OCII
office of
COMMUNITY INVESTMENT
and INFRASTRUCTURE

118-0112023-002

Agenda Item **Nos. 5(c - d)**
Meeting of May 2, 2023

MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Thor Kaslofsky, Executive Director

SUBJECT: Authorizing the commitment of permanent gap loan funds in an amount of $46,260,000 to Transbay 2 Senior LP, a California limited partnership, for the development of 151 affordable senior rental housing units (including one manager's unit) at Transbay Block 2 West; Providing notice that this action is within the scope of the Transbay Redevelopment Project approved under the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project Final Environmental Impact Statement/Environmental Impact Report ("Final EIS/EIR"), a Program EIR, and is adequately described therein for purposes of the California Environmental Quality Act ("CEQA"); and adopting environmental findings pursuant to CEQA; Transbay Redevelopment Project Area

Authorizing a First Amendment to the predevelopment Loan Agreement with Transbay 2 Senior LP, a California limited partnership, to increase the loan amount by $3,086,119, for a total aggregate loan amount of $6,586,119 for the development of 151 affordable senior rental housing units (including one manager's unit) and commercial space at Transbay Block 2 West; Providing notice that this action is within the scope of the Transbay Redevelopment Project approved under the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project Final Environmental Impact Statement/Environmental Impact Report ("Final EIS/EIR"), a Program EIR, and is adequately described therein for purposes of the California Environmental Quality Act ("CEQA"); and adopting environmental findings pursuant to CEQA; Transbay Redevelopment Project Area

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EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure or "OCII") is completing the enforceable obligations of the former Redevelopment Agency of the City and County of San Francisco ("Former Agency") in the Transbay Redevelopment Project Area ("Project Area"). These include implementing the Redevelopment Plan for the Transbay Redevelopment Project Area ("Redevelopment Plan"), acquiring and facilitating the development of the former Transbay Temporary Terminal site, and ensuring that at least 35% of all new housing in the Project Area is permanently affordable. To meet the Project Area affordability requirement, 100% of residential units on Transbay Block 2 ("Block 2" or the "Site"), except for on-site manager's units, will be affordable. In addition to complying with the Project Area affordability requirement, the planned units on Block 2 will contribute significantly toward Mayor Breed's goal of increasing affordable housing in the City.

Chinatown Community Development Center ("CCDC" or the "Developer") is collaborating with Mercy Housing California ("Mercy") (together, Mercy and CCDC are the "Block 2 Co-Developers") to develop the Site with two mixed-use affordable housing projects. CCDC is the lead developer and long-term owner/operator of a proposed mixed-use building serving seniors and formerly homeless seniors on the western half of the Site (the "Project"). Mercy is overseeing Site-wide coordination and is the lead developer and long-term owner/operator of a proposed mixed-use residential building serving families and formerly homeless families on the eastern half of the Site (the "Family Project").

CCDC is now pursuing financing for the Project with the objective of starting construction by February 2024. To be competitive in an upcoming application for Low-Income Housing Tax Credits ("LIHTC") and a tax-exempt bond allocation from the California Debt Limit Allocation Committee ("CDLAC"), CCDC must provide evidence of local funds and thus is requesting that the Commission authorize the commitment of available OCII residential gap funds to the Project.

In addition, CCDC is seeking an amendment (the "First Amendment") to the existing predevelopment Loan Agreement between OCII and Transbay 2 Senior, L.P, an affiliate of the Developer, dated April 6, 2021 (the "Loan Agreement") to add approximately $3.1M in predevelopment loan funds to bring the total loan amount to approximately $6.6M, incorporate an updated development schedule and loan conditions, provide for an extension to the Maturity Date to be approved at the discretion of the Executive Director, and incorporate other minor revisions.

Staff recommends that the Commission authorize the commitment of OCII gap loan funds to the Project, approve the First Amendment to the Loan Agreement, and adopt environmental review findings pursuant to CEQA.

BACKGROUND

Transbay Redevelopment Project Area

The Board of Supervisors established the Project Area and approved the Redevelopment Plan by Ordinances No. 124-05 (June 21, 2005) and No. 99-06 (May 9, 2006), as amended by Ordinances No. 84-15, (June 18, 2015) and No. 62-16 (April 28, 2016). The Redevelopment Plan establishes the land use controls for the Project Area, and divides the Project Area into two sub-areas:

- Zone One in which the Redevelopment Plan and Development Controls define the development standards, and
- Zone Two in which the San Francisco Planning Code applies.

A major focus of the Project Area is to redevelop 10 acres of former highway access ramp properties previously owned by the State of California (the “State-Owned Parcels”) to generate funding for the Transbay Joint Powers Authority (“TJPA”) to construct what is now the Salesforce Transit Center (the “Transit Center”). OCII’s role is to complete the enforceable obligations that the State Department of Finance has finally and conclusively approved under Redevelopment Dissolution Law. These enforceable obligations include the Implementation Agreement between TJPA and the Former Agency, which requires OCII to facilitate the sale and development of certain State-Owned Parcels to third parties, to implement the Redevelopment Plan, and to comply with California Assembly Bill 812, codified in Section 5027.1 of the California Public Resources Code (“AB 812”). AB 812 requires that 35% of all new or rehabilitated residential units in the Project Area be affordable to low- and moderate-income households (the “Transbay Affordable Housing Obligation”).

Within the Project Area, a total of 2,666 residential units have been completed, 28% of which are affordable. Based on overall Project Area construction to date and the inclusion of the Project and the Family Project, the Project Area affordability is projected to be approximately 36%. However, this percentage may fluctuate over time as additional housing projects are proposed within Zone Two.

Block 2 is a formerly State-Owned Parcel located within Zone One of the Project Area. OCII acquired, by Resolution No. 23-2020 (August 18, 2020), the former Temporary Terminal site from the TJPA in January 2021.

Block 2 Background

In June 2020, OCII issued a request for proposals seeking a team to develop, own, and operate mixed-use affordable rental family and senior housing units, including units set-aside for formerly homeless households, on Block 2. Based on the results of an interdisciplinary evaluation panel, OCII staff recommended the team led by Mercy and CCDC. According to the proposal, Mercy would be owner and property manager of the Family Project on the eastern half of the Site, with supportive services provided by Episcopal Community Services, and CCDC would be owner, property manager and services provider of the Project.

On April 6, 2021, by Resolution 09-2021, the Commission authorized the Executive Director to enter into an Exclusive Negotiations Agreement (“ENA”) with the Block 2 Co-Developers as well as two Predevelopment Loan Agreements to fund predevelopment activities, one for the Project and a separate one for the Family Project. Development roles and responsibilities between the Block 2 Co-Developers are described in a Joint Development Agreement provided to the Commission on April 6, 2021 when the ENA was approved.

On November 1, 2022, by Resolution No. 44-2022, the Commission approved schematic designs for the Project and Family Project and took related actions to entitle the Project including making CEQA findings and approving amendments to the Redevelopment Plan and Development Controls and Design Guidelines. The Plan Amendment was subsequently approved by the Board of Supervisors (Ordinance No. 009-23, January 24, 2023).

Project Description

The Project is comprised of 151 total residential rental units, including one unrestricted manager's unit, and 150 units restricted for affordability to households with incomes ranging from 15% to 50% of the Area Median Income ("AMI") as published annually by the Mayor's Office of Housing and Community Development. The Project will include 30 units set-aside for formerly homeless households, which will be supported through an operating subsidy through the City's Local Operating Subsidy Program ("LOSP"), and 60 units serving seniors with extremely low incomes supported by the City's Senior Operating Subsidy ("SOS") program. Along with the residential units, the Project includes resident amenity spaces, public and private open spaces, streetscape improvements, bicycle parking, and three ground floor retail spaces. A description of the Project is summarized in the table below.

2 West Project Development Program	
Residential units	151 units, including 1 manager's unit
Population served	Seniors, including 20 units set-aside for formerly homeless seniors
Income levels	• 15% AMI – 30 units (SOS*) • 25% AMI – 30 units (SOS*) • 30% AMI – 24 units • 50% AMI – 66 units (including 30 LOSP)
Unit types/sizes	• Studio: 39 (26%), avg. 410 sf • One-bed: 111 (74%), avg. 541 sf • Two-bed: 1 mgr's unit, 982 sf
Commercial space	• 2,945 sf retail in 3 spaces with room for adjacent outdoor seating • Leasable vendor cart pad in the mid-block pedestrian mews with utility lines and nearby public seating
Resident amenity/open spaces	• Ground floor lounge and adjacent courtyard terrace • Ground floor multi-purpose room • Roof deck open space • Community room with kitchen • Two laundry rooms
Public open space	• 25' central pedestrian mews with landscaping and public seating • Approximately 1,690 sf courtyard with seating and activities, open to the public for daytime use (closed for security purposes during certain evening/night hours)
Streetscape improvements	Sidewalks and bulb-outs, street trees and other plantings, public seating, streetlights, and bicycle racks
Parking	• No vehicular parking • 12 Class I secured bicycle spaces

**SOS units will be restricted at 60% MOHCD AMI, consistent with the draft SOS Program Fund Policies and Procedures Manual, however the units will be marketed to households at 15/25% MOHCD AMI (prospective tenants will income qualify and pay their rent at the 15/25% AMI levels).*

DISCUSSION

Financing Plan and Structure

The Developer expects that the Project will be financed using sources typical to OCII-sponsored affordable housing projects, including 4% LIHTC, a tax-exempt bond allocation for the construction loan from CDLAC, and a grant from the State of California Infill Infrastructure Grant ("IIG") program. A permanent loan from OCII will be sized to fill the gap between funding from other sources and the cost to complete the Project (the "OCII Gap Loan"). Estimates of permanent residential funding sources are summarized as follows:

Funding Source	Amount
OCII Gap Loan	$62,428,902
Accrued deferred interest	$807,860
Tax credit equity	$59,847,539
IIG	$6,008,973
General partner equity	$500,100
Total	**$129,593,374**

Beginning in 2020, CDLAC started allocating tax-exempt bonds for affordable housing projects on a competitive basis, and this financing has been highly oversubscribed in every financing application round. Based on current program regulations, the Project and other San Francisco projects face scoring disadvantages as larger scale, higher cost urban infill developments.

To optimize the Project financing structure to compete for this critical source, OCII is pursuing a structure in which certain Project costs are removed from the residential tax credit project and funded separately by OCII. This improves the likelihood of securing an allocation by reducing the cost per unit (a key scoring factor) and reducing the total amount of the bond allocation. This structure is as follows:

1. LIHTC residential project – the OCII Gap Loan estimated at approximately $62M will fund construction of the residential units, residential amenities, and other related improvements. The OCII Gap Loan will follow standard terms and conditions for OCII affordable projects.
2. Commercial project – OCII will fund a loan to construct the three retail spaces to a warm shell condition ("Commercial Space Loan"). The loan is estimated at $2.5M.

Along with the two Project loans discussed above (OCII Gap Loan and the Commercial Space Loan) and, OCII anticipates funding a separate Site improvement loan to fund costs to prepare the Site for construction, including demolition of an existing building (formerly used as a temporary Greyhound bus terminal), tree removal, archeological trenching, and relocation and removal of existing utilities. This loan would be issued to an affiliate of Mercy, serving in its role to lead overall Site coordination. OCII staff anticipates seeking Loan Committee and Commission approval of this loan, as well as a residential gap loan and commercial loan for the Family Project in summer 2023. To further defray costs from both the Project and the Family Project, OCII's Transbay Block 3 Park project will construct adjacent infrastructure improvements between Blocks 2 and 3, including the Clementina Street extension and the new signalized crossing at the future intersection Beale and Clementina Streets.

The proposed financing structure is described in further detail in the loan evaluation, approved by the Citywide Affordable Housing Loan Committee ("Loan Committee") on April 7, 2023 (see Attachment 4).

