

Project Description
Multifamily Securities Program
City and County of San Francisco

Hamlin Hotel

Overview

The funds described in the “Financing Structure” section below will be used to finance the acquisition and rehabilitation of Hamlin Hotel, a 67-unit affordable multifamily housing project located at 385 Eddy Street, San Francisco, CA 94102 in the City and County of San Francisco (the “Project”). This single room occupancy building was constructed at the turn of the century, post-1906 earthquake and is on the National Register of Historic Places as a contributor to the Uptown Tenderloin Historic District. It is currently owned by Hamlin Hotel, L.P., whose general partner is Hamlin Hotel Corporation, an affiliate of Chinatown Community Development Center, Inc. Its limited partner, San Francisco Residential Hotels, L.P., is the previous owner of the property and has 1% interest in the partnership.

Prior to closing on construction financing, Hamlin Hotel Corporation will negotiate San Francisco Residential Hotels, L.P.’s early exit from the partnership. The transfer of ownership at construction close will then effectively be from Hamlin Hotel Corporation to a new tax credit partnership.

Following rehabilitation, the Project will include approximately 25,000 square feet of gross floor area, comprised of approximately 22,000 square feet of residential area and 3,000 square feet of non-residential area. Non-residential spaces will include property management and resident services offices on the ground floor as well as maintenance areas in the basement.

Total project costs, including the cost to acquire the land and rehabilitate the existing building, will be approximately \$52,700,000 or \$787,000 per dwelling unit.

The residential unit distribution, which will include 0 superintendent units, is:

<u>Unit type</u>	<u>Number of units</u>
SRO	67
Studio	0
1-Bedroom	0
2-Bedroom	0
3-Bedroom	0
4-Bedroom	0

100 percent of the residential units will serve households earning less than 60 percent of the San Francisco County Area Median Income (AMI).

All units will hold a preference for formerly homeless households referred from the City and County of San Francisco’s Continuum of Care program. All units will also receive Section 8 PBV through at least 2028. In the event of subsidy loss, affordability targeting will remain limited to the more restrictive of the following: 50% AMI by the California Department of Housing and Community Development or 60% AMI by the City and County of San Francisco Mayor’s Office of Housing.

Residents

No residents will be displaced as all residents will have the right to return after any temporary relocation that might be required. It is anticipated that this occupied rehabilitation project will be completed in phases, with tenants temporarily relocated for approximately 8-12 weeks during each phase.

Autotemp, Inc., a local relocation consulting firm with over 150 years of combined experience across 9 associates, has been contracted to provide relocation services for this project.

Site Description and Scope of Work

Address: 385 Eddy Street, San Francisco, CA 94102
Block/Lot: 0338/018

The scope of work for the rehabilitation will include:

- New domestic hot water boiler
- New hydronic heating system
- New accessible trash chute and trash room
- New accessible elevator
- New community room and warming kitchen
- New bike storage
- New accessible mailroom
- Reconfigured entry/lobby and property management offices
- New resident services offices
- Fire sprinkler and alarm system upgrades
- Security system upgrades
- New energy-efficient lighting throughout
- New signage throughout
- New accessible common kitchens and bathrooms
- New stair to roof from 6th floor
- New roof and elevator machine room
- New exterior windows
- New plumbing and toilet fixtures throughout
- New paint, flooring and doors in units
- Renovation of 7 units into mobility units
- Renovation of 3 units into communication units
- Historic restoration of Eddy Street façade
- Exterior brick repointing and waterproofing as needed

Development and Management Team

Project Sponsor: Chinatown Community Development Center, Inc.
General Contractor: AmOne Corp.
Architect of Record: Barcelon Jang Architecture, Inc.
Property Manager: Caritas Management Corporation

Project Ownership Structure

Borrower Entity: TBD
Managing General Partner: TBD (affiliate of Chinatown Community Development Center, Inc.)

An investor limited partner 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);
- seller carryback financing and GP loan;
- deferred developer fee;
- income from operations; and
- assumed debt.

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.

Schedule

Financing is anticipated to close between August 2019 and September 2019, with construction commencing within 30 days closing. All construction is scheduled to be completed by October 2020.