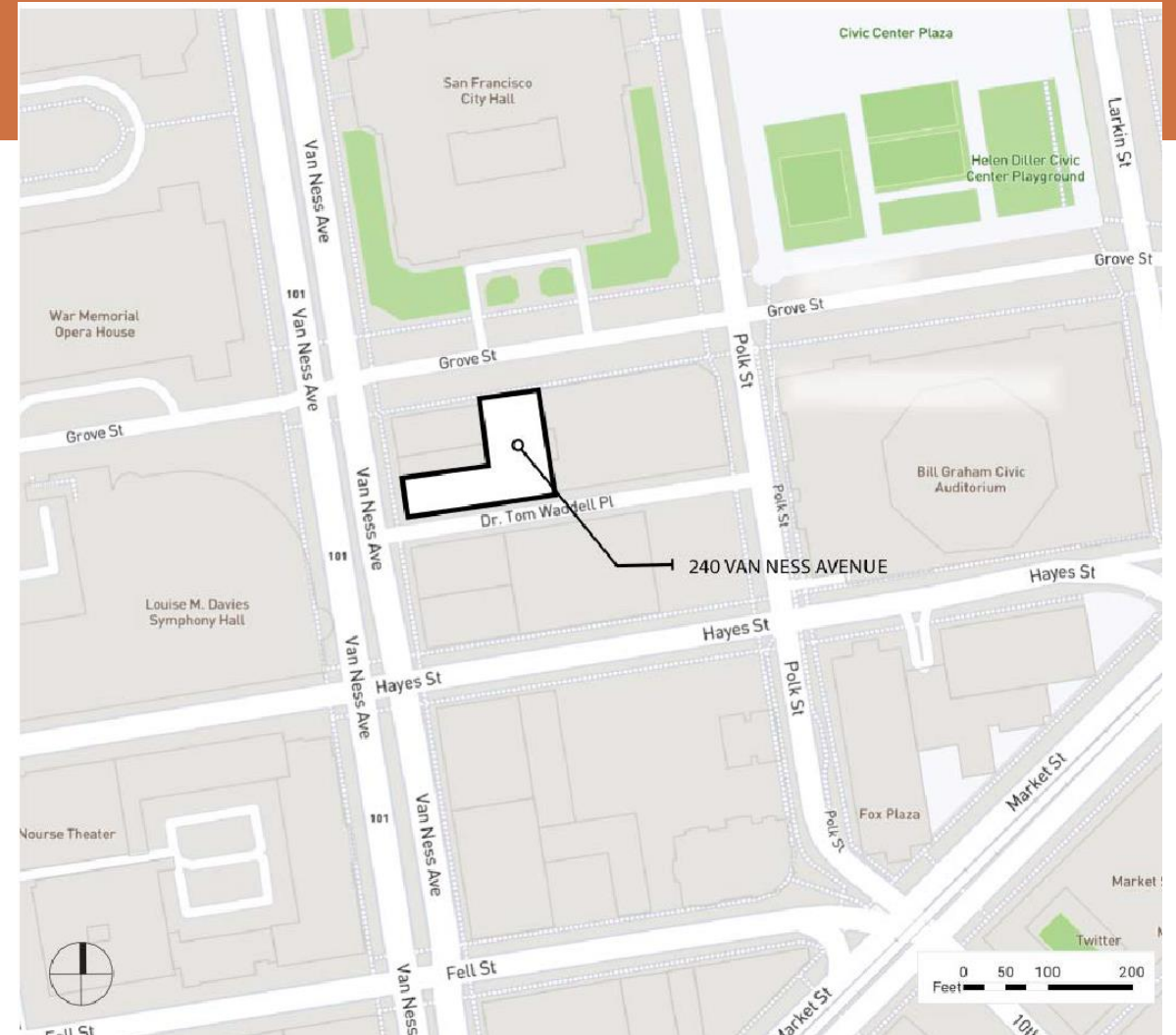
- 1) Accept and Expend AHSC Grant and authorization to execute a Standard Agreement in the amount of \$9,269,952 for bike / pedestrian improvements by SFMTA, and
- 2) Authorization to execute a Standard Agreement for AHSC Loan in the amount of \$20,000,000 for the housing

THE KELSEY CIVIC CENTER BUDGET AND FINANCE COMMITTEE AGENDA ITEMS

HISTORY OF THE KELSEY CIVIC CENTER

240 Van Ness Avenue

- 2016 – The Kelsey was selected as best applicant under the Department of Real Estate Reinventing Cities design competition organized by C40
- 2019 – The Kelsey and Mercy Housing California selected as joint developers in second phase of C40 competition
- 2020 – Agreement to exchange a portion of City owned real property with an adjacent property to create a more developable City-owned parcel
- 2021 – MOHCD Predevelopment Loan closed
- 2021-2023 – Financing commitments obtained from California State Department of Housing & Community Development from AHSC and Accelerator programs to fund housing and neighborhood transit improvements
- 2022 – MOHCD Permanent Loan financing approved by Citywide Affordable Housing Loan Committee





PROPOSED PROJECT

- 112 affordable units including:
 - Inclusive community for people with and without disabilities, based on design and services best-practices
 - 28 units for people with disabilities who are eligible to receive Home and Community Based Services
 - 2 resident manager units
- Disability Community Cultural Center in collaboration with Department of Disability and Aging Services (DAS)
 - 1,400 square feet center to celebrate Disability culture, community, and pride; advance Disability justice.
 - Will face City Hall on Grove Street
 - Tenant improvements and operations to be funded by DAS
- State AHSC Grant will contribute to Neighborhood Transit / Bike / Ped improvements by SFMTA
 - Folsom Streetscape Project between 2nd & 11th
 - Transit boarding islands and bus pads on Folsom from 3rd Street to 11th Street
 - Mission Street bus bulb at Mission & 4th Street and transit only lanes on Mission Street from 10th Street to 5th Street

PERMANENT FINANCING

Total Development Costs of \$88.5M

- MOHCD \$23.7M
- FHLB AHP \$1M
- HCD AHSC \$20M
- HCD Accelerator \$37.3M
- DDS / GGRC \$1M
- Sponsor Loan \$2.9M
- Permanent Loan \$1.6M
- Deferred Interest \$1M

TIMELINE

- Housing Construction Start – March 2023
- Project completion – December 2024
- Lease up Complete – April 2025





MICAELA CONNERY – FOUNDER AND CEO – THE KELSEY

DOUGLAS SHOEMAKER – PRESIDENT – MERCY HOUSING CALIFORNIA

FIONA RUDDY – PROJECT MANAGER – MERCY HOUSING CALIFORNIA

ARIANA CERNIUS – SENIOR PROJECT MANAGER – THE KELSEY