September 2, 2016

City and County of San Francisco
Multifamily Housing Revenue Bond Program
Project Description

Eddy & Taylor Family Housing

Overview

The funds described in the "Financing Structure" section below will be used to finance the development of Eddy & Taylor Family Housing, a 113-unit affordable multifamily housing project to be located at 210 and 238 Taylor Street in the City and County of San Francisco (the "Project"). The Project will address a critical need for more family-sized units for the neighborhood, where the existing older housing stock is predominantly single room occupancy units (SROs), studios, and smaller one-bedroom units.

Upon completion, the Project will include approximately 116,626 square feet of gross floor area, comprised of 108,711 square feet of residential area and 7,915 square feet of non-residential area. Non-residential spaces will include offices for property management and tenant services, a lounge, a community room, and 5,677 square feet of retail commercial space.

Total project costs, including the cost to acquire the land and construct the new building, will be approximately $81,879,276 or $724,600 per dwelling unit.

The residential unit distribution, which will include a single two-bedroom manager's unit, is:

Unit type	Number of units
Studio	16
1-Bedroom	14
2-Bedroom	68
3-Bedroom	15
4-Bedroom	0

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% of California Tax Credit Allocation Committee AMI in the event of loss of subsidy.

Residents

No residents will be displaced during construction as the site is currently a vacant lot leased to a parking lot operator. The operator's lease will expire before construction financing closes in early 2017.

Site Description and Scope of Work

Address: 210 and 238 Taylor Street, San Francisco CA, 94102
Block/Lot: 0331/010; 0331/011; 0331/028

The proposed scope of work for the Project is as follows:

- The developer will re-develop an existing half-acre parking lot with a newly constructed, 8-story, 113-unit mixed-use building in the heart of the Tenderloin.
- The unit mix includes 16 studios, 14 one-bedroom, 68 two-bedroom (including one manager's unit) and 15 three-bedroom units.
- The ground floor will include a large entry lobby with direct elevator access, a community room, management offices, laundry room, bicycle storage, access to a large outdoor courtyard area and 5,677 square feet of retail/commercial space.
- No parking is provided on-site, but the Project is well-served by transit (located just 2 blocks from Powell Station) and the Muni and BART local/regional transportation systems, and is within walking distance of numerous shopping, service, and recreational amenities.
- The Project will also include upgrades to the Eddy Street and Taylor Street pedestrian corridors, in partnership with the City's Vision Zero plan.
- The Project will achieve a Green Point Rated score of at least 160.

Development and Management Team

Project Sponsor:	Tenderloin Neighborhood Development Corporation
General Contractor:	Cahill Construction
Architect of Record:	David Baker & Associates
Property Manager:	Tenderloin Neighborhood Development Corporation

Project Ownership Structure

Borrower Entity:	Eddy & Taylor Associates, L.P.
Managing General Partner:	E&T Housing GP LLC

An investor, Taylor Family Housing Inc., 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");
- soft debt from the City;
- permanent debt from the State's Multifamily Housing Program ("MHP");
- permanent debt from the Affordable Housing Sustainable Communities ("AHSC") program;
- a grant from the Federal Home Loan Bank's Affordable Housing Program ("AHP"); and
- deferred developer fees.

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. The calculation of tax credit equity utilizes a 30% basis boost as the U.S. Department of Housing and Urban Development has designated the census tract in which the Project is located a "difficult development area."

Schedule

Financing is anticipated to close between March and May of 2017, with construction commencing no more than 30 days from closing. All construction is scheduled to be completed by May 30, 2019.