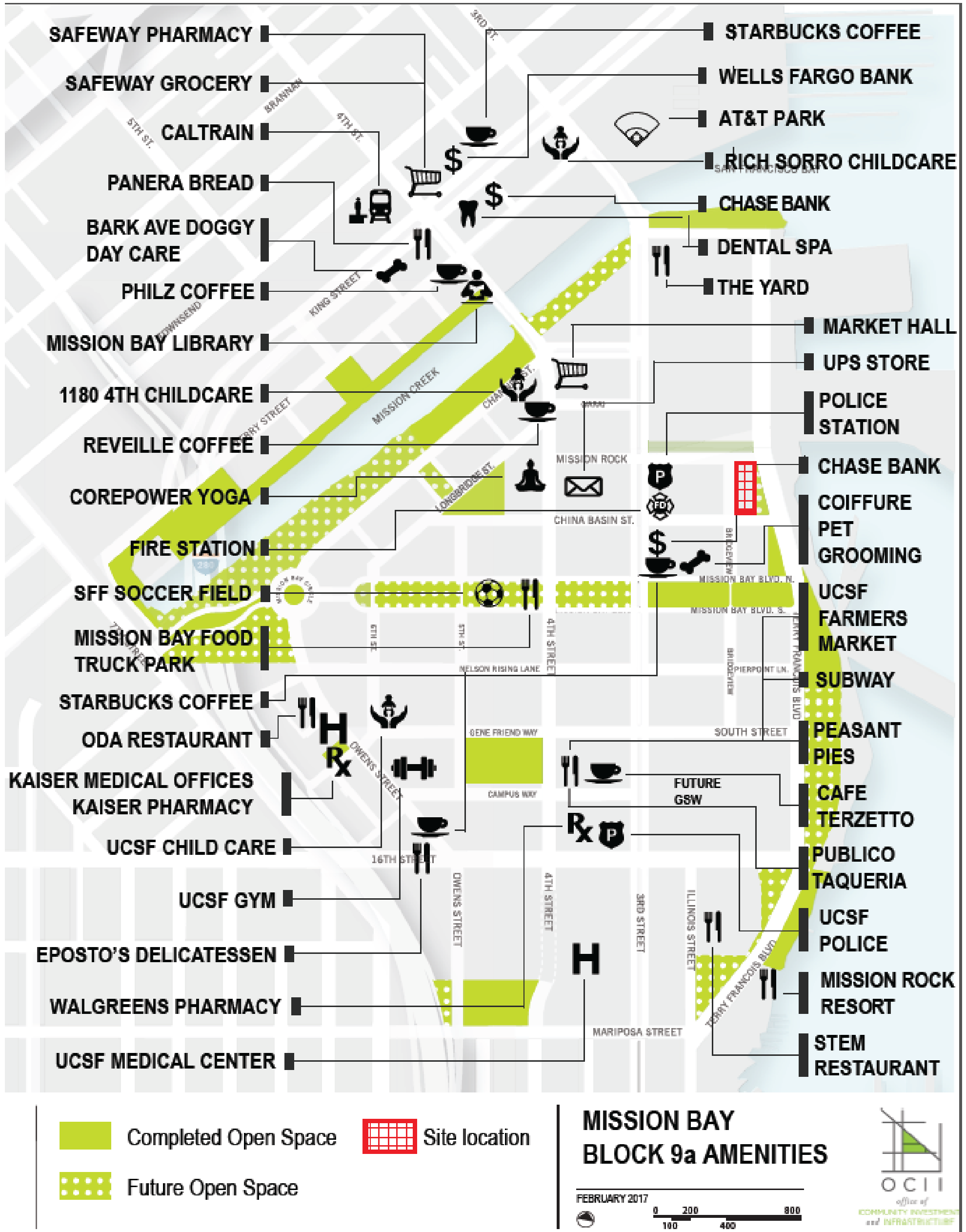
# Authorizing an Amended and Restated Housing Loan Agreement and a Disposition and Development Agreement for 400 China Basin Street

**April 19, 2022**

OCII

# Site Location & Transit

# Site Amenities



# General Background

- 1998: Mission Bay North and South Redevelopment Plans and Owner Participation Agreements (“OPAs”)
  - 6,514 residential units, 1,918 or approximately 29% affordable
  - MBN: 700 affordable units complete
  - MBS: 612 affordable units complete, 606 planned or under construction
  - Block 9a is identified as an affordable housing site