Partial Gap Loan Commitment

In preparation for its upcoming LIHTC/CDLAC application (due on May 23, 2023), the Developer is seeking a commitment from the Commission for the OCII Gap Loan. This commitment is necessary to demonstrate that the Developer has secured local funds, an important scoring metric for the application. The form of the requested authorization for the Project, a commitment resolution, is an adjustment from OCII's typical procedures for evidencing a gap commitment and is in response to rule changes from CDLAC. In the years since CDLAC has become competitive, OCII staff has typically sought Commission approval of a full amended and restated loan agreement for the gap loan prior to the application. In this case, OCII staff recommends approval of the resolution and will return to Commission to seek approval of an amended and restated loan agreement for the Project in fall 2023, following confirmation of a CDLAC award if the Project's application is successful, for the following reasons:

1. **Availability of funds:** while the total amount of funds requested by the Developer (including both the OCII Gap Loan and commercial loan) are within the amount of funds allotted to the Project in the Recognized Obligation Payment Schedule ("ROPS") approved by the Oversight Board by Resolution No. 02-2023 (January 25, 2023) for the period of July 1, 2023 through June 30, 2024 ("FY 23-24"), OCII does not yet have the full amount of funds in hand and will soon issue a new money tax allocation bond issuance to secure the balance (issuance of the bond was approved by the Oversight Board on April 7, 2023 by Resolution No. 03-2023). OCII currently has funds in hand in an amount consistent with the funds allotted to the Project in the ROPS for the period of July 1, 2022 through June 30, 2023, for an amount of $46,260,000. The requested resolution commits funds in an amount consistent with these funds in hand (which is adequate for scoring). The future request for an amended and restated loan agreement will reflect an increased OCII Gap Loan, consistent with the ROPS for FY 23-24.

2. **Financing details:** the commitment of funds for CDLAC/TCAC application purposes with a future approval of the full loan agreement is beneficial in that presenting the full loan agreement later in the predevelopment period once funding has been secured will allow OCII staff to incorporate more complete financing detail and a confirmed schedule into the document prior to the Commission's authorization. Should the Project need to apply multiple times to secure financing, there are likely to be deal changes to adjust to new cost estimates and/or restructure the deal to improve scoring prospects. A later agreement approval will allow for such changes to be addressed and incorporated prior to requested approval.

The Developer and its financial consultant have confirmed that the resolution and an accompanying letter from the Executive Director are sufficient for CDLAC/TCAC application scoring purposes.

Predevelopment Loan Amendment

As noted above, OCII entered into a Loan Agreement with the Developer for predevelopment funding in an amount of up to $3.5M in April 2021 (the "Original Loan"). To date, the Developer has drawn approximately $1.5M in Original Loan funds to pay Project costs primarily related to the building design. The Developer expects to expend the remaining Original Loan funds to further the Project design through construction documents, pay professional consultants and legal expenses, and fund the balance of the predevelopment developer fee.

The Developer expects to incur predevelopment costs that exceed the remaining balance of the Original Loan and is requesting a First Amendment to the Loan Agreement to add $3,086,119, for a total predevelopment loan amount of $6,586,119, see summary below.

Original Loan	**$3,500,000**
Original Loan drawn to date	$1,542,914
Original Loan remaining balance	$1,957,086
Additional Loan funds	**$3,086,119**
Professional design work by construction subcontractors – design/build*	$1,912,700
Preliminary archaeological testing and report preparation	$112,200
City fees for construction permits (payable at the issuance of the first addendum to the site permit)	$400,000
Other professional contracts	$256,219
Contingency	$405,000
Total	**$6,586,119**

** Scopes of work including mechanical, electrical, plumbing, and fire. Procuring these subcontractors for contracts that include both design and build services was recommended by the general contractor to improve efficiency during the construction period, allowing coordination amongst these trades to occur while designs are still under development and improving the accuracy of construction drawings.*

In addition to increasing the loan amount, the First Amendment would amend the following provisions:

1. **Maturity Date:** under the Loan Agreement, the Maturity Date is three years from the agreement date which is April 6, 2024. The First Amendment incorporates a provision to allow for extension of the Maturity Date for up to nine months at the discretion of the Executive Director to allow the Developer, to reapply in two additional competitive LIHTC/CDLAC application rounds should the Project not be awarded funds in its first application in May 2023.
2. **Updated Loan Conditions:** conditions are updated to reflect development progress to date. Existing conditions that have been fulfilled are removed, and conditions are added or revised to address remaining programmatic and financing issues. The updated conditions were included in the evaluation approved by Loan Committee on April 7, 2023. The evaluation also includes an analysis of progress against existing conditions.
3. **Revised schedule of performance:** the schedule is updated to reflect development progress to date including design and permit submittals and to reflect the current financing schedules based on application dates from relevant state agencies.
4. **Revised predevelopment budget:** the predevelopment budget is updated to include the additional loan amount and uses as described above.

As noted above, OCII staff anticipates that this Loan Agreement will be replaced by an Amended and Restated Loan Agreement that provides for the OCII Gap Loan as well as a commercial loan agreement.

COMMUNITY OUTREACH

The Transbay Citizens Advisory Committee ("CAC") has received regular status reports on predevelopment activities on Block 2 since the RFP issuance in 2020. In August 2022, OCII staff along with the Block 2 Co-Developers presented an informational overview of the Project, focused on the housing and retail programs as well as resident transportation strategies. On September 8, 2022, the Transbay CAC voted unanimously to recommend that the Commission approve the schematic design documents for the Project and Family Project and related approvals.

In addition to the Transbay CAC and public hearings, the Block 2 Co-Developers have presented the Project at meetings of the East Cut Community Benefits District and IDEATE (a local resident group), and have been in communication with residents of Natalie Gubb Commons and with the South Beach/Rincon Hill Neighborhood Association. The Block 2 Co-Developers will continue community outreach as the Project progresses.

EQUAL OPPORTUNITY PROGRAM AND COMPLIANCE WITH OCII POLICIES

The Developer is required to comply with OCII's Nondiscrimination in Contracts, Minimum Compensation and Health Care Accountability policies and will work closely with OCII Contract Compliance staff to meet OCII's Small Business Enterprise ("SBE") Program goals on the Project. The Project is exceeding OCII's 50% SBE participation goal for professional services contracts. To date, the Project has achieved 88.9% SBE participation. Of the total awards, 84.3% went to San Francisco-based SBEs, 10.4% to Minority-owned Business Enterprises and 66.8% to Women-owned Business Enterprises.

The Developer has selected Swinerton Builders and Rubecon Builders (a minority-owned San Francisco-based SBE) joint venture as the general contractor for the Project. During the construction phase, the Developer is committed to complying with OCII's requirements and goals which includes the 50% SBE construction subcontracting participation goal, payment of prevailing wages and the 50% local construction workforce hiring goal.

Please see Attachment 2 for the SBE Consultant Summary and Attachment 3 for the biographies of select participating SBE firms.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

On June 15, 2004, the Board of Supervisors affirmed, by Motion No. 04-67, the certification under CEQA of the Final Environmental Impact Statement/Environmental Impact Report for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project ("FEIS/EIR"). Subsequently, the Board of Supervisors adopted, by Resolution No. 612-04 (October 7, 2004), findings that various actions related to the Project complied with CEQA and the Former Agency Commission adopted, by Resolution No. 11-2005 (January 25, 2005), findings and a statement of overriding considerations and mitigation and monitoring program adopted in accordance with CEQA. Subsequent to the adoption of the FEIS/EIR, the Former Agency Commission or Commission have approved and incorporated ten addenda into the analysis of the FEIS/EIR. The tenth addendum to the FEIS/EIR, adopted by Resolution No. 39-2022 (November 1, 20220, specifically analyzed the environmental effects of the Project and the Family Project.

Commission authorization of an OCII Gap Loan commitment and First Amendment to the Loan Agreement facilitate the development of the Project are within the scope of the Project analyzed in the FEIS/EIR and its subsequent addenda, and thus require no additional environmental review pursuant to CEQA Guidelines Sections 15180, 15162, 15163, and 15164 for the following reasons:

1. Implementation of the commitment and First Amendment does not require major revisions to the FEIS/EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant impacts; and
2. No substantial changes have occurred with respect to the circumstances under which the project analyzed in the FEIS/EIR will be undertaken that would require major revisions to the FEIS/EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of effects identified in the FEIS/EIR; and
3. No new information of substantial importance to the project analyzed in the FEIS/EIR has become available which would indicate that (i) implementation of the First Amendment to the Loan Agreement will have significant effects not discussed in the FEIS/EIR; (ii) significant environmental effects will be substantially more severe; (iii) mitigation measures or alternatives found not feasible, which would reduce one or more significant effects, have become feasible; or (iv) mitigation measures or alternatives, which are considerably different from those in the FEIS/EIR will substantially reduce on or more significant effects on the environment that would change the conclusions set forth in the FEIS/EIR.

STAFF RECOMMENDATION AND NEXT STEPS

OCII staff recommends that the Commission authorize the commitment of residential OCII Gap Loan funds to the Project approve the First Amendment to the Loan Agreement. The Developer will submit a LIHTC/CDLAC application in May 2023 and will apply for IIG funds in June 2023.

The Developer will return to the Commission in late summer or fall 2023 to seek authorization of an amended and restated loan agreement and approval of a residential ground lease, as well as a commercial loan agreement and commercial ground lease. If the May 2023 funding application is successful, construction will start by February 2024 and complete in early 2026.

(Originated by Kim Obstfeld, Senior Development Specialist)

DocuSigned by:
Thor Kaslofsky
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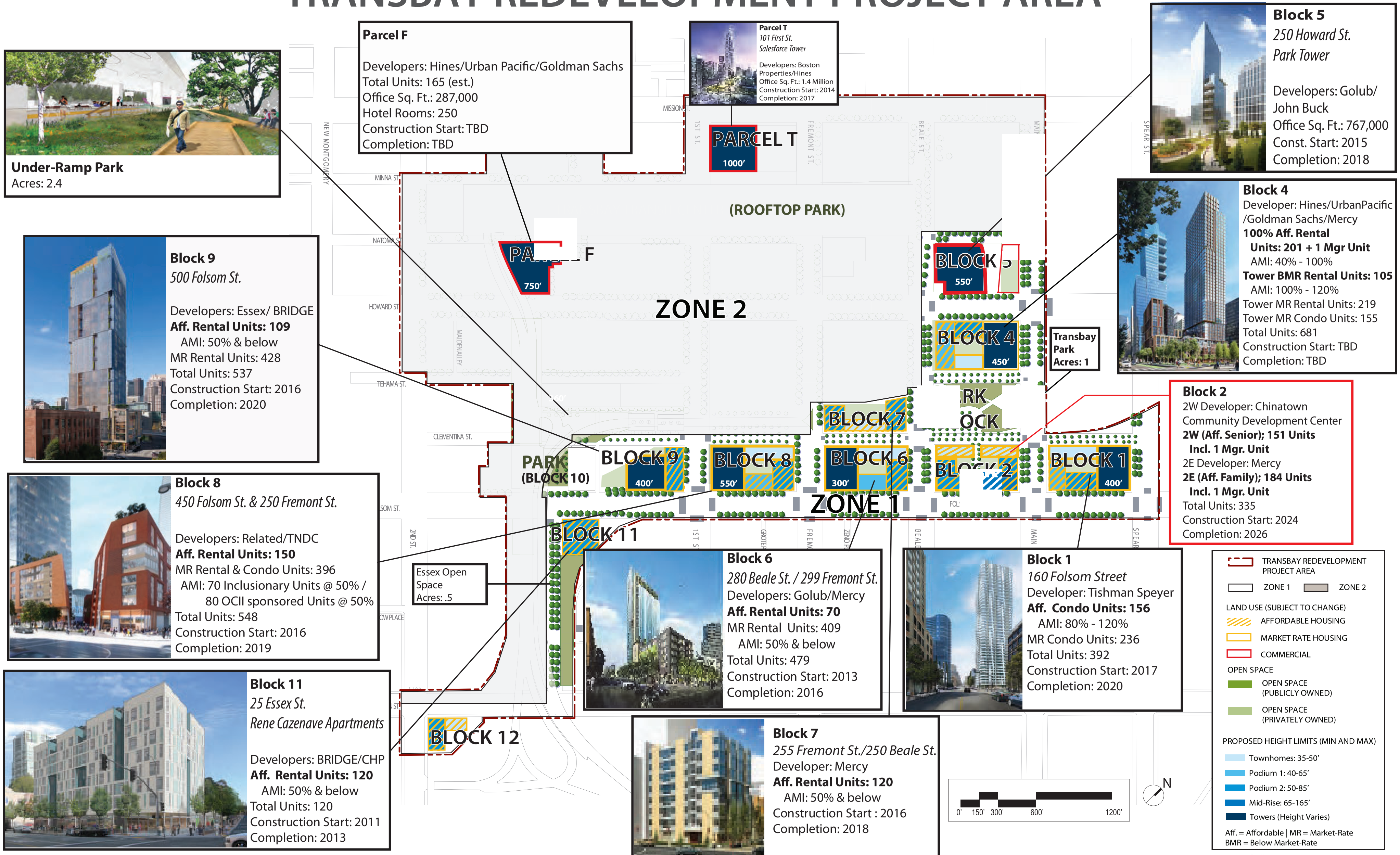
Thor Kaslofsky
Executive Director

