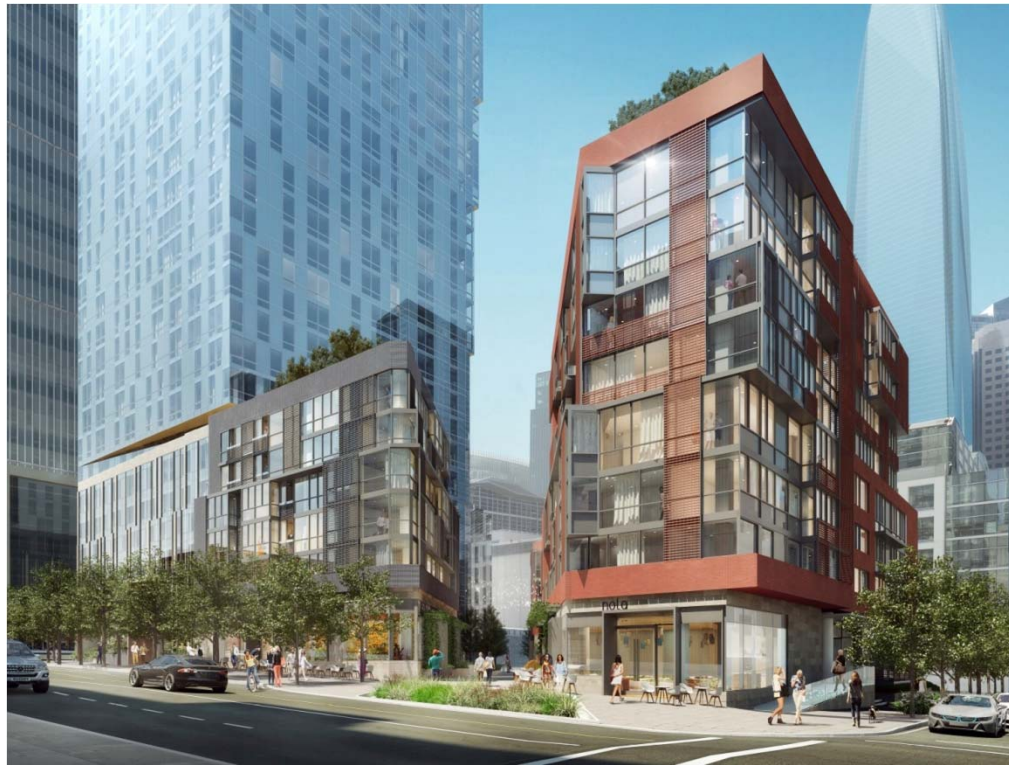




Transbay Block 8 Affordable Housing 250 Fremont Street



Commission on Community Investment and Infrastructure

3/15/2016

Current Request

- Approval of an Air Rights Lease with T8 Housing Partners, L.P. for a term of 75 years with one 24 year option