# Project Background and Community Outreach

- **April & May 2019**: Presented the RFP to MB CAC & OCII issued RFP
- **October 2019**: Developer team recommended to the Mission Bay CAC
- **April 2020**: Commission Approved Predevelopment Loan Agreement and ENA
- **August 2020** – CAC members provided feedback for 50% SDs
- **January & February 2021**: Presented 100% Basic Concept/Schematic Design to the CAC & Commission approved
- **December 2021**: Commission approved a First Amendment to the Mission Bay South Loan Agreement

# Development Program

| | |
|---|---|
| **Number of units** | 148 |
| **AMI Restrictions** | 80-110% AMI (4p hh 2021 AMIs: $106,550 - $146,500) |
| **Unit sizes** | • 50 – 1 bds: averaging 525 SF*<br>• 63 – 2 bds: averaging 825 SF*<br>• 35 – 3 bds: averaging 1,050 SF*<br>*Paint to paint sf calculation. |
| **Parking** | 0.23:1 ratio per unit (34 car spaces)<br>76 spaces for bikes |
| **Amenities** | • Community room<br>• Outdoor courtyard and roof deck<br>• Business Center<br>• In-unit washer & dryers |

# Parking Allocation

- Reviewed the allocation process with MOHCD staff to assess the effects of lottery rank order on priority populations and large households
- Looked at 4 OCII recent developments with parking spaces.
  - All COP holders who wanted parking received a space.
  - 72% of the parking spaces went to households in two- or three-bedroom units.
  - One-bedroom units represented 44% of the available units and only 28% of the share of parking spaces.
  - AMI levels much lower than those at the Project; unsure about demand for leased spaces.
- Recommendation: Continue offering parking spaces in lottery rank order, consistent with MOHCD policy and practice

# Limited Equity Program

- All units will be sold under the Limited Equity Program (LEP) to ensure long term affordability.
- Pricing is determined based on area median income vs. market values.
- At resale the price will be set based on the original affordability level and not current market value.
- Equity is based on the change in the area median income levels over time plus capital improvements made by the homeowner.

# Loan Agreement and DDA

- Total development cost: $135,145,636
  - $75,184,522 – OCII Loan (today's request)
  - $55,717,121 – Sales Proceeds
  - $4,242,993 – Infill & Infrastructure State funding

- Exclusive Negotiations Agreement – approved in April 2020.
- Disposition and Development Agreement – will allow the Developer to construct and sell the homeownership units.
- Includes various milestones and requirements the Developer needs to adhere to.

# Occupancy Preferences

- **Preferences Order**:
  1. Certificate of Preference holders
  2. Displaced Tenant Preference Program (20% of units)
  3. Neighborhood Resident Housing Preference (25% of units)
  4. San Francisco Residents or Workers
  5. Members of the General Public

# Marketing & Outreach Process

- **Early Outreach Plan 30 days after construction start**
  - MOU with housing counseling agency with an emphasis on homeownership readiness
  - Certificate Of Preference holders
- **Marketing Plan 12 months prior to TCO**
  - Application, lottery dates
  - Advertising, community meetings, and open houses
  - Strategies to target qualified income buyers

# Equal Opportunity Program

- Professional services contracts:
  - 71.6% - Small Business Enterprise
  - 67% - San Francisco Small Business Enterprise
  - 51.8% - Minority-Owned Business Enterprise
  - 2.7% - Woman-Owned Business Enterprise
  - 3.8% - Minority Women-Owned Business Enterprise
- Workforce and Contracting Action Plan Consultant
  - Ms. Wilson will work with Baines Nibbi general contractors joint venture to ensure maximum exposure to LBE/SBE/MBE/BIPOC subcontractors.
  - Goal – 50% participation.

# Project Schedule

- **April 2022:** Permanent Loan and DDA approval
- **May 2022:** Close construction loan
- **June 2022:** Start construction
- **30-days after construction start:** Submission of Early Outreach Plan
- **Spring 2024:** Construction complete

# Questions & Answers

*You are watching a Live meeting of the Commission on Community Investment and Infrastructure*

## PUBLIC COMMENT CALL-IN:

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Press #, then press # again

- Press *3 to submit your request to speak
- Wait for your line to be unmuted
- You will have 3 minutes to provide a comment

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