2550 Irving Street

BUDGET AND FINANCE COMMITTEE

APRIL 24, 2024

OMAR MASRY, PROJECT MANAGER

MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT

1

File #240336

Authorization to issue and deliver tax-exempt multifamily housing revenue bonds in an aggregate principal amount not to exceed $**63.8M**

2

File #240335

1) Ground Lease for initial term of 75 yrs. plus option to extend and **$15,000** Annual Base Rent
2) City (MOHCD) Loan Agreement up to **$16,956,650**
3) Purchase & Sale Agreement for City to acquire property from TNDC for **$9.6M**

2550 IRVING STREET - BUDGET AND FINANCE COMMITTEE AGENDA ITEMS

PROJECT HISTORY – 2550 IRVING

- December 2019: Tenderloin Neighborhood Development Corporation (TNDC) selected as Sponsor per a Notice of Funding Availability
- October 2021: TNDC acquires 2550 Irving Street through MOHCD acquisition loan
- August 2022: Planning Department Approval using California Senate Bill SB-35
- May 2023: State HCD awards for $6.9M IIG & $29.3M MHP; Sponsor demolishes two-story police credit union building
- June 2024: Construction start, following approval of Ground Lease, and MOHCD Permanent Loan financing for $16.9 million approved

Project Site Prior to demolition of credit union building

PROPOSED COMMUNITY

- 90 affordable units featuring:
  - 22 units for families exiting homelessness
  - 15 units for Veterans
  - 52 general affordable lottery units
  - 1 resident manager unit
- 35% to 80% MOHCD AMI
- Ground floor includes: community meeting rooms, supportive services offices, 18 parking spaces, and a 150 square foot office for the newly formed Sunset Chinese Cultural District community-based organization.
- Housing Element High/Highest Resource Area

FINANCING

Total Development Costs $99M

- City MOHCD Loan $16.9M
- HCD MHP Loan $29.3M
- HCD IIG Grant $ 6.9M
- HCD Community Grant $ 500K
- FHLB AHP Loan $ 1M
- Partner Equity $45.3M

Total City subsidy per unit of $177K.

Total development cost per unit of $1.1M does not include $9M to acquire land

TIMELINE

- Housing Construction June 2024
- Unit lottery June 2025
- Project completion December 2025
- Leasing Up Complete September 2026

ENTRY PORTAL ALONG IRVING

ENTRY PORTAL THROUGH GATE ALONG IRVING

LINCOLN AND 27TH LOOKING SOUTH

IRVING AND 27TH LOOKING EAST

TNDC PROJECT STAFF: HERMANDEEP KAUR, SAMUEL RUIZ, SHREYA SHAH

PROJECT WEBSITE: 2550IRVING.COM