

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

Casa Adelante 2060 Folsom Housing

Overview

The funds described in the “Financing Structure” section below will be used to finance the development of 2060 Folsom Housing, 127 units of affordable multifamily housing for families and transitional-age-youth located at 2060 Folsom Street in the City and County of San Francisco (the “Project”).

Following completion, the Project will include approximately 167,000 square feet of gross floor area, comprised of 154,000 square feet of residential area and 12,500 square feet of community serving uses. Non-residential spaces are anticipated to include:

- Licensed child development center by **Good Samaritan** with interior spaces and courtyard.
- Youth development based programs of **Mission Graduates**
- Parent/youth community leadership programs of **PODER**
- **A café** adjacent to the neighboring park, for which the operator has not yet been selected.
- Small **public restroom** located adjacent to the cafe which is open to the café and park users.

Ground floor uses will face an adjacent park, *In Chan Kaajal*, which was recently completed by the Department of Recreation and Parks.

Total project costs to construct the new building will be approximately \$88.5 million or \$697,000 per dwelling unit. The residential unit distribution, which will include a single 2-bedroom resident manager unit, is:

<u>Unit type</u>	<u>Number of units</u>	<u>Target Population</u>
Studio	22	TAY
1-Bedroom	7	TAY
1-Bedroom	8	Families
2-Bedroom	47	Families
2-Bedroom	1	Manager Unit
3-Bedroom	42	Families

All of the residential units (with the exception of the resident manager unit) will serve households earning less than 60% percent of the San Francisco County Area Median Income (“AMI”). 23% of the units will be targeted to homeless transitional-age youth (TAY) referred by the Department of Homelessness and Supportive Housing (HSH) through the Youth Coordinated Entry System with support from the City’s Local Operating Subsidy Program.

Residents

No residents will be displaced as the site is currently a parking lot.

Site Description and Scope of Work

Address: 2060 Folsom Street, 94110
Block/Lot: 3571/031

Property amenities will include:

- a ground floor with a diverse array of active, community-serving uses that face the park, including infant/toddler care and preschool, PODER and Mission Graduates programs and offices;
- corner retail designed for a café on Folsom near the new park;
- Southern facing building courtyard that draws sunlight and park views deep into the building;
- bike parking for 120 bikes;
- a community room and kitchen;
- laundry rooms; and
- supportive services meeting spaces.

Development and Management Team

Project Sponsors: Mission Economic Development Agency (“MEDA”) and Chinatown Community Development Center (“CCDC”)
General Contractor: Roberts Obayashi
Architect of Record: Mithun Solomon Architecture and Y.A. Studio
Property Manager: CCDC
Service Provider: CCDC and Larkin Street Youth Services

Project Ownership Structure

Borrower Entity: 2060 Folsom Housing, L.P.
Managing Members: 2060 Folsom LLC, an affiliate of CCDC and
MEDA 2060 Folsom LLC, an affiliate of MEDA

An investor limited partner, US Bank, will own a 99.99% interest in the borrower entity during the tax credit compliance period.

Financing Structure

The following sources of capital financing will be utilized:

- tax-exempt bonds issued by the City and County of San Francisco (the “City”),
- 4% low income housing tax credits (“LIHTC”),
- a conventional first mortgage;
- an Affordable Housing and Sustainable Communities (“AHSC”) program loan from State of California,
- Affordable Housing Program (“AHP”) financing from the Federal Home Loan Bank, and
- soft debt from the City

The sale of LIHTC will generate equity financing for the Project. The amount of tax-exempt private activity bonds used during construction will be sized specifically to meet the 50% of aggregate basis test required for the LIHTC. The calculation of tax credits utilizes a 30% basis boost as the U.S. Department of Housing and Urban Development has designated San Francisco County a “difficult development area.”

Schedule

Financing is anticipated to close in December 2018 with construction commencing shortly thereafter. All construction is scheduled to be completed by October 2020.