Attachment 1: Map of Transbay Project Area
Attachment 2: SBE Consultant Summary for the 2 West Project
Attachment 3: SBE Biographies
Attachment 4: Citywide Affordable Housing Loan Committee Loan Evaluation dated April 7, 2023

ATTACHMENT 1: Map of Transbay Project Area

TRANSBAY REDEVELOPMENT PROJECT AREA



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10/14/2022

ATTACHMENT 2

Transbay Block 2 West

SBE Professional Consultant Summary

Consultant	Discipline	Fee	SBE	SF-SBE	MBE	M/WBE	WBE	Ethnicity **
					For Informational Purposes Only			
Mithun with Kerman Morris	Architectural (Prime & Associate) *	$ 2,497,000	$ 2,497,000	$ 2,497,000			$ 2,497,000	
Luk & Associates	Civil	$ 71,000	$ 71,000			$ 71,000		Asian
Regent Construction Management	Construction Manager	$ 148,638	$ 148,638	$ 148,638	$ 148,638			Latinx
Plural	Landscape	$ 162,664	$ 162,664	$ 162,664			$ 162,664	
OLMM	Structural	$ 32,928	$ 32,928	$ 32,928	$ 32,928			SE Asian
DCI	Structural (Prime)	$ 145,072						
Engineering 350	Mech/Plumbing/Fire	$ 187,400	$ 187,400	$ 187,400				
Highline Consulting	Exterior Building Maintenance	$ 41,000	$ 41,000					
Tucci	Lighting	$ 70,665	$ 70,665	$ 70,665			$ 70,665	
CSDA Design Group	Acoustic Consultant	$ 28,350	$ 28,350					
4EA	Waterproofing	$ 59,900						
JDH Corrosion Consultants	Corrosive Soils	$ 12,750						
AR Green Consulting	Green Consultant / Energy Modeling	$ 37,205	$ 37,205	$ 37,205		$ 37,205		Latinx
California Housing Partnership	Financial	$ 90,000						
PaleoWest LLC	Archaeology	$ 8,655						
Martin Ron Associates Inc.	Surveyor	$ 15,720	$ 15,720					
AEW Engineering	Environmental	$ 19,150	$ 19,150	$ 19,150	$ 19,150			Asian
Langan/DIVIS	Geotech	$ 162,800	$ 162,800	$ 162,800				
Newport Realty Advisors	Market Study	$ 7,500	$ 7,500	$ 7,500	$ 7,500			Latinx
American Trash Management	Trash	$ 10,000						
Urban Design Consulting Engineers	Jt. Trench Consultant	$ 111,255	$ 111,255	$ 111,255	$ 111,255			Asian
Dale Durrett Consulting	Permit Expeditor	$ 127,250						
AGDI	3rd Party Ground Improvement Review	$ 32,500	$ 32,500					
Tree Management Experts	Arborist	$ 8,160	$ 8,160	$ 8,160				
	Total	**$ 4,087,562**	**$ 3,633,935**	**$ 3,445,365**	**$ 319,471**	**$ 108,205**	**$ 2,730,329**	
	% of Total Fees		**88.9%**	**84.3%**	**7.8%**	**2.6%**	**66.8%**	

* Full SBE credit is granted to joint ventures and associations where the SBE partner performs at least 35% of the joint venture or association agreement.

** Ethnicity and/or gender data were gathered from third-party sources and presented for informational purposes only. Such data have not been verified.

ATTACHMENT 3: SBE Consultant Biographies

Kerman Morris Architects LLP (Associate Architect)

Established in 1994, Kerman Morris Architects is a small, woman-owned business recognized by the City and County of San Francisco as a Green Business. The firm brings a deep commitment to excellence in design and creating responsive, well-crafted places for living and working. Our practice specializes in a range of residential developments, including infill housing, affordable housing, custom homes, and mixed-use projects as well as developing projects themselves.

Plural (Landscape Architect)

Plural co-founders Carrie, Scott, and Haley built a friendship founded on mutual respect and an appreciation of each other's design approaches, values, and commitment to building great places. After collaborating for many years we came together in 2019 to form Plural, a Women-Owned San Francisco Local Business Enterprise & Micro Local Business Enterprise. Respect and delight guide our practice. We respect the diverse cultures, communities, and environments in which we work and the ideas and the contributions of our many collaborators. We bring delight to our process, to our designs, and to the people who experience them. Plural's body of work comprises over twenty years of experience on a variety of landscape types. We believe great places require many different people working together to envision, to build, and to steward them. And great places welcome everyone.

AR Green Consulting (Sustainability)

AR Green Consulting is a certified small, woman-owned, local business in San Francisco founded by Adhamina Rodriguez in 2015. AR Green specializes in green building consulting, certification, and training, and is a recognized Innovator Green Business by SF Environment. Having worked on hundreds of projects, AR Green brings solid experience to the team, and a holistic approach to green buildings that anticipates gaps in scope, highlights the synergies among the different systems, and maximizes the points in the desired green building certification rating system.

OLMM (Structural Engineer)

OLMM Consulting Engineers, a local minority owned business is a reputable and award-winning structural engineering firm with offices in San Francisco and Oakland. We provide complete structural design, seismic analysis, and retrofit design services to both public and private sector clients. Firm is highly disciplined and has always prided itself in meeting schedules and bringing in projects within established budgets. Our solutions to structural challenges are not only imaginative and innovative but also practical and cost-effective. Our contributions have helped achieve LEED and Green Point certification for major projects.

Regent Construction Management LLC (Construction Manager/Owner's Representative)

This company is a minority owned business that has been in business for 27 years. I have built, managed, estimated, or consulted on a wide variety of projects throughout the Bay Area, Sacramento, Napa Valley, and parts of the Central Valley. In 2007, I established Regent Construction Management, LLC. Prior to establishing Regent, I worked for Cahill Contractors, Inc., one of San Francisco's leading and most reputable General Contractors. While at Cahill I held positions ranging from hands on Field Engineer, to Pre-Con Estimator/Project Manager and for the last 6 years I served as Sr. Project Manager, overseeing multiple teams, and earning a reputation for hands on involvement and attention to detail. Regent Construction Management incorporates into the project team and provides services necessary to keep Pre-Construction, Construction and Turn Over successfully moving forward, on schedule and budget.

Newport Realty Advisors (Market Study)

Newport Realty Advisors LLC is a Real Estate Consulting Firm providing Economic and Market Advisory Services to Financial Institutions, Public Agencies, Private Real Estate Investment Firms, Syndicators, Equity Partners, Debt Lenders, Not-For-Profit Development Firms and Market Rate Developers throughout California.

ATTACHMENT 4

Citywide Affordable Housing Loan Committee

San Francisco Mayor's Office of Housing and Community Development
Department of Homelessness and Supportive Housing
Office of Community Investment and Infrastructure
Controller's Office of Public Finance

Transbay Block 2 West

$65,011,065 Total Funding Amount

(including $3,086,119 in additional predevelopment and a $2,582,163 commercial loan)

Evaluation of Request for:	Permanent Residential Loan and Permanent Commercial Loan
Loan Committee Date:	April 7, 2023
Prepared By:	Kim Obstfeld, OCII Senior Development Specialist
MOHCD Asset Manager:	Wesley Ellison-Labat
Sources and Amounts of New Funds Recommended:	$61,511,065 Transbay Fees and Bond Proceeds
Sources and Amounts of Previous City Funds Committed:	$3,500,000 Transbay Jobs/Housing Linkage Fees
ROPS Line:	Line 413, FY 23-24
NOFA/PROGRAM/RFP:	OCII RFP
Applicant/Sponsor(s) Name:	Transbay 2 Senior LP/Chinatown Community Development Center ("CCDC")

EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	Transbay Block 2 West	Sponsor(s):	CCDC
Project Address (w/ cross St):	Western half of Transbay Block 2 (bounded by Folsom St., Beale St., the planned extension of Clementina St., and Main St.)	Ultimate Borrower Entity:	Transbay 2 Senior LP

Project Summary:

Chinatown Community Development Center ("CCDC" or the "Sponsor"), through Transbay 2 Senior LP, is requesting a total of $65,011,065 in funding for Transbay Block 2 West ("Block 2 West"). This amount includes a $62,428,902 permanent residential loan (of which $6,586,119 would be available during predevelopment, $3.5M of which has already been committed) and a $2,582,163 permanent commercial loan. Block 2 West is a planned 151-unit mixed-use affordable rental housing development serving extremely low- and low-income senior households, with 30 units set-aside to serve formerly homeless senior households, subsidized by the Local Operating Subsidy Program ("LOSP"), and 60 units serving extremely low-income seniors supported by rental subsidies from the Senior Operating Subsidy ("SOS") program.

Block 2 West will be comprised of 39 studio and 111 one-bedroom units, as well as one two-bedroom manager's unit. Units will serve senior households at income levels ranging from 15% to 50% of Area Median Income as defined by the San Francisco Mayor's Office of Housing and Community Development ("MOHCD AMI" or "AMI"). In addition to residential units and resident serving amenities, the Block 2 West development includes three ground floor retail spaces (the residential and the retail together are the "Project").

Block 2 West is being developed in coordination with Transbay Block 2 East ("Block 2 East"), a mixed-use affordable rental project serving low-income and formerly homeless families under development by Mercy Housing California ("Mercy"). CCDC and Mercy have collaborated throughout predevelopment and will continue to coordinate on design, permitting, construction logistics, and site preparation work.

The Project is expected to be financed with 4% Low Income Housing Tax Credits and a tax exempt bond, and will seek funding from the California Department of Housing and Community Development Infill Infrastructure Grant ("IIG") program. The Sponsor is seeking funding approval at this time to include an OCII commitment in its upcoming tax credit/bond allocation application in May 2023.