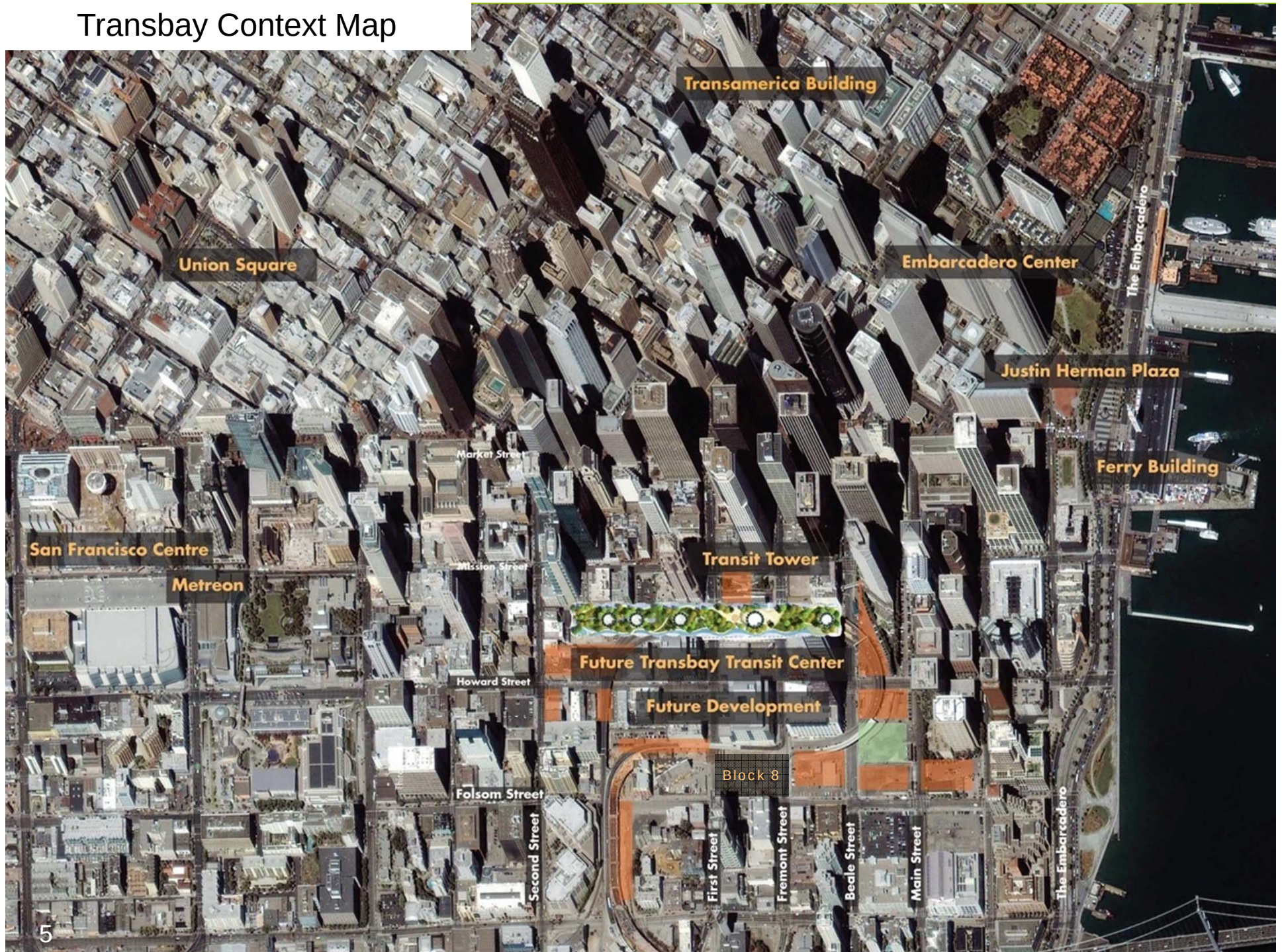
Affordable Project Development Program

- **80 units, including 1 manager's unit**
 - 40 One-Bedroom Units
 - 16 Two-Bedroom Units
 - 24 Three-Bedroom Units
- **2 rooftop decks**
- **1 community room and laundry facilities**

Affordable Project Development Program (cont'd)

