

9/11/15

**BRIDGE Housing Ventures, Inc.  
MEDA Housing LLC  
25 Sanchez – RAD Phase I  
Project Overview**

**Project Summary**

25 Sanchez consists of 90 existing public housing units located at 25 Sanchez Street in the City and County of San Francisco. The project is being rehabilitated as part of a citywide program under which public housing units currently owned and operated by the San Francisco Housing Authority (SFHA) will convert to the Rental Assistance Demonstration (RAD) program. Under RAD, 3,584 units of public housing in 29 different projects will convert in two phases.

25 Sanchez will include approximately 51,397 square feet of gross floor area, including 38,423 square feet of residential area as well as 12,974 square feet of common space, including a community room, laundry, and garage. Residents will have access to landscaped areas outside of the building.

Total project costs, including the cost to acquire and rehabilitate the existing buildings, will be approximately \$43,362,157, or \$481,802 per dwelling unit.

The residential unit distribution, which will include one 1-bedroom superintendent unit, is:

Studios	75 units
1 BRs	15 units

All of the residential units will serve households earning less than 50 percent of the San Francisco County area median income (AMI), though the rents may be increased to 60 percent of the AMI standard set by the California Tax Credit Allocation Committee in the event of loss of subsidy.

**Description of Residents**

No residents will be displaced. All residents have the right to return after any temporary relocation that might be required. RAD does not allow re-screening or re-application of any residents.

**Site Description and Scope of Work**

Address: 25 Sanchez Street, San Francisco, CA 94114  
Block/Lot: Block 3537, Lot 090

The rehabilitation goal of 25 Sanchez will address deferred maintenance that will extend the physical viability of the building for at least 20 years and improve the residents' quality of life by providing an accessible environment and supportive services. The proposed scope of work will include life safety and accessibility improvements, voluntary structural upgrades, modernization or replacement of original building systems and equipment, resident unit renovations, energy use reduction, and modifications to the ground floor common areas to better support the everyday needs of the residents.

Fifteen months are allocated to rehabilitation of the project. Existing residents will be temporarily relocated through a relocation effort coordinated by SFHA and the Mayor's Office of Housing and Community Development.

### **Development Team**

- An affiliate of BRIDGE Housing Corporation and Mission Economic Development Agency will be the non-profit partner in the development and operation of the project.
- FineLine Construction will be the general contractor for the project.
- BRIDGE Property Management Company will be property manager for the project.
- Barcelon & Jang is the architect for the project.

### **Project Ownership Structure**

- This project is being sponsored by BRIDGE Housing Corporation and Mission Economic Development Agency.
- The existing owner of the project is the San Francisco Housing Authority, which will retain ownership of the land and convey the improvements to a limited partnership for which an affiliate of BRIDGE Housing Corporation and Mission Economic Development Agency will be the managing general partner.
- An investor member will own a 99.99% member interest in the limited partnership.

### **Financing Structure**

The following sources of capital financing will be utilized: tax-exempt bonds issued by the City of San Francisco; 4% low income housing tax credits; seller carryback financing from SFHA; a conventional first mortgage; and soft debt from the City and County of San Francisco.

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 4% tax credits.

The sale of 4% Low Income Housing Tax Credits (LIHTC) will generate equity financing for the project. The calculation of tax credits utilizes a 30% basis boost as San Francisco County is a “difficult-to-develop” area.

### **Schedule**

Financing is anticipated to close between October 1, 2015 and October 31, 2015, with construction starting within 30 days of closing.

The site rehabilitation work will be over a 15-month period with households temporarily relocated during each phase of the work. All construction work will be completed by April 15, 2017.