Project Description:

Construction Type:	Type I	Project Type:	New Construction
Number of Stories:	9	Lot Size (acres and sf):	0.49 acre / 21,313 sf
Number of Units:	151	Architect:	Mithun
Total Residential Area:	106,710 sf	General Contractor:	Swinerton
Total Commercial Area:	2,945 sf	Property Manager:	CCDC
Total Building Area:	109,655 sf	Supervisor and District:	Sup. Dorsey – District 6
Land Owner:	OCII		
Total Development Cost (TDC):	$129,593,374 (residential); $132,175,537 (residential + commercial)	Total Acquisition Cost:	N/A
TDC/unit:	$858,234 (residential); $875,336 (residential + commercial)	TDC less land cost/unit:	$858,234 (residential)

Loan Amount Requested:	$65,011,065 (residential + commercial)	Request Amount / unit:	$430,537 (residential + commercial)
HOME Funds?	No	Parking?	None

PRINCIPAL DEVELOPMENT ISSUES

- **Coordination between 2 West and 2 East.** As further discussed in Section 1.2, Mercy and CCDC were selected as co-developers under a single RFP for Transbay Blocks 2 East and West. Each developer will be the owner/operator of its respective project, however, continued coordination is required for design, permitting, and construction logistics. Block 2 East will seek financing for a forgivable site work loan from OCII in summer 2023 that will fund hard costs to prepare the full Block 2 site for development. The scope of work will include demolition of existing improvements, grading, and archeological testing. The Sponsor will need to coordinate closely with the Block 2 East sponsor to manage the schedule to ensure that work is complete on this scope to facilitate the Block 2 West construction closing timeframe. In addition, the Sponsors will need to determine and document ongoing shared maintenance responsibilities for common public spaces. See Section 1.3.2 and Condition 1.
- **Commercial Financing.** To reduce residential project costs and thus improve scoring for a tax-exempt bond allocation, the Sponsor is seeking a commercial loan separate from the residential loan to fund the cost of constructing the Project's three ground floor retail spaces. The retail spaces will be constructed within a separate air rights parcel and OCII will enter into a separate commercial ground lease and commercial loan agreement with an affiliate of the Sponsor. See Sections 4.5 and 6.5.3 and Condition 2.
- **Retail**. Successful retail is crucial to ground floor activation and meeting community needs and expectations. Mercy, through its affiliate Mercy Commercial California ("Mercy Commercial"), will be responsible for the marketing and lease-up of all retail spaces at both Block 2 West and Block 2 East. While Mercy Commercial has prepared a preliminary commercial plan and leasing strategy, no tenants have been confirmed. See Section 4.5 for further discussion and Condition 2.
- **Financing Competition.** The Sponsor will seek a tax-exempt bond allocation from CDLAC in the second round of 2023. In recent years, the bond program has been oversubscribed and thus has been and is expected to continue to be highly competitive. To the extent feasible and appropriate, the program and financing plan have been optimized to be competitive, however, the Project will likely face disadvantages as a larger scale, higher cost, urban infill project. The Sponsor will continue to closely monitor program regulations and review program elements and costs to seek ways to maximize scoring. In addition, the Sponsor will seek IIG funding in 2023. However, the timing of IIG awards (expected in December 2023) may be challenging in relation to the Project's closing schedule (expected in February 2024), particularly given delays in HCD NOFAs and awards in recent funding rounds. Thus, IIG funds may not be available as a capital source for the Project. Section 6.5 and Condition 13.
- **Archaeology.** Preliminary site studies indicate that the soil beneath the site may contain archaeological resources from the historic San Francisco Bay shoreline. The Sponsor has prepared a draft archaeological testing plan but has not yet conducted exploratory studies. Depending on the results of planned coring and trenching, the Sponsor, in collaboration with Mercy, may need to conduct more intensive studies and/or excavate portions of the site. If historically significant resources are identified, the Sponsor will be required to follow established documentation and handling procedures. Such procedures may add cost and impact schedule. See Section 2.4.1.

RESIDENTIAL SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Per Unit	Terms	Status
OCII Predevelopment Loan	$3,500,000	$23,179	3 yrs @ 3%, deferred	Committed
OCII Additional Predevelopment Loan	$3,086,119	$20,438	1 yr @ 3%, deferred	This request
Total	**$6,586,119**	**$43,617**		

Permanent Sources	Amount	Per Unit	Terms	Status
OCII Permanent Residential Loan	$62,428,902	$413,436	55 yrs @ 0-3%, residual receipts	This request
Accrued Deferred Interest	$807,860	$5,350	Deferred, residual receipts	Not committed
GP Capital	$500,100	$3,312		Not committed
Limited Partner Equity	$59,847,539	$396,341	$0.95/credit	Not committed
IIG	$6,008,973	$39,795	Grant	Not committed
Total	**$129,593,374**	**$858,234**		

Permanent Uses	Amount	Per Unit	Per SF
Acquisition	$0	$0	$0.00
Hard Costs	$99,008,758	$655,687	$902.91
Soft Costs	$27,350,147	$181,127	$249.42
Reserves	$534,369	$3,539	$4.87
Developer Fee	$2,700,100	$17,881	$24.62
Total	**$129,593,374**	**$858,234**	**$1,181.83**

COMMERCIAL SOURCES AND USES SUMMARY

Permanent Sources	Amount	Per SF	Terms	Status
OCII Permanent Commercial Loan	$2,582,163	$877	3%, residual receipts	This request
Total	**$2,582,163**	**$877**		

Permanent Uses	Amount	Per SF
Acquisition	$0	$0
Hard Costs	$1,180,235	$401
Soft Costs	$52,500	$18
Reserves	$924,428	$314
Developer Fee	$425,000	$144
Total	**$2,528,163**	**$877**

1. BACKGROUND

1.1. Project History Leading to This Request.

Blocks 2 East and West are part of the approximately 40-acre Transbay Redevelopment Project Area that was administered by the former San Francisco Redevelopment Agency ("SFRA"). Pursuant to state law, redevelopment agencies throughout the State of California were eliminated on February 1, 2012 (California Health and Safety Code Section 34161 et seq (the "Redevelopment Dissolution Law"). OCII is the Successor Agency to SFRA and is responsible for implementing SFRA's enforceable obligations. On April 15, 2013, the California Department of Finance determined "finally and conclusively" that the Transbay Implementation Agreement, Affordable Housing Program, and Tax Increment Sales Proceeds Pledge Agreement are enforceable obligations under Redevelopment Dissolution Law.

The Transbay Redevelopment Plan, established in 2005, is implemented through partnerships between OCII, the City, Transbay Joint Powers Authority ("TJPA"), Caltrans, and for-profit and non-profit developers. The Project Area is divided into two zones: Zone 1 is implemented by OCII and Zone 2 is implemented by the San Francisco Planning Department. When completed, the Transbay Redevelopment Area (including both Zone 1 and Zone 2) will include over 4,000 new residential units, a minimum of 35% of which will be affordable, office and retail space, over 9 acres of new parks, and significant transportation and streetscape improvements.

Within Zone 1, a total of 2,196 residential units have been completed (Blocks 1, 6, 7, 8, 9, and 11a), 721 of which are restricted for affordability. Additional housing units are planned on Blocks 2 East and West (the subject of this evaluation), Block 4, and Block 12. The planned affordable units on Blocks 2 East and West are essential to achieving 35% affordability in the Transbay Project Area.

Transbay Block 2, along with Blocks 3 and 4 and the future extensions of Clementina and Tehama Streets, is part of the lot formerly used as the Temporary Transbay Terminal. Transbay Terminal operations relocated to the newly constructed Salesforce Transit Center in 2019. All three development blocks are in active predevelopment, with approved schematic designs for a public park on Block 3, a mixed-use mixed-income residential project on Block 4, and the two affordable housing projects on Block 2.

1.2. Applicable NOFA/RFQ/RFP. (See Attachment E for Threshold Eligibility Requirements and Ranking Criteria)

OCII issued a Request for Proposals ("RFP") seeking teams to develop, own, and operate mixed-use affordable rental family and senior housing units, including units set-aside for formerly homeless family and senior households at Transbay Blocks 2 East and 2 West in June 2020, with proposals due in September 2020. OCII received 5 proposals, all of which were deemed complete. An evaluation panel comprised of staff from OCII, Mayor's Office of Housing and Community Development ("MOHCD"), the Department of Homelessness and Supportive Housing ("HSH"), and a member of the Transbay Citizens Advisory Committee ("CAC") recommended selection of the development team led by Mercy and CCDC.

1.3. Borrower/Grantee Profile. (See Attachment B for Borrower Org Chart; See Attachment C for Developer Resume and Attachment D for Asset Management Analysis)

1.3.1. Borrower. The borrower entity for the residential loan is Transbay 2 Senior LP. The managing general partner is CCDC Transbay 2 LLC, a subsidiary of CCDC. The borrower entity for the commercial loan has not yet been established. It will be a limited liability company affiliated with CCDC.

1.3.2. Joint Venture Partnership. CCDC will develop, own, and operate Block 2 West and will provide ongoing property management and resident services. However, CCDC will collaborate with Mercy, lead developer of Block 2 East, to ensure cohesive and complementary development of the Transbay Block 2 site as a whole. Pursuant to a Joint Development Agreement between Mercy and CCDC dated March 30, 2021 (the "JDA"), CCDC and Mercy will collaborate on building, streetscape and landscape design. Per the JDA, Mercy, through its affiliate Mercy Commercial California ("Mercy Commercial)") will take the lead in retail space planning and lease-up for both Block 2 West and Block 2 East. CCDC and Mercy Commercial will enter into a retail leasing agreement that specifies this arrangement (see Condition 2).

Mercy will also take the lead on site preparation work prior to the close of construction financing for Block 2 West. Mercy will seek a forgivable OCII loan and enter into a construction contract to conduct archeological trenching work, demolish the existing building and paving on Block 2, remove existing trees, and related work to prepare the overall block for development. Mercy anticipates seeking approval for funding for this work in early summer 2023, with work to commence in fall 2023. This work will need to be completed in time to facilitate the Block 2 West start of residential construction by February 2024. Pursuant to Condition 1, the Sponsor and Mercy will amend their JDA to reflect this arrangement or enter into a memorandum of understanding or similar document.

Pursuant to Condition 1, Mercy and CCDC will continue close coordination on design, mapping, permitting and construction logistics. The parties will enter into an agreement to establish roles, responsibilities, and cost sharing for maintaining a publicly accessible pedestrian mews located between the two buildings, straddling the property line, and any other common areas or features.

1.3.3. Demographics of Board of Directors, Staff and People Served.

- Board of Directors: CCDC's Board of Directors has 23 members, over 80% of whom are people of color, nearly evenly split between males and females.
- CCDC Staff: CCDC's Housing Development Division is a racially diverse team with almost 70% people of color, including the Director of Housing Development.

CCDC Employee Demographic	Number of Employees	Percentage of Employees

Male	114	39%
Female	178	61%
Asian	188	64%
Black/African American	22	8%
Hispanic/Latino	24	8%
Native Hawaiian or Other Pacific Islander	2	1%
Not Defined	7	2%
Two or More Races	19	7%
White/Caucasian	30	10%

1.3.4. Racial Equity Vision. CCDC is a BIPOC-led organization with a 44-year history of advocacy on behalf of low-income residents in Chinatown. Understanding that all organizations have room to grow in addressing institutionalized racism, CCDC has approached this with intention, by modifying organizational policies and procedures to lower barriers of entry to housing, becoming trauma-informed in its service provision, being intentional about hiring bilingual staff that reflects the communities they serve, providing opportunities for BIPOC residents to engage with the neighborhood planning process, and working to heal historic divides between Asian Americans and other BIPOC and white communities.

At the building level, CCDC's racial equity strategy promotes access to quality and stable housing, social and economic mobility, education, health, and housing assistance to support intergenerational wealth building in BIPOC communities. CCDC uses a Community Building and Engagement ("CB&E") model of resident service provision, which posits that being socially connected and active in one's community not only enhances one's quality of life but is a housing retention strategy, as it reduces feelings like isolation that can lead to behavioral issues. The CB&E model prioritizes residents' experiences, ideas, and skills in the creation of programming.

1.3.5. Relevant Experience. CCDC has significant experience in the development and operation of affordable housing in San Francisco. CCDC's portfolio includes 950 affordable senior units and 546 units of senior supportive housing. While Block 2 West will be CCDC's first project in the Transbay Project Area, CCDC has worked on numerous OCII projects as well as on dense infill sites in nearby neighborhoods.

1.3.6. Project Management Capacity. Abigail Brown at CCDC is the Project Manager and dedicates approximately 40% of her time to the Project. Judy Kuang provides project assistance and dedicates approximately 20% of her time to Block 2 West. Abigail and Judy are supported by Joanna Ladd (Associate Director of Housing Development), Kim Piechota (Housing Director), Rafael Nicolescu (Director of Property Management), Allie Markovits (Director of Resident Services), and Rachel Howard (Associate Director of Resident Services).

1.3.7. Past Performance.

1.3.7.1. City audits/performance plans. CCDC holds at least 15 contracts/grants with the City for work including tenant eviction prevention counseling, rental housing counseling, case management for single-room occupancy families, service connections for the Asian/Pacific Islander community, and operates programs including

CCDC Youth Leadership and Campaign Academy. There are no known open performance issues with the Sponsor.