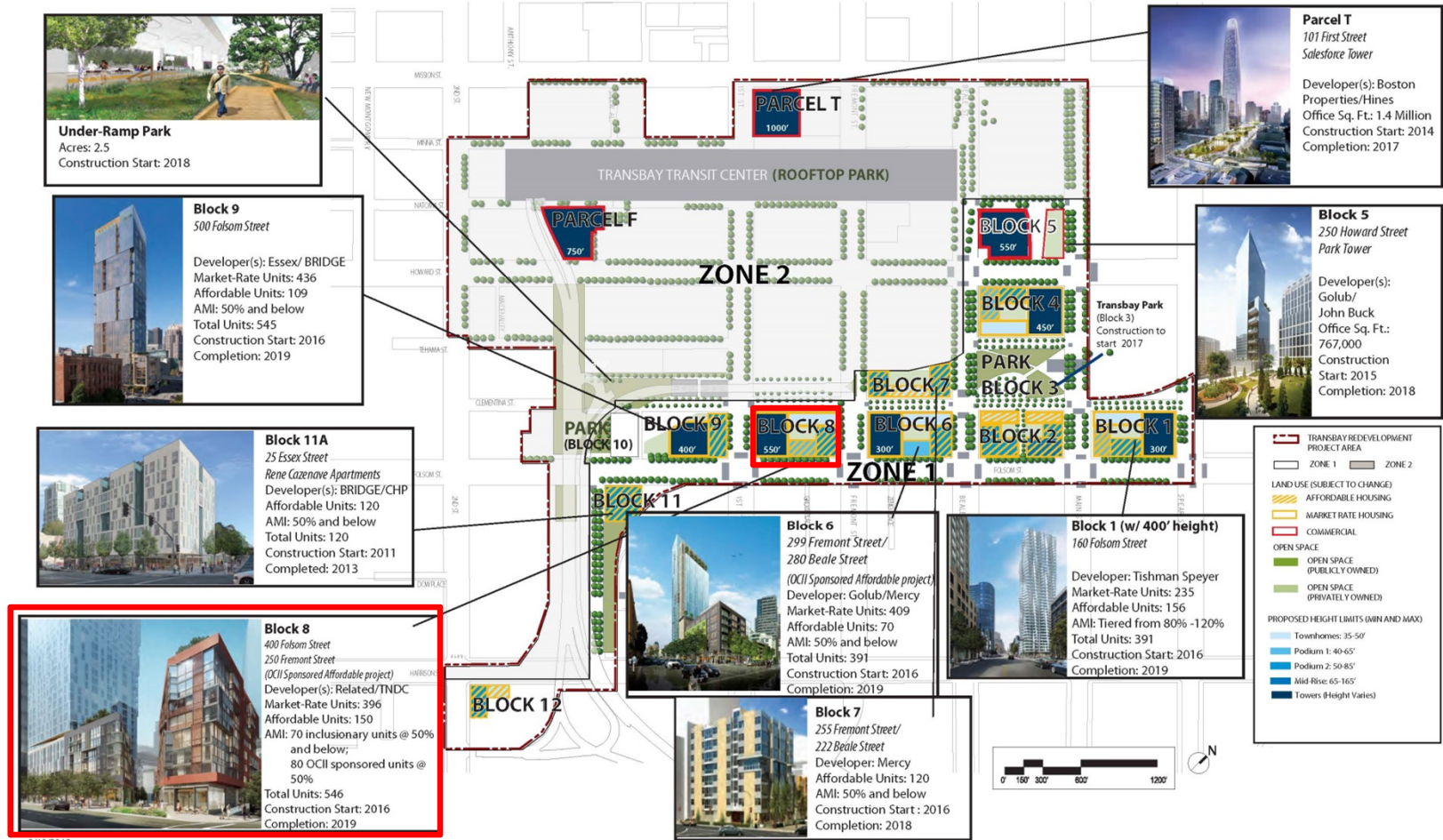
- **2 mid-rise buildings**
 - 1 65' podium building attached to tower that contains 20 units
 - 1 85' standalone podium building that contains 55 units
- **5 Townhouses connected to 85' podium building**

