

Project Description
Multifamily Securities Program
City and County of San Francisco

Hunters View Phase III

Overview

The funds described in the “Financing Structure” section below will be used to finance the development of Hunters View Phase III, a 118-unit affordable multifamily housing project located at 1151 Fairfax Avenue (address on the site permit), San Francisco, CA 94124 in the City and County of San Francisco (the “Project”). This is the 4th affordable project in the Hunters View redevelopment project.

Upon completion, the Project will include approximately 176,489 square feet of gross floor area, comprised of 117,622 square feet of residential area and 35,407 square feet of non-residential area. Plans for non-residential spaces include a community education space featuring a self-serve library kiosk, space for a cafe/commercial kitchen, lobbies and lounges, property management and services offices, a community room, a meeting room, bike rooms, and laundry rooms.

Total project costs, including the cost to acquire the land and construct new buildings, will be approximately \$114,281,568, or \$968,488 per dwelling unit.

The residential unit distribution, which will include 1 2-bedroom superintendent unit, is:

<u>Unit type</u>	<u>Number of units</u>
Studio	0
1-Bedroom	49
2-Bedroom	14
3-Bedroom	16
4-Bedroom	34
5-Bedroom	5

100% percent of the residential units will serve households earning less than 50% percent of the San Francisco County Area Median Income (AMI).

Residents

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

Site Description and Scope of Work

Address: 112 Middle Point Road
Block/Lot: Block 14, Lot 3
Block 17, Lot 4

The scope of work for the Property amenities will include:

- San Francisco Public Library outpost outfitted with Internet access available to all residents of the neighborhood on the ground floor of Block 14. HOPE SF residents experience disproportionately less access to library and learning facilities. The ground floor of Block 17 will include space for a future cafe and commercial kitchen on the ground floor of Block 17, which fulfills a critical gap in a neighborhood with limited access to markets or healthy foods.
- All new infrastructure for the western end of Hunters View, including new streets, streetlights, sidewalks, and streetscape landscaping.
- Hunters View Park, a new park for the neighborhood, located between Blocks 14 and 17. At approximately 0.71 acres, Hunters View Park will be the largest open space at Hunters View, and feature multiple elements for residents of all ages, including play structures for children, picnic and barbeque areas for families, and shaded seating for seniors and others to interact, relax, and enjoy views of the Bay.

Development and Management Team

Project Sponsors:	Ridgepoint Non-Profit Housing Corp, The John Stewart Co, Devine & Gong
General Contractor:	Cahill-Nibbi Joint Venture
Architect of Record:	David Baker Architects
Property Manager:	The John Stewart Company

Project Ownership Structure

Borrower Entity:	HV Partners 3, LP
Managing General Partner:	HV HPAH Phase III LLC

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);
- CA Housing and Community Development Multifamily Housing Program (MHP);
- 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

Infrastructure financing is anticipated to close by June 2021 with vertical construction, the affordable buildings, commencing four (4) to six (6) months after the infrastructure financial closing. All infrastructure and vertical construction is scheduled to be completed by March 2024.

Narrative Description of Project Sponsor Experience

The development team (Ridgepoint Non-Profit Housing Corp, The John Stewart Company, and Devine & Gong) have successfully completed 3 prior phases of Hunters View, completing 286 affordable apartments and re-housing 70% of the residents that lived onsite in 2012 at the establishment of the San Francisco Housing Authority's right-to-return processing order.

Ridge Point Nonprofit Housing Corporation, is a nonprofit housing corporation founded in 1968 for the purpose of developing and operating low and moderate-income housing and community facilities for the residents of Bayview Hunters Point. Ridgepoint recently completed renovations of two large multi-family housing projects in Hunters Point. Ridgepoint developed Ridgeview Terrace in 1968, which is a 100-unit HUD-financed affordable housing development. In 2012, Ridgepoint refinanced the property and as of late 2013 has completed renovations to prolong the useful life of the property. Also, in 2002, Ridgeview acquired Jackie Robinson Apartments, which is an At-Risk HUD-financed affordable housing development. Ridgeview renovated the property and has preserved it as affordable housing. Jackie Robinson Apartments is adjacent to Hunters View. Ridgepoint places special emphasis on resident and community involvement and generating training and employment opportunities in all of its development efforts. Since 1968 Ridgepoint has had a presence in the Hunters Point community and is notably one of the few nonprofit development partners to buy-out its for-profit partner, helping to ensure long-term affordability of housing in the Bayview neighborhood.

The John Stewart Company (JSCo), was founded in 1978, and is a for-profit company that provides property management, construction management, financial consulting services and develops affordable communities in the Bay Area and throughout California. As a developer in San Francisco, JSCo has developed numerous residential, mixed-use and transit-oriented projects over the past 30 years using all relevant affordable housing financing sources. JSCo has built or rehabilitated over 4,000 units, serving very low-income seniors, families and individuals. JSCo brings significant HOPE VI and other public housing revitalization and management experience to Hunters View. In addition to leading the redevelopment of Phase I of Hunters View, JSCo co-developed North Beach Place in partnership with BRIDGE Housing Corporation and Em Johnson Interest (a local minority-owned development company). JSCo provides property management for multiple Housing Authority properties in California (including the Housing Authorities of Richmond, Oakland, Benicia, Los Angeles, Monterey County and Santa Clara County) and five HOPE VI/Mixed Finance sites, including North Beach Place (341 units) and Valencia Gardens (260 units) in San Francisco and Mandela Gateway (174 units), Chestnut-Linden Court (151 units), Acorn Apartments (294 units) and Tassaforanga Village (157 units) in Oakland. JSCo is the largest manager of affordable housing in California and currently oversees over 30,000 multifamily units across the state.

Devine & Gong, Inc. (DGI), is a for-profit Oakland-based real estate finance and development services firm formed in 1985 which specializes in government-subsidized affordable housing. DGI has expertise in securing permanent financing and raising equity capital through low-income housing tax credits as well as all other relevant affordable housing financing services. DGI is an expert in the financing of public housing revitalizations, including HOPE VI funding, and has been a consultant to housing authorities on numerous HOPE VI and other public housing revitalization projects, including projects with housing authorities in Los Angeles; Oakland, CA, and; King County, WA. DGI has a long-term financial consulting relationship

with the Seattle Housing Authority (SHA) and has been the financial consultant for three of its nationally recognized HOPE VI developments: New Holly, High Point, and Rainier Vista.