1.3.7.2. Marketing/lease-up/operations. CCDC has worked with MOHCD to lease up several buildings with tenant selections through a DAHLIA lottery in recent years, including 1296 Shotwell (a senior rental housing project), 1150 3rd Street (aka Edwin M. Lee Apartments), and 2060 Folsom Street. CCDC staff is now trained on the system, however, ongoing efforts will be required to educate new staff members and ensure a smooth lease-up for Block 2 West. The Sponsor will collaborate with OCII and MOHCD to prepare for marketing and lease-up, with a particular focus on facilitating successful placements for Certificate of Preference holders, and their descendants per AB 1584 which was authored by then- Assemblymember David Chiu and signed into law in September 2021 and took effect January 1, 2022.

Over 4,700 tenants currently reside in Sponsor's portfolio, disaggregated by race in the following breakdown: .92% Native American, .7% Pacific Islander, 58.4% Asian, 8.44% Black, 8.54% White, 13.36% Other, and 10.42% not reporting.

In the past five years, Sponsor formally evicted 14 households across 34 properties, or an average of less than 3 per year. Of those evicted households, 2 households had Asian heads-of-households (HOH), 4 had Black HOH, 3 had White HOH, 1 household had a Native American HOH, 1 had a Hawaiian/OPC HOH, and 3 households had HOH who did not report their race.

2. SITE (See Attachment E for Site map with amenities)

Site Description	
Zoning:	Zoning for the site is form-based and is governed by the Transbay Redevelopment Plan, Transbay Development Controls and Design Guidelines ("DCDG"), and the Transbay Design for Development. In November 2022, the OCII Commission approved certain deviations from the DCDG to facilitate the Block 2 West project as designed.
Maximum units allowed by current zoning:	The maximum number of units on the site is based on form-based zoning. The number of units is limited only by what can fit within the site's height and bulk restrictions.
Seismic:	The site is within a Liquefaction Zone (per the California Geological Survey)
Soil type:	The Sponsor completed Phase I and II reports and testing. The proposed mat foundation with soil improvements was recommended by the design team based on the identified soil conditions. See Section 2.4 below.
Environmental Review:	The Sponsor has prepared Phase I and II reports as well as addenda to the Transbay Redevelopment Project Area FEIS/EIR and the Archaeological Research Design and Treatment Plan ("ARDTP"). See Section 2.4 below.

Adjacent uses (North):	Currently a continuation of the Block 2 surface parking lot, previously used as the temporary Transbay Terminal, planned for an approximately 1-acre public park (expected to start construction in 2024).
Adjacent uses (South):	An approximately 650-unit mixed use condominium complex known as “Lumina”. Woodlands Market, a small grocery store is located at the ground floor.
Adjacent uses (East):	Block 2 East, a planned 184-unit affordable family rental project, under development concurrently with Block 2 West, will be located directly to the east within Transbay Block 2. To the east of Transbay Block 2 is a 392-unit mixed-use, mixed-income condominium complex known as “Mira”.
Adjacent uses (West):	A 479-unit mixed use apartment project, including 409 units in a tower (on the western side of the block) and 70 affordable units in a mid-rise and townhomes (on the eastern side of the block). The 70-unit affordable project is owned and operated by Mercy.
Neighborhood Amenities within 0.5 miles:	Grocery: Woodlands Market is located directly across Folsom Street, Ferry Building Saturday Farmer’s Market (0.5 mile), Safeway (0.7 mile), Whole Foods (0.8 mile), Target (0.9 mile), Trader’s Joe’s (1 mile) Pharmacy: Walgreens (0.4 mile), CVS (0.7 mile) Library: Mission Bay Public Library (1.3 miles) Parks: planning is under way for an approximately 1-acre park on Block 3 directly to the north of the site, Salesforce Park (located on the roof of the Salesforce Transit Center) is one block from the site (0.2 mile), Rincon Park is 2 blocks from the site (0.2 mile)
Public Transportation within 0.5 miles:	The site is located 1 block from the Salesforce Transit Center, a regional hub for 11 transit systems, including multiple Muni bus lines. In addition, the site is two blocks from the Muni Metro station at The Embarcadero and Folsom Street and 2 blocks from the Embarcadero BART station.
Article 34:	Not exempt. Block 2 West secured an Article 34 authorization in April 2021.
Article 38:	Not exempt. The site is within the Air Pollutant Exposure Zone. The design is subject to relevant guidelines and requirements.
Accessibility:	To address the anticipated needs of the senior residents, 50% of units (76 units) will provide mobility accessible features, and 10% of units (16) will provide accessible communication features. This is consistent with CTCAC requirements.
Green Building:	Per the RFP, OCII sought a Green Point Rating of 125 or above, or a LEED Gold rating. Based on the Project’s Schematic Design, the building will achieve a Green Point rating of 159 “Platinum”. The Sponsor has engaged a sustainability consultant and will continue to monitor green standards throughout design and construction.
Recycled Water:	Block 2 West confirmed an exemption from SF PUC in January 2023.

Storm Water Management:	The stormwater management plan is in progress. A preliminary plan has been drafted and will be submitted to PUC pending design team review.

2.1. Description. Block 2 West is an infill site in a dense area of downtown San Francisco. The site previously held ramps for the demolished Embarcadero Freeway, which was removed after it sustained significant damage in the 1989 Loma Prieta earthquake. Footings for the freeway likely remain below-grade on the site and will need to be removed to facilitate building construction. The site was later used as the temporary Transbay Terminal and the improvements to support this use remain on the site today. Improvements include paving, landscaping, and a building that was previously a Greyhound bus terminal. The improvements will need to be removed to prepare the site for construction. As described in Section 1.3.2 above, this work will be completed by the Block 2 East sponsor in fall 2023.

2.2. Zoning. See above.

2.3. Local/Federal Environmental Review. In April 2004, the Redevelopment Agency Commission certified the Final Environmental Impact Statement/Environmental Impact Report ("FEIS/EIR") for the Transbay Redevelopment Plan. In January 2005, the Agency Commission adopted findings under the California Environmental Quality Act ("CEQA"), a Statement of Overriding Consideration, and a Mitigation Monitoring and Reporting Program in connection with the adoption of the Redevelopment Plan. The Board of Supervisors, Planning Commission, and TJPA adopted similar findings.

The Agency Commission/OCII Commission subsequently adopted ten addenda to the FEIS/EIR. The tenth addendum was prepared to analyze the impacts of massing modifications in the designs for Blocks 2 West and East, which deviated from the Transbay design controls and Redevelopment Plan. Overall, the addendum determined that the Project would not cause significant impacts not identified in the FEIS/EIR, nor would the Project cause significant impacts previously identified in the FEIS/EIR to become substantially more severe.

2.4. Environmental Issues.

- Phase I/II Site Assessment Status and Results. A Phase I report dated November 3, 2020 identified that soil classified as Federal Class I RCRA and California Class I Non-RCRA hazardous waste is present on the site. The soil was capped by the existing temporary terminal asphalt and terminal building but will need to be addressed as part of the Project's development. Allowances for soil off-haul are included in the construction cost estimate.

  According to the geotechnical investigation published October 19, 2022, the soil consists of layers of undocumented fill, marine deposit (sand with silt and clay), Colma Formation (sandy soil), Old Bay Clay (marine clay and sand), alluvium (sand and clay), ravine fill/slope debris, and finally bedrock at a depth of between 80.5 and 121 feet. As noted in the table above, these findings informed the proposed foundation system, which consists of soil improvements to a depth of approximately 25 to 30 feet and a mat foundation.

- Potential/Known Hazards. As noted above, hazardous soil is present on the site and will need to be removed and transported to appropriate facilities during the course of construction.

2.4.1. Archaeological Resources. According to a draft addendum to the Archeological Research Design and Treatment Plan for the Transbay Temporary Terminal Project (the "ARDTP"), Block 2 is located on the former San Francisco Bay shoreline. The site was filled to make way for urban development in the 1850s, thus the underlying soil may contain historic resources from earlier eras including those from Native American settlement on the shore and maritime resources from the 1800s. A study from 1990 indicates that a ship may be present below the surface on Block 2 West, and other artifacts may be located throughout the site.

The Sponsor, in collaboration with the Block 2 East developer, will conduct testing as set forth in the ARDTP to identify potential resources. Testing will occur in two phases. The first phase consists of deep coring to identify Native American and/or maritime resources. Coring will cause minimal disruptions to the site and is planned for June 2023.

The second phase consists of mechanical trenching, which would primarily identify the presence of nineteenth century features and remnants. Because of the length and depth of the trenches, the work will be highly disruptive to the site and thus is planned to be completed concurrent with or just before early site preparation work to demolish existing improvements. This work is planned for fall 2023.

The cost of ARDTP preparation and coring is included in the predevelopment budget, with costs shared between the Blocks 2 West and East projects (the coring cost is included in this request for additional predevelopment funds). The Block 2 West budget does not include costs associated with the trenching, nor does it include contingencies for any excavation or resource recovery work that may be needed based on findings from the testing. Funding for this will be included in a site work loan to the Block 2 East developer.

2.5. Adjacent uses and neighborhood amenities. The site is located in close proximity to transit, numerous recreational amenities, and cafes. However, residents may need to access transit to visit City Recreation & Parks Department facilities offering senior programming and to access affordable grocery retail stores. CCDC resident services staff will assist residents with transit access and provide connections to food programs.

2.6. Green Building. See table above.

3. COMMUNITY SUPPORT

3.1. Prior Outreach. OCII staff and the Sponsor have provided regular updates on Block 2 West (along with Block 2 East) to the Transbay Citizens Advisory Committee ("CAC") since issuance of the RFP in 2020. In August 2022, the Sponsor provided an informational overview of the Project to the CAC. In September 2022, the CAC voted unanimously to recommend that the OCII Commission approve the schematic designs and related items.

In addition to CAC meetings and public OCII Commission hearings, the Sponsor has presented the Project at meetings of the East Cut Community Benefits District and IDEATE (a local resident group) and has been in communication with residents of Natalie Gubb Commons and with the South Beach/Rincon Hill Neighborhood Association.

3.2. Future Outreach. The Sponsor will continue to conduct outreach throughout the remainder of predevelopment and through construction to garner support for the Project, and keep the community apprised of the Project plans and schedule (Condition 15). In collaboration with the sponsor of Block 2 East, the Sponsor has established a website (www.transbayblock2.org) to provide ongoing project progress updates and developer contact information. The Sponsor will return to the Transbay CAC at key milestones such as the start of construction and launch of marketing and will continue to connect with the East Cut CBD, IDEATE SF, and other community organizations. In addition, the Sponsor will expand outreach to include SOMA Pilipinas, the closest Cultural District, and to the South Beach/Rincon/Mission Bay Neighborhood Association, and other neighborhood groups.

3.3. 1998 Proposition I Citizens' Right-To-Know. Not applicable in Redevelopment Project Area.

4. DEVELOPMENT PLAN

4.1. Site Control. OCII currently holds and will continue to hold fee simple ownership of the site. The site was transferred from TJPA to OCII in January 2021, along with Transbay Blocks 3 and 4 and the lots planned for the extensions of Clementina and Tehama Streets. Pursuant to the terms of a purchase agreement between TJPA and OCII in August 2020, Transbay Block 2 was transferred at no cost to OCII.

The Sponsor, in coordination with the sponsor of Block 2 East, is pursuing a subdivision map to facilitate the Blocks 2 East and West projects. Per Condition 1, CCDC and Mercy will continue to work together on the subdivision. Mercy has taken the lead in preparing the subdivision map application and will oversee the mapping process.

Proposed Property Ownership Structure. OCII will retain fee interest in the land and, at the close of construction financing, will enter into a long-term residential ground lease with the Sponsor. The Sponsor will own the improvements. In addition, the Sponsor will form an affiliate limited liability company to construct and own the commercial improvements. OCII will enter into a long-term commercial ground lease with the commercial entity (see Sections 4.5 and 6.5.3 for additional discussion of the commercial structure).

4.2. Proposed Design. The schematic design for Block 2 West (along with the design for Block 2 East) was approved by the OCII Commission on November 1, 2022. The Block 2 West building will range from 5 stories in a townhouse-style wing along Clementina Street to 9 stories along Folsom and Beale Streets.