Transbay Context Map



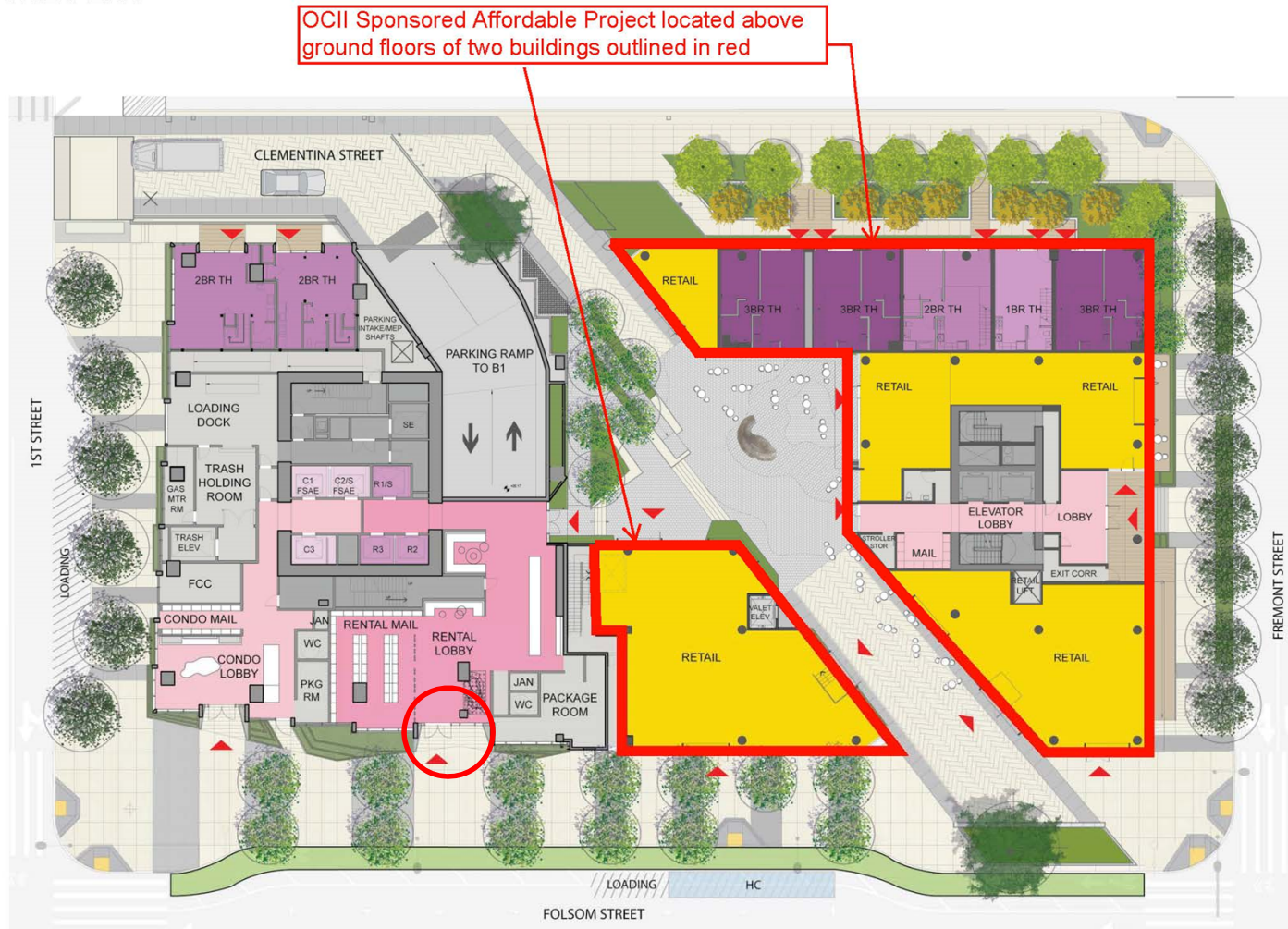
Context Map

TRANSBAY REDEVELOPMENT PROJECT AREA

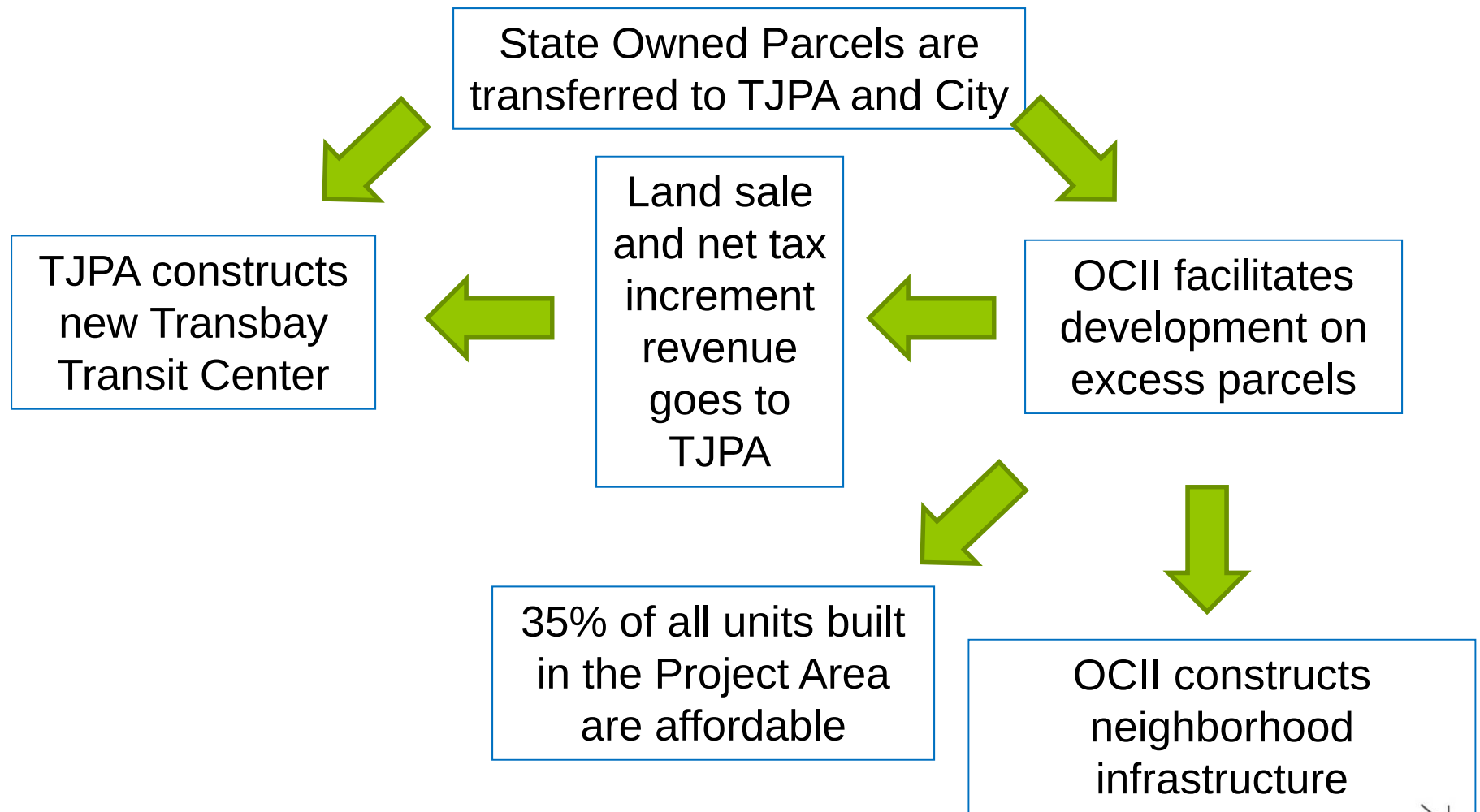


Block Context Map

SITE PLAN



Public Parcel Development Process



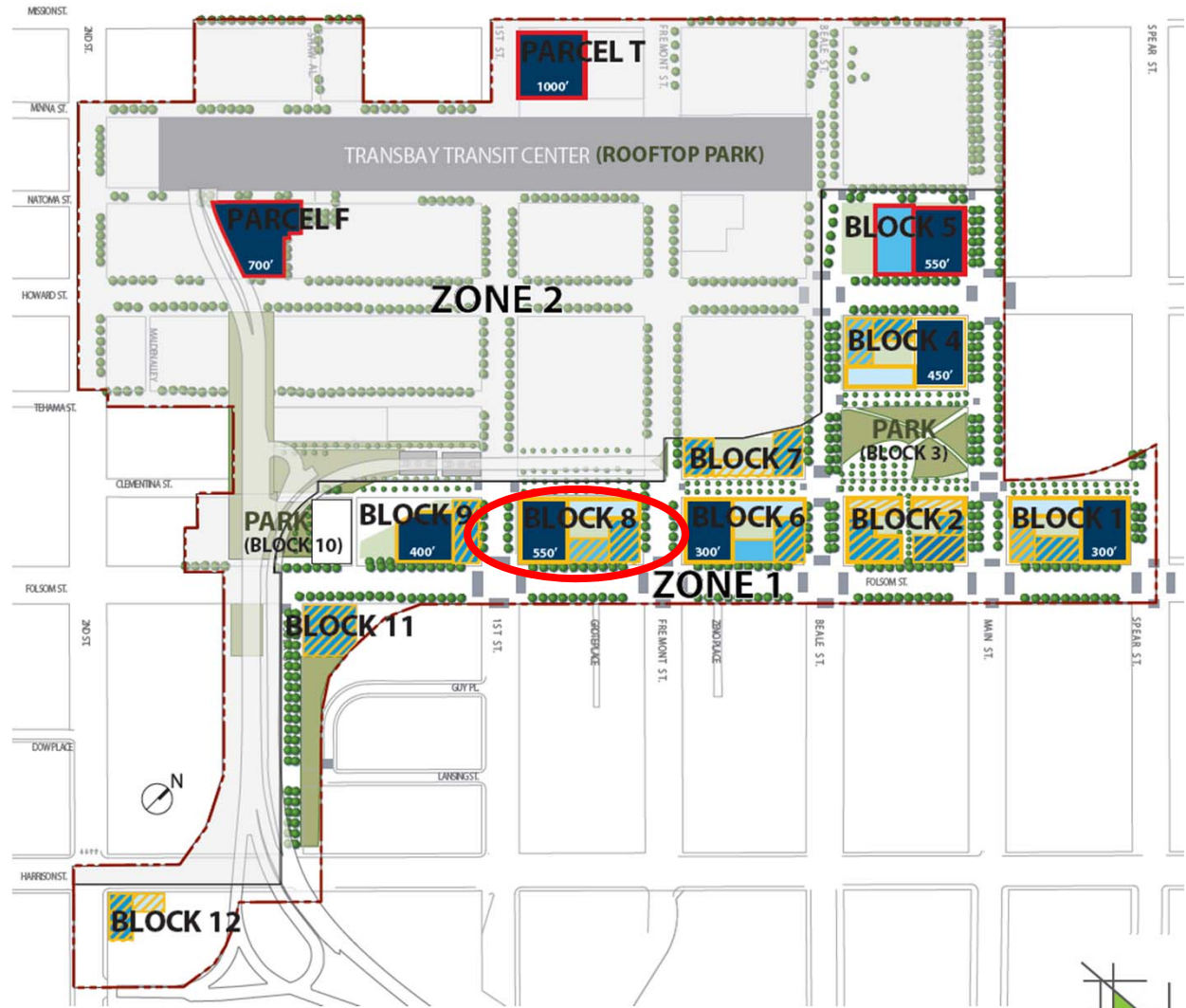
Transbay Development Program

Publicly-Owned Parcels

- Over 3,200 new residential units (including over 1,300 affordable units)
- Over 2.6 million s.f. of new office development
- 200,000 s.f. of new retail space
- 9 acres of new parks, including 5.5-acre rooftop park on Transbay Transit Center

Privately-Owned Parcels

- Over 900 new residential units
- Nearly 4 million s.f. of new office development



History of Project Approvals & Milestones

- **November 2013:** Former Agency issued a Request for Proposals (“RFP”) to development teams to design and develop TB Block 8
- **June 2014:** OCII Commission approval to enter into exclusive negotiations with Related California and Tenderloin Neighborhood Development Corporation (“TNDC”)
