

Project Description
Multifamily Securities Program
City and County of San Francisco

Balboa Park Upper Yard

Overview

The funds described in the “Financing Structure” section below will be used to finance the development of Balboa Park Upper Yard, a 131--unit affordable multifamily housing project to be located at 2340 San Jose Avenue, San Francisco 94112 in the City and County of San Francisco (the “Project”).

Upon completion, the Project will include approximately 174,618 square feet of gross floor area, comprised of 163,827 square feet of residential unit area and 10,971 square feet of non-residential area. Non-residential spaces will include a family resource center, an early childhood education center, and 3 other community benefit commercial spaces designed for retail uses.

Total project costs to construct the new building will be approximately \$117,396,138, or \$896,154 per dwelling unit.

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

<u>Unit type</u>	<u>Number of units</u>
Studio	7
1-Bedroom	47
2-Bedroom	62
3-Bedroom	15

Sixty-seven percent of the residential units will serve households earning less than 50 percent of the San Francisco County Area Median Income (AMI), while the balance of units will serve households earning less than 80 percent of TCAC AMI.

Residents

No residents will be displaced as the site is currently a vacant lot. Thirty-nine units will be set aside for voluntary relocatees from the Sunnydale HOPE SF off site. These units will be subsidized by a 20-year HAP contract with the San Francisco Housing Authority.

Site Description and Scope of Work

Address: 2340 San Jose Avenue, San Francisco, California, 94112
Block/Lot: 6973/039

Property amenities will include:

- New 131-unit affordable building for families directly neighboring the Balboa Park Bay Area Rapid Transit (BART) Station.
- The ground floor will include:
 - a 3,994-square-foot licensed early childhood education center with an outdoor activity area,
 - approximately 3,897 square feet of ground floor retail, and
 - 2,900 square feet for the Family Wellness Community Resources Center

Development and Management Team

Project Sponsors:	Mission Housing Development Corporation and Related Companies of California, LLC
General Contractor:	Cahill Contractors
Architect of Record:	Mithun Architects
Property Manager:	Carnitas Management Corporation

Project Ownership Structure

Borrower Entity:	Balboa Park Housing Partners, L.P.
Managing General Partner:	Mission Housing Development Corporation

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);
- State of California Affordable Housing and Sustainable Communities Funds
- Deferred developer fee;
- a conventional first mortgage; and
- soft debt from the City.

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 December 2020 and January 2021, with construction commencing within 30 days closing. All construction is scheduled to be completed by October 2022.