The exterior of the primary volume features a textured precast concrete façade above a base with retail storefronts and the lobby entry along Folsom Street, wrapping on to Beale Street. The townhouse-style volume along Clementina Street is scaled to reflect typical San Francisco neighborhood streets and will feature a light toned masonry façade.

The building is designed to foster resident community, reduce isolation, and support the greater Transbay neighborhood. Forming the western half of the block, the building enfolds a central courtyard and engages with a planned publicly accessible mid-block mews that runs east to west between the Block 2 West and Block 2 East buildings (connecting Folsom Street to the planned public park on Transbay Block 3 to the north). The ground floor retail spaces are located to activate key corners and provide flexible double-height ceilings.

The residential lobby and lounge welcome residents from Folsom Street and provide views and a direct connection to the mid-block courtyard. Adjacent to the lounge is the main laundry room and a multipurpose room.

At the sixth floor, a sunny shared roof deck overlooks the planned park and provides views out to the city. The community room with kitchen opens directly to the roof deck.

The Block 2 West design has been, and will continue to be, closely coordinated with the design of Block 2 East.

Residential SF:	106,710
Commercial SF:	2,945
Building Total SF:	**109,655**

UNIT TYPES	Avg Unit SF - This Project	CTCAC-Required Min. SF	Percentage Greater Than CTCAC Min.
Studio:	410	200	205%
1BR:	541	450	120%
2BR:	982	700	141%

4.3. Proposed Rehab Scope. N/A

4.4. Construction Supervisor/Construction Representative's Evaluation. The last time the Loan Committee reviewed this Project was for predevelopment financing in February 2021 when the analysis was based on a preliminary conceptual design. Since that time the Project team has completed the schematic design and bid key scopes including mechanical, electrical, and plumbing. The prime contract is expected to be finalized by November 2023, with construction scheduled to start by February 2024.

The design features 9 floors of Type I-B concrete construction containing 39 studios,111 one-bedroom units, and one manager's two-bedroom unit. The building's gross square footage of approximately 109,655 square feet includes 2,945 square feet of commercial ground floor space,1,950 square feet for utilities and trash, 2,100 square feet of residential common space, and a 1,690 square-foot ground floor courtyard. The building also includes a 1,230 square foot sixth floor residential common room. The building lobby fronts on Folsom Street to the south.

The construction cost estimate of $99,008,758 ($655,687/unit and $903/square foot) is based on the 100% SD drawings. This includes full contingencies (5% hard cost, 3% design, 3% bid, and 2% plan check) as well as a cost escalation contingency of approximately 5% (held as part of hard cost contingency). This is a significant increase from the conceptual pricing in early 2021, when hard costs were estimated at $78,574,411 ($513,558/unit and $677/square foot) – an increase of over 25%. The increase is attributable to costs associated with addressing design requirements, the addition of another unit, and escalation.

The Engineering News-Record (ENR) which publishes the Construction Cost Index (CCI) History for San Francisco upon which the construction industry relies for cost data, gauges the annual escalation at 8% across all trades. Escalation, attributed to global supply chain and Covid-related personnel disruptions, is particularly affecting the costs of all metals, including the reinforcing bars for this all-concrete building (estimated 12% increase in the past year), cementitious materials, and lumber. This trend is predicted to continue through 2024.

Staff acknowledges that the per square foot cost is high when compared to the average of those comparable projects of similar type, scale, and target population in the pre-development pipeline and in construction, and those completed (since 2018) ($903/SF for Transbay 2 West compared to the $622/SF average of comparable projects). However, the per unit cost of $655,687 is only slightly above the average of comparable projects at $653,386. The high per square foot costs are mainly attributable to the tight site, studio and one-bedroom unit configurations, and the relatively less efficient mid-rise nature of the building.

The budget includes a $600K allowance to account for the uncertainty related to PG&E approvals for temporary and permanent power and coordination adjacent to a high-pressure gas line on Beale Street. The budget also assumes an allowance for a second generator that may be needed in lieu of temporary power that would otherwise be provided through PG&E (PG&E has recently significantly extended its design and approvals schedule which has delayed both temporary and permanent power approvals).

Site Permit is anticipated in May 2023; it is dependent upon submittal and OCII approval of the Design Development drawing set.

4.5. Commercial Space.

- Space Description. The Project includes a total of 2,945 square feet of commercial in three ground floor retail spaces:
    - Space A: 1,421 square feet (corner of Folsom Street and the mid-block pedestrian mews)
    - Space B: 905 square feet (corner of Folsom Street and Beale Street)
    - Space C: 619 square feet (corner of Beale Street and planned extension of Clementina Street)

  In addition to the three spaces within the building, the Project features a pad in the courtyard along the public pedestrian mews between Block 2 West and Block 2 East that is intended to facilitate vendor carts.

  The commercial spaces will be mapped as one non-contiguous air rights parcel. A tentative map application was submitted in November 2022. The Sponsor expects an approved tentative map by April 2023 and a final parcel map by November 2023.

- Commercial Leasing Plan. Mercy Commercial has prepared a Commercial Leasing Plan for Block 2 West that outlines a vision for the retail spaces as part of an overall strategy for Block 2. The plan describes potential target uses, market research, community outreach, racial equity, and a preliminary schedule. Mercy Commercial envisions retail that supports and strengthens a healthy, equitable, and resilient Transbay neighborhood.
  - Space A: will include infrastructure to accommodate a type I hood for cooking and target uses include a restaurant serving affordable food or a social enterprise restaurant. In addition, Mercy Commercial has identified a potential children's cooking school.
  - Space B: will include infrastructure for a type 2 hood for certain types of cooking, accommodating a bakery or snack store. Alternatively, the space could accommodate a fitness use, affordable salon, traditional neighborhood retail, or nonprofit use.
  - Space C: will include infrastructure for a type 2 hood for certain types of cooking. Potential uses include a boba tea café, pizza or sandwich shop, or small community exercise space. The space is intended to complement and contribute to the activation of the planned public park across the street.
  - Vendor Cart Pad: infrastructure is to be determined in design development – may include power and/or water. Uses may include small, self-contained vendor carts such as those serving coffee, treats, or other food or retail items. The vendor is intended to activate the mews and provide uses that complement permanent retail tenants and the planned public park.

  Specific tenants have not yet been confirmed. Pursuant to Condition 2, the Sponsor and Mercy Commercial will provide an updated Commercial Leasing Plan and endeavor to secure letters of intent for the spaces prior to the close of construction financing.

- Operating Pro Forma. Because of the separate loan structure as described above, commercial revenue and expenses will not flow through the residential operating budget. The commercial spaces will maintain a separate operating budget. Following full lease-up of the commercial spaces and stabilized occupancy, the Sponsor, in collaboration with Mercy Commercial, will seek a permanent commercial loan to be serviced by commercial rent revenue. Proceeds from the loan will be to used to pay back the OCII commercial loan to the extent feasible.

  The commercial operating budget assumes a rent of $2.75 per square foot per month, escalating at 3% per year. To allow for lease-up and tenant improvement build-out, the budget assumes 100% vacancy in years one and two, 50% vacancy in year three, and 25% vacancy from year four on. Expenses escalate at 3.5% per year and include management fees, taxes, insurance, maintenance, and reserves (replacement, insurance deductible ("incident"), leasing, and future tenant improvements).

- Tenant Improvement Build Out. The commercial development budget includes an allowance of $441,750 for initial tenant improvements ($150 per square foot), which, according to Mercy Commercial's broker partner, should be sufficient for restaurant or café spaces improved from a warm shell. Mercy Commercial will coordinate with tenants on oversight of design, permitting, and construction. Please see Section 6.5.3 for further discussion of the tenant improvement allowance.

4.6. Service Space. Resident services space includes three ground floor offices (totaling 390 square feet) for private, individual counseling. Resident activities and programming will be offered in a ground floor multi-purpose room, on a ground floor courtyard terrace, in the 6th floor community room, and on the adjacent 6th floor roof terrace. These spaces will offer venues appropriate for a wide variety of activities such as nutrition workshops, movie nights, coffee hours, health checks, bingo and game nights, and poetry and writing workshops in secure, well-lit settings.

4.7. Interim Use. N/A. While there is an interim use active on the Site, the use is overseen by OCII, not the Sponsor and the use will terminate prior to Project construction.

4.8. Infrastructure. N/A

4.9. Communications Wiring and Internet Access. Block 2 West will comply with the 2021 MOHCD Communications Systems Standards. Units will be equipped with Category 6, coax, and fiber optic cabling. In addition, Sponsor intends to provide wireless access in common areas.

4.10. Public Art Component. N/A

4.11. Marketing, Occupancy, and Lease-Up. Block 2 West will serve senior households (age 62+) at incomes ranging from 15% to 50% MOHCD AMI. 30 units will be set aside for occupancy by formerly homeless seniors, referred to the Project by HSH through the Coordinated Entry System. 60 units will serve extremely low-income seniors, with operating support from the SOS program.

With the exception of the 30 LOSP-supported units, all affordable units will be marketed and leased through OCII's standard procedures, including early outreach to Certificate of Preference ("COP") holders, broad marketing and outreach, and applications and a lottery through the MOHCD DAHLIA system. DAHLIA applicants will be prioritized in accordance with preferences.

As of April 19, 2019 the OCII Commission has authorized staff to apply the preferences in City Affordable Housing Programs, as amended from time to time, to affordable housing approved by OCII, to the extent that those preferences are consistent with redevelopment plans, enforceable obligations, and applicable law. The preferences applicable to the Project are:

1. COP holders (including descendants of originally displaced household members)
2. Displaced Tenant Preference Program for 20% of lottery units
3. Neighborhood Resident Housing Preference for 40% of lottery units if the Project does not include State funding sources, and 25% of lottery units if the Project does include State funding sources (if such preference does not conflict with other financing sources)
4. San Francisco residents or workers
5. Members of the general public

Potential tenants, including those prioritized by preference must meet the Sponsor's established screening requirements for the Project, and final selection will lie with the Sponsor. Any authorized preference shall be permitted only to the extent that such preference (a) does not have the purpose or effect of delaying or otherwise denying access to a housing development or unit based on race, color, ethnic origin, gender, religion, disability, age, sexual orientation, or other protected characteristic of any member of an applicant household; and (b) is not based on how long an applicant has resided or worked in the area. OCII will work with the Sponsor to resolve potential occupancy conflicts and determine marketing requirements and to ensure adherence to OCII occupancy preferences. Pursuant to Condition 11, Sponsor will submit Early Outreach and Marketing Plans in accordance with OCII program standards.

4.12. Relocation. N/A

5. DEVELOPMENT TEAM

Development Team			
Consultant Type	**Name**	**SBE/LBE**	**Outstanding Procurement Issues**
Architect	Mithun Architects	N	N
Landscape Architect	Plural Studio	Y	N
Associate Architect	Kerman Morris	Y	N
General Contractor	Swinerton	N	N
Owner's Rep/Construction Manager	Regent Construction Management	Y	N
Financial Consultant	CHPC	N	N
Legal	Gubb & Barshay	N	N

5.1. Procurement Plan. The Project is subject to OCII Small Business Enterprise ("SBE") program and construction contracting goals and policies. Block 2 West is currently exceeding OCII's 50% SBE participation goal for professional services contracts with 88.9% SBE participation. Among these, 84.8% are San Francisco-based SBEs.

CCDC has selected Swinerton Builders, in a joint venture partnership with Rubecon Builders (a San Francisco-Based SBE/Minority-owned business enterprise "MBE"), as the general contractor for the Project. During construction, the Block 2 West development and construction team will collaborate with OCII contract compliance staff to meet OCII's 50% SBE construction subcontracting participation goal, along with OCII's 50% local construction workforce hiring goal.

5.2. Opportunities for BIPOC-Led Organizations. Along with meeting SBE goals as described above, the development and construction teams are committed to providing opportunities for BIPOC-led organizations. To date, 10.3% of professional services contract funds have been awarded to MBEs. Of these, 2.8% have been awarded to woman-owned MBEs. CCDC will continue to closely track participation and collaborate with OCII contract compliance staff to identify additional opportunities.