- **April 2015:** Commission approval of TB Block 8 DDA and Schematic Design with Related and TNDC
- **August 2015:** Commission approval of a Permanent Loan Agreement for \$16,000,000 to T8 Housing Partners, L.P. (Related & TNDC Entity)
- **December 2015:** Related paid \$71,000,000 to OCII for TB Block 8, which included the land underlying the Affordable Project

Population

- 50% AMI
- \$50,950 max annual income for a family of 4

Leasing Preferences

1. Certificate of Preference (“COP”) Holders
2. Ellis Act Housing Preference (“EAHP”) Certificate Holders
3. San Francisco residents or workers
4. General Public

Marketing Requirements

- Developer must submit draft Early Outreach and Marketing Plans one month after construction commences
- Developer will provide the following services or work with a City-approved Access to Housing organization to do so:
 - Landlord tenant relations
 - Tenant counseling and housing rights
 - Rental Readiness
 - Financial education workshops including eviction prevention
 - Rental application assistance and preparation

Marketing Requirements (cont'd)

- Developer will provide a report to the OCII Commission outlining its compliance with the COP Outreach Obligation prior to the initiation of any tenant selection process

Parking – Approved Development Program/Schematic Design

- One parking facility serves the entire development site (tower, 2 podium buildings, and townhomes)
 - Underground garage accessed from Clementina Street
- RFP required **1 space : 4 residential units** for the OCII subsidized affordable housing units
 - 20 dedicated spaces for the 80 OCII sponsored affordable units
- Limited parking at Project is in line with San Francisco's transit first policy
- Site located in the Transbay district which is rich with transit options and amenities

