

11/13/15

**Related
Westside Courts – RAD Phase II
Project Overview**

Project Summary

Westside Courts consists of 136 existing public housing units located at 2501 Sutter Street in the City 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 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.

Westside Courts will include approximately 107,000 square feet of gross floor area, including 80,700 square feet of residential area as well as nearly 4,100 square feet of Community Space / Management Office area. Residents will access landscaped seating areas and play areas in the property between the various buildings.

Total project costs, including the cost to acquire and rehabilitate the existing buildings, will be nearly \$27.4 million, or \$201,000 per dwelling unit.

The residential unit distribution, which will include one 2 bedroom superintendent unit, is:

1 BRs	84 units
2-BRs	24 units
3-BRs	20 units
4-BRs	8 units

All of the residential units will serve households earning less than 50 percent of the San Francisco County Area Median Income, though the rents may be increased to 60% State TCAC AMI 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.

The resident population at Westside Courts largely consists of low-income family households. Table 1 below shows the racial demographics of the residents on site.

Table 1. Westside Courts Demographics

<u>Race</u>	<u>Percent</u>
White	12%
Black	27%
Asian	8%
Islander	3%
White Hispanic	3%
White non-Hispanic	47%

Site Description and Scope of Work

Address: 2501 Sutter Street

Block/Lot: 1075/001

Exterior

- Repair damaged exterior building skins
- Replace roofs
- Replace windows
- Exterior painting
- Door hardware

Interior

- Priority unit maintenance
- New paint, flooring, kitchen and bath fixtures, appliances, door hardware, and HVAC systems
- Install smoke and carbon monoxide detectors
- Install washers and dryers

Site

- Upgrade site lighting
- Install security cameras
- Site landscaping
- New tree planting and maintenance

Accessibility

- Convert 7 units to full accessibility compliance
- Provide accessible path of travel from designated units to community rooms

Community Rooms

- Refurbish community room

14 months are allocated to rehabilitation of the project. Existing residents will be relocated on site through a MOHCD- and SFHA-coordinated relocation effort.

Development Team

- Westside Courts Housing Partners, LP is the Project Sponsor. [partnership]
- Tabernacle Community Development Corporation will be the non-profit partner in the development and operation of the project.
- Nibbi Brothers General Contractors will be the general contractor for the project.
- Related Management Company will be property manager for the project.
- Saida + Sullivan Design Partners is the architect for the project.

Project Ownership Structure

- This project is being sponsored by Westside Courts Housing Partners, LP
- 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 Tabernacle Community Development Corporation will be the Managing General Partner.
- An Investor Member will own a 99.99% member interest in the Owner.
- Any required guaranties will be provided by The Related Companies
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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 the San Francisco Housing Authority; 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 the 30% basis boost as San Francisco County is a “difficult-to-develop” area.

Schedule

Financing is anticipated to close in September 2016, with construction starting within 30 days of the close.

The site rehabilitation work will be over an 18 month period with households temporarily relocated for approximately 3-4 weeks during each phase of the work. All construction work will be completed by November 2017.