6. FINANCING PLAN (See Attachment H for Cost Comparison of City Investment in Other Housing Developments; See Attachment G and H for Sources and Uses)

6.1. Prior MOHCD/OCII Funding:

Loan Source	Loan Date	Loan Amount	Interest Rate	Accrual Method	Repayment Terms	Maturity Date	Outstanding Principal Balance	Accrued Interest to Date
OCII Predev Loan	Apr. 6, 2021	$3,500,000	3%	Simple	Deferred	Apr. 6, 2024	$1,438,631	$30,782

6.2. Disbursement Status. To date, a total of $1,438,631 of the predevelopment loan has been disbursed. Pursuant to the approved Predevelopment Loan Evaluation dated February 19, 2021, costs incurred on or after November 12, 2020 are eligible for reimbursement so long as costs are deemed acceptable and correspond to the budget attached hereto.

6.3. Fulfillment of Loan Conditions. Below is the status of Loan Conditions since this project was last at Loan Committee for a predevelopment loan on February 15, 2021:

- Subject to OCII approval, Mercy and CCDC will enter into a joint development agreement that clearly defines the roles and responsibilities of Mercy and CCDC in the overall development of Transbay Block 2. The agreement will use as its basis the Term Sheet attached to the MOU dated September 10, 2020 between Mercy and CCDC and will clearly define Mercy's role as lead developer, in close coordination with CCDC for the following matters: contract negotiations, including predevelopment loan terms, and ground leases; general contractor and consultants' selection; retail programming, commercial shell design, marketing and leasing; lot split/subdivision mapping; streetscape and landscape design; respective liabilities for work performed under the agreement; and other matters to achieve cost efficiencies and cohesive development on Block 2.
  ***Status**: Complete, Mercy and CCDC entered into a joint development agreement on March 20, 2021.*
- Sponsor will work closely with the sponsor of Block 2 East throughout predevelopment and will:
  - ensure that the design teams for Blocks 2 East and West collaborate and submit a single combined schematic design package, which demonstrates cohesive design between Blocks 2 East and West, particularly for the ground floor and mid-block pedestrian mews; and
  - use the same general contractor or joint venture for construction and coordinate construction timing between Blocks 2 East and West, either by construction of both sites at the same time or phased development.

  ***Status**: Complete, the Block 2 East and 2 West teams have been working closely together since Conceptual Design and submitted Schematic Design packages demonstrating a cohesive design between East and West. The Sponsor and the 2 East developer have both hired the joint-venture of Swinerton/Rubecon Builders as contractor. The teams have been holding biweekly joint-owner/architect/contractor* *meetings since 2021, led by Swinerton, and the developers meet weekly with OCII to discuss construction and schedule.*

- Sponsor will cooperate with OCII and the sponsor of Block 2 East to competitively solicit a general contractor with the intent of creating a joint venture or similar partnership opportunity, to the extent practicable and economically feasible, between a general contractor and an OCII-recognized SBE contractor. Furthermore, Sponsor will require the general contractor to exercise good faith efforts to select subcontractors who are SBEs or are willing to create joint ventures or similar partnership opportunities with SBEs.
  ***Status**: In progress, partially complete. The Sponsor has worked collaboratively with the Block 2 East developer to select the joint-venture of Swinerton/Rubecon Builders as contractor, with Rubecon as the SBE. The contractor has made good faith efforts to solicit bids from SBE from design-build trades. To date, Block 2 West has achieved approximately 41% SBE participation. This condition is modified based on the development status and carried forward as Condition 10.*
- Prior to any application for Project financing, Sponsor will analyze financing application parameters and operations for senior housing and recommend, for OCII approval, an age limit for Project residents at age 55 or age 62.
  ***Status**: Complete. The Project includes 60 units with SOS funding. The SOS program is restricted for seniors aged 62 and above (pursuant to Board of Supervisors Ordinance No. 174-19), thus this will be the age restriction for the Project.*
- Prior to any application for Project financing, Sponsor will review maximum income levels to confirm that they are appropriate for population to be served. Proposed income limits are subject to OCII review and approval.
  ***Status**: Complete. Income levels have been reviewed for all populations to be served. Income levels for unsubsidized units have been reduced to the extent feasible, with a maximum of 50% MOHCD AMI. LOSP units will be restricted at 25% AMI and SOS units will be restricted at 15% and 25% AMI.*
- Prior to schematic design submittal, the Sponsor will work with OCII to assess the physical and financial feasibility of integrating a limited number of two-bedroom units into the Project to accommodate the needs of seniors in need of larger units.
  ***Status**: Complete. The Sponsor explored the addition of "caregiver" units and ultimately concluded that the inclusion of two-bedroom units was financially infeasible and presented leasing and property management concerns. This finding was the result of discussions with an architect specializing in adaptive design, representatives from San Francisco's Department of Aging and Adult Services, a developer of comparable senior housing, in-home supportive services providers, property management staff at Dr. Davis Senior Center, and a tax credit expert at Community Vision, CDFI and nonprofit lending institution.*
- Sponsor will work with OCII, MOHCD, and HSH to:
  - finalize the number of permanent supportive units, ensuring consistency with best practice case management ratios;

  - coordinate with HSH to refine the services plan and budget; and
  - establish assumptions for tenant-paid rent for LOSP-supported units.

  ***<u>Status</u>**: Partially complete and carried forward as Condition 7. Sponsor has confirmed the number of permanent supportive units but is still working with HSH to refine a services plan and budget, and to confirm the assumption for tenant-paid rent for LOSP units.*

- Sponsor will evaluate the need for 24-hour desk coverage for the Project and will explore the potential for shared after hours front desk coverage/security between Blocks 2 West and East to improve efficiency and reduce costs.
  ***<u>Status</u>**: Based on the planned tenant population at Block 2 West, which includes formerly homeless seniors and potentially high-acuity seniors, the Sponsor has determined that 24-hour desk coverage is necessary. The Sponsors of Blocks 2 West and East studied the possibility of shared desk coverage/security and found it infeasible due to the lack of shared sightlines into each building and into shared public spaces, and the overall number of residents that will be served in the two buildings (Block 2 East will provide 184 affordable family units).*
- Sponsor will monitor available funding sources such as AHP, MHP and others, review regulations, and submit timely applications, as appropriate. If necessary, Sponsor will recommend strategies and program modifications for OCII approval to improve the Project's likelihood of securing awards.
  ***<u>Status</u>**: In progress, continued in part as Conditions 12 and 13. Sponsor has monitored notices of funding availability throughout the course of predevelopment. Sponsor determined, and OCII concurred, that Block 2 West would not be competitive for MHP financing. Sponsor has determined that Block 2 West will not be competitive for AHP funding based on current scoring criteria until it can achieve readiness and full site control points. Sponsor will evaluate AHP scoring for future rounds. Block 2 West will pursue a 2023 IIG application, as well as a CDLAC bond allocation.*
- Sponsor will ensure that the DSCR remains over 1.0:1 for the first 20 years of operations and will further analyze the potential for permanent debt and/or alternative ways to utilize surplus cash to support the Project and reduce the OCII gap loan.
  ***<u>Status</u>**: In progress. Project currently cannot support permanent debt. To the extent that cash flow remains positive and can support it, Sponsor will explore the potential for permanent debt and/or adjust AMI levels to improve tiering to maximize opportunities for COP holders (Condition 3).*
- Sponsor will review local, state and federal rent and operating subsidy programs as appropriate for the target population and will assess program viability and pursue funding applications.
  ***<u>Status</u>**: Complete. Sponsor will utilize the SOS program for 60 units, and LOSP for 30 units. Sponsor explored a HUD 202 application but determined 2 West would not be competitive and regulations prohibiting site work prior to construction were incompatible with project scope and schedule.*

- Sponsor will retain the services of Mercy Commercial for the design, marketing, and lease-up of the commercial spaces. Mercy Commercial in coordination with Sponsor, will:
    - ensure that commercial spaces are designed in accordance with the specifications established in the MOHCD Commercial Space Underwriting Guidelines and incorporate best practices from Mercy's San Francisco commercial experience;
    - provide a commercial financing plan for OCII review and approval; and
    - conduct early outreach to local small business organizations, non-profit entrepreneur organizations, and other entities, groups and organizations. In addition, Mercy Commercial and Sponsor will work with the San Francisco Office of Economic and Workforce Development regarding the retail space and the availability of City's small business, legacy business, and other programs to identify and assist potential local business tenants.

  ***Status**: In progress, continued as Condition 2. Sponsor has been coordinating closely with Mercy Commercial on a block-wide retail strategy and Mercy Commercial has been working with a broker to conduct outreach within Mercy's existing commercial portfolio, as well as to other businesses and organizations.*
- Sponsor will coordinate with OCII and the sponsor of Block 2 East to establish project boundaries and secure a subdivision map for Transbay Block 2.
  ***Status**: In progress, carried forward as a condition of this gap loan. A tentative map application was submitted in November 2022.*
- Prior to submittal of a site permit application and subdivision map application, Sponsor will collaborate with the sponsor of Block 2 East in recommending for OCII approval, a plan for the development of public or common use areas in Transbay Block 2, e.g. the mid-block pedestrian mews, that establishes the lot lines, allocation of development costs, a mechanism for ensuring public access, and responsibilities for construction and ongoing maintenance and security.
  ***Status**: Partially complete, carried forward as a condition to closing this gap loan. While Sponsor has determined the lot line, other aspects of development of the mid-block pedestrian mews are still to be determined.*
- Sponsor will provide for OCII review any RFP for debt and equity providers before it is finalized and released.
  ***Status**: Incomplete, carried forward as Condition 4. Sponsor anticipates issuing this RFP after securing a CDLAC allocation.*
- Sponsor, in coordination with the sponsor of Block 2 East, will work collaboratively on a community outreach plan, will conduct ongoing outreach to the Transbay community to solicit input, address concerns, and educate community members on various aspects of the Project. Mercy will take the lead in obtaining OCII approval for the community outreach plan.
  ***Status**: In progress and carried forward as Condition 15. Sponsor, in collaboration with the Block 2 East sponsor, conducted presentations to the East Cut Central Business District, IDEATE SF (Transbay resident*

and business advocacy group), as well as the Transbay CAC. Sponsors will continue to conduct community outreach at key milestones to keep the community informed of project progress.

6.4. Proposed Predevelopment Financing

6.4.1. Predevelopment Sources Evaluation Narrative

In addition to the previously approved $3.5M predevelopment loan, the Sponsor is seeking $3,086,119 for predevelopment activities. Activities will include early buyout for certain scopes, design fees for design-build scopes (mechanical, electrical, plumbing and fire), permit fees, and archeological testing.

6.4.2. Predevelopment Uses Evaluation:

Predevelopment Budget		
Underwriting Standard	**Meets Standard? (Y/N)**	**Notes**
Acquisition Cost is based on appraisal	N/A	
Holding costs are reasonable	N/A	
Architecture and Engineering Fees are within standards	Y	Architecture and engineering fees total $2,371,406 during predevelopment.
Consultant and legal fees are reasonable	Y	
Entitlement fees are accurately estimated	Y	
Construction Management Fees are within standards	Y	Construction management fees are $80,000 in predevelopment, which is within the standards based on the predevelopment period
Developer Fee is within standards	Y	See Section 6.5.5 for a breakdown of the proposed developer fee. $550k of the project management is payable during predevelopment, consistent with the developer fee policy.
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10%

6.5. Proposed Permanent Financing

6.5.1. Permanent Sources Evaluation Narrative: The Borrower proposes to use the following permanent financing sources:

- 4% Tax Credit Equity ($59,847,539): Budget assumes a price of $0.95 per credit. Pursuant to Condition 4, the Sponsor will provide the debt/equity request for proposals or solicitation package for OCII review and will share responses and draft term sheets.