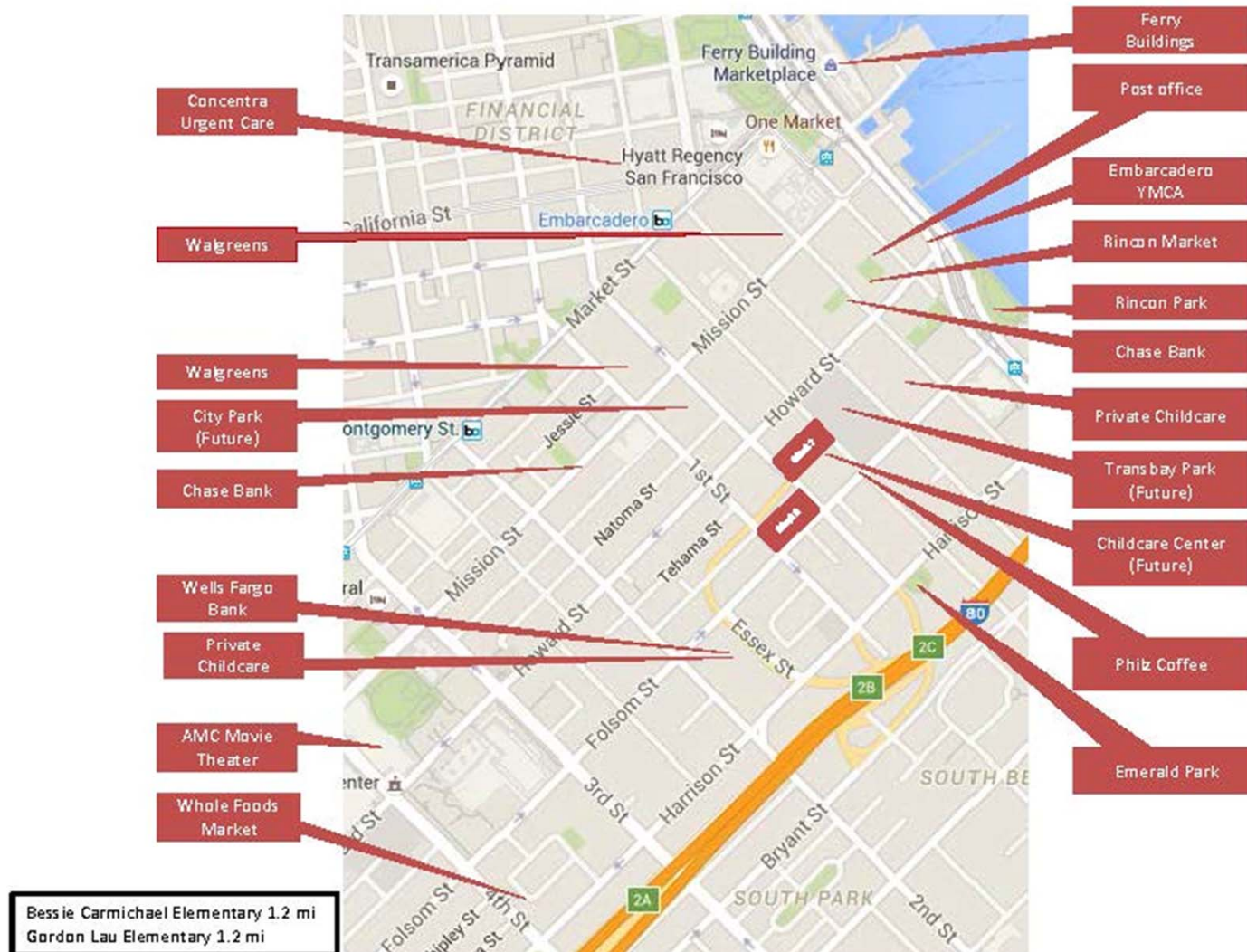
Transit Options



Block 8 On-Site Retail Amenities

- **Site includes approximately 17,000 s.f. of retail space**
 - DDA obligated Related to pursue a grocery store as one of the retail tenants
 - 12,500 s.f. reserved for grocery store
 - Related has not yet secured a grocery store tenant
- **5,000 additional s.f. for other neighborhood serving retail**

Other Nearby Amenities



Air Rights Lease

- Allows the Sponsor to develop the Project within the air rights parcel
- OCII retains ownership of air rights parcel through construction
- At Completion, parcel, lease, & OCII gap loan transfer to City (Mayor's Office of Housing and Community Development ["MOHCD"])

TERMS:

- 99 year term: Initial term = 75 years; Option = 24 years
- Rent based on 10% of Fair Market Value:
- \$15K "Base Rent" due annually
- Up to \$742k due on residual basis only if cash flow available
- Applies restrictions similar to Gap Loan: affordability, contracting policies, and marketing requirements

Small Business Enterprise

Professional Services Consultants

- 57% SBE (28% San Francisco SBEs)
- 18% MBE (all San Francisco firms)
- 9% WBE (Fougeron Architecture, podium designer, is a WBE)



Small Business Enterprise (cont'd)

Biographical Info on Key Consultants

- **Architect: Fougeron Architecture**
 - San Francisco firm established in 1989
- **Architect: Y.A. STUDIO**
 - San Francisco firm established in 2003

Community Support

- The Transbay Citizens Advisory Committee approved the Schematic Design of the entire Block 8 development, including the OCII sponsored affordable project, at its April 9, 2015 meeting, and it continues to support the project design

Block 8 Affordable Project Renderings



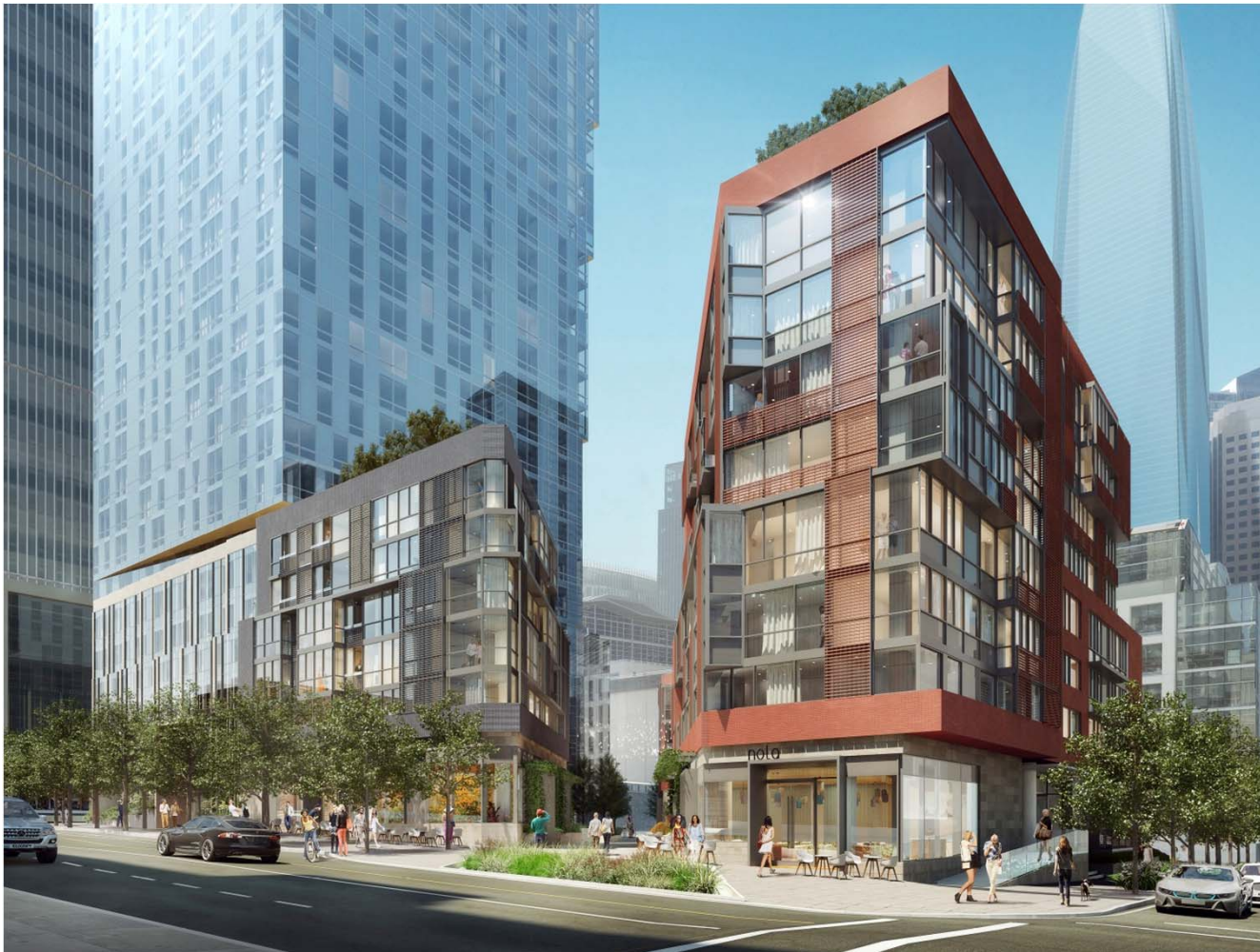
EASTERN FAÇADE ALONG FREMONT STREET

Block 8 Affordable Project Renderings



NORTHEAST VIEW FROM FOLSOM STREET

Block 8 Affordable Project Renderings



NORTHWEST VIEW FROM FOLSOM STREET

Block 8 Affordable Project Renderings



SOUTHEAST VIEW FROM CLEMENTINA DOWN THE MID-BLOCK PASEO

Block 8 Affordable Project Renderings



Upcoming Schedule

- May 2016 – S.F. Board of Supervisors approves Affordable Project land (air rights) disposition & bond issuance
- June 2016 – Block 8 construction start
- July 2016 – Marketing Plan submission
- September 2018 – Anticipated construction completion of Affordable Project

QUESTIONS AND ANSWERS