- IIG Loan/Grant ($6,008,973): Sponsor will pursue an IIG grant in the expected 2023 HCD NOFA. Based on the current published HCD schedule, applications will be due in June 2023, and funds awarded in December 2023. Depending on the actual timing of award announcements, it may be difficult or impossible to incorporate awarded funds into the budget should the Project succeed in securing a CDLAC award with a requirement to close on construction financing by February 19, 2024. Sponsor will closely monitor the timing, requirements, and scoring set forth in the upcoming HCD NOFA (expected in April 2023). To the extent that funds are not awarded or cannot be timely secured, Sponsor will seek to identify savings within the Project budget. To the extent that hard costs remain relatively stable, costs may be reduced through the removal/reduction of predevelopment contingencies (escalation, design, bid, plan check) and/or value engineering.
- OCII Loan ($65,011,065) (this request): The OCII loan amount is consistent with the maximum budgeted in the Fiscal Year 2023-24 Recognized Obligation Payment Schedule and is subject to approval by the OCII Commission. The total loan amount may be adjusted to be reduced, or reallocated between the residential and commercial portions, with the final allocation documented in the Project's Final Financial Plan.
    - Residential Loan ($62,428,902): assumes 3%, amount is inclusive of the existing and requested predevelopment loan amounts. Term of 55 years, interest is assumed at 3% but may be adjusted to as low as 0%, if the need to do so is demonstrated in a true debt analysis. Repayment is based on residual receipts.
    - Commercial Loan ($2,582,163): Term is 55 years with a 3% interest rate. Repayment will be based on residual receipts. Per Condition 2, Sponsor will pursue a permanent commercial loan to repay a portion of this loan following the conversion to permanent residential financing and stabilized occupancy of the commercial spaces.
- General Partner Equity ($500,100): The budget currently assumes a General Partner equity pay-in and related developer fee to generate additional eligible basis. However, this amount may be revised if needed to reduce total development costs and the overall amount of the tax-exempt bond allocation request to CDLAC to optimize the budget for competitive scoring.
- Construction Loan ($65,448,883): While not a permanent source, the budget assumes a tax-exempt construction loan of $65,448,883 with an interest rate of 8.52% for 34 months. Pursuant to Condition 4, the Sponsor will provide the debt/equity request for proposals for OCII review and will share responses and draft term sheets.
- AHP: The budget does not currently assume an AHP award. For 2023, the Sponsor conducted a scoring analysis and found that the Project would not be competitive at this stage, primarily because it

would not yet qualify for full readiness points with the site permit still pending. Pursuant to Condition 12, the Sponsor will evaluate AHP in future rounds and apply as appropriate.

- Permanent Loan: Based on projected cash flow, the Project cannot currently support a permanent loan. Debt cannot be secured on LOSP units and it is assumed that debt cannot be secured on SOS units, however, this is to be confirmed pending the publication of program standards. The rent from the non-subsidized units with rents at 30-50% is insufficient to service debt. Pursuant to Condition 3, Sponsor will continue to monitor cash flow as financial projections are refined and SOS assumptions are confirmed and explore the potential for a permanent loan and/or to adjust AMI tiering.

6.5.2 CDLAC Tax-Exempt Bond Application:
Block 2 West will apply for low-income housing tax credits and a tax exempt bond allocation in the second round of 2023 (application due May 23, 2023). The Project's financial consultant, CHPC, is cautiously optimistic about the Project's likelihood of securing an award. The Sponsor has endeavored to optimize scoring and bring down the residential cost by pursuing a separate commercial loan.

CDLAC Self-Score	
Opportunity Map Resource Level	Moderate Resource
TCAC Housing Type	Senior
Bond Allocation Request Amount	Approx. $81M
Total Self-Score (out of 120 points)	119
Tiebreaker Score	149%

6.5.3 Commercial Space Sources and Uses Narrative: The cost of constructing the commercial spaces is estimated at approximately $2.5M. To improve competitive CDLAC scoring by bringing down the total development cost of the residential project, the capital cost of constructing the commercial spaces, will be funded through a separate commercial loan from OCII and is not included in the capital budget for the residential project. The Sponsor will establish an affiliate limited liability company for construction and ownership of the commercial improvements. In addition to a separate loan agreement, OCII will enter into a separate commercial ground lease subject to terms in accordance with the MOHCD Commercial Space Underwriting Guidelines.

The Sponsor intends to finish the spaces to a warm shell condition. This includes restrooms with fixtures and accessories, finished floors, HVAC ductwork, exterior signage, and water and electrical meters. To build to this finish level in compliance with the MOHCD Commercial Space Underwriting Guidelines, the Sponsor has agreed to exercise good faith efforts to lease to tenants who meet the definition of Community Serving Use (see Condition 2).

In addition to a warm shell initial finish, the commercial capital budget includes an approximately $442k tenant improvement allowance ($150 per retail square foot). A tenant improvement allowance is not an eligible use of MOHCD/OCII funds according to the Commercial Space Underwriting Guidelines. The Sponsor requests, and OCII staff preliminarily recommends, the inclusion of this allowance to enhance the Project's likelihood of securing community serving tenants in the current uniquely difficult current market conditions. High downtown commercial vacancy rates and overall reduced activity make retail leasing particularly difficult. Prior to finalizing the commercial loan, the Sponsor and Mercy Commercial shall seek to identify other potential tenant improvement sources such as programs offered through the Office of Economic and Workforce Development. In addition, the amount will be reviewed and may be reduced based on market study findings provided with the updated Commercial Space Plan should market conditions improve and/or the Plan or study identify uses or tenants that require less costly initial improvements (generally, uses that do not include food service). See Condition 2.

6.5.4. Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	**Meets Standard? (Y/N)**	**Notes**
Hard cost per unit is within standards	Y	$655,687/unit While hard costs per unit are comparable to other projects, the cost per square foot is high and costs have increased dramatically since conceptual design. Pursuant to Condition 10, the Sponsor will closely monitor costs and identify measures for cost maintenance or reduction.
Construction Hard Cost contingency is at least 5% (new construction)	Y	Hard Cost Contingency is 5% Note that the hard cost contingency in the sources and uses budget also includes one year of escalation at 5%
Architecture and engineering fees are within standards	Y	Architecture and engineering fees total $3,372,538, which is approximately 4% of hard costs (excluding contingencies)
Construction management fees are within standards	Y	Construction management fees total $200k, which is within the amount allowable based on the approximately 4 year predevelopment and construction period
Developer Fee is within standards, see also disbursement chart below	Y	Project management fee: $1,100,000 At risk fee: $1,100,000 GP equity: $500,100 Commercial fee: $425,000 Total fee: $3,125,100

Consultant and legal fees are reasonable	Y	
Entitlement fees are accurately estimated	Y	
Construction loan interest is appropriately sized	Y	Construction loan interest assumes a rate of 8.52% for 34 months, which is conservative in comparison to recent rates, allowing for the likelihood of continued federal rate increases
Soft cost contingency is 10% per standards	Y	Soft Cost Contingency is 10%
Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to 3 months
Furnishings	Y	Pursuant to MOHCD standards, allowance includes $2,500/unit for common area furnishings; $3,000/unit for LOSP studio units for unit furnishings; $5,000/unit for LOSP one-bed units; and $650/unit for LOSP unit soft goods

6.5.5 Developer Fee Evaluation: The milestones for the payment of the developer fee to the sponsor are specified below:

Total Developer Fee:	**$3,125,100**	
Project Management Fee Paid to Date:	$357,500	32.5%
Amount of Remaining Project Management Fee:	$742,500	67.5%
Amount of Fee at Risk (the "At Risk Fee"):	$1,100,000	
Amount of Commercial Space Developer Fee (the “Commercial Fee”):	$425,000	
Amount of General Partner Equity Contribution (the “GP Equity”):	$500,100*	
Milestones for disbursement of that portion of Developer Fee remaining and payable for Project Management	Amount Paid at Milestone	Percentage Project Management Fee
During predevelopment	$192,500	17.5%
Close of construction financing	$220,000	20%
Construction completion	$220,000	20%
Project close-out	$110,000	10%
Milestones for disbursement of that portion of Developer Fee defined as At Risk Fee		Percentage At Risk Fee
100% lease up and draft cost certification	$220,000	20%
Permanent conversion	$550,000	50%
Project close-out	$330,000	30%
Milestones for Disbursement of that portion of Developer Fee defined as Commercial Fee		Percentage Commercial Fee

Completion of commercial parcel mapping	$75,000	18%
Signed letters of intent for all commercial spaces	$175,000	41%
Signed leases for all commercial spaces	$87,500	21%
100% commercial occupancy	$87,500	21%

** While the Project is currently modeling a GP Equity amount of $500,100, consistent with MOHCD standards, the Sponsor may reduce or eliminate this amount if needed to reduce total development costs and thus improve scoring for its CDLAC application.*

7. PROJECT OPERATIONS (See Attachment I and J for Operating Budget and Proforma)

7.5. Annual Operating Budget. Project income is comprised of residential tenant rent as well as LOSP and SOS funds. The Sponsor will seek 15-year grant agreements for both LOSP and SOS (see Conditions 5 and 9) from MOHCD.

Annual LOSP revenue is based on the pro rata share of operating expenses attributable to the 30 LOSP units (20%). The only expense that deviates from this split is the cost of desk clerks, for which 80% of costs are attributed to LOSP. Pursuant to Condition 5, this proposed split is subject to further review. The final split will be consistent with LOSP guidelines and current MOHCD practices, and will be documented in the Final Financial Plan and LOSP Grant Agreement.

SOS is a rent subsidy, calculated as the difference between the restricted rent for tenants with incomes at 15%/25% of MOHCD AMI and the rent at 60% MOHCD AMI (per Sections 7.4 and 7.5, SOS units are marketed at 15%/25% but restricted at 60%). Pursuant to SOS guidelines, rents are assumed to escalate at a rate of 4% per year. Funds from SOS may be provided through annual grant payments or a capitalized operating subsidy reserve, or a combination of both.

7.6. Annual Operating Expenses Evaluation.

Operating Proforma		
Underwriting Standard	**Meets Standard? (Y/N)**	**Notes**
Debt Service Coverage Ratio is minimum 1.1:1 in Year 1 and stays above 1:1 through Year 17	N/A	The Project will not service any permanent debt. Cash flow is positive through Year 20.
Vacancy rate meets TCAC Standards	Y	Vacancy rate is 5%
Annual Income Growth is increased at 2.5% per year or 1% for LOSP tenant rents	Y	Income escalation factor is: 1% for LOSP Tenant Rents 4% for SOS subsidies 2.5% for unsubsidized rents 3% for commercial rents
Annual Operating Expenses are increased at 3.5% per year	Y	Expense escalation factor is 3.5%

Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are $14,733 per unit per year, including reserves, base rent and bond fees. This is higher than the average but within the range of operating expenses for comparably sized senior projects that include supportive housing units, which average $13,990 and range from $10,249 to $19,136. The Project budget is particularly higher than the average of comparables for supportive services. See Section 8.2 for discussion of supportive services.
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee is $123,216 or $68 PUPM
Property Management staffing level is reasonable per comparables	Y	Proposed staffing: 1 FTE Senior Property Manager (PM) 1 FTE Assistant PM 0.25 FTE Roving Assistant PM 1 FTE Administrative Assistant 4.2 FTE Desk Staff (24/7 coverage) 1 FTE Maintenance Lead 1 FTE Maintenance Tech 1 FTE Repair Staff At 10.45 FTE, the property management ratio (excluding resident services) is approximately 1 staff member for every 14.5 tenant units. This ratio is lower than that of recently occupied comparable senior properties such as 1296 Shotwell and 735 Davis, which were underwritten to ratios of 1:13 and 1:8.35, respectively.
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is $24,280/yr Annual PM Fee is $24,270/yr Amounts reflect 2023 MOHCD Operating Fees policy
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are $500 per unit per year
Limited Partnership Asset Management Fee meets standards	Y	$5,000 per year

7.7. <u>Capital Needs Assessment & Replacement Reserve Analysis.</u> N/A

7.8. Income Restrictions for All Sources.

UNIT SIZE		MAXIMUM INCOME LEVEL	
NON-LOTTERY	No. of Units	OCII/MOHCD	TCAC/CDLAC/ HCD
Studio – LOSP	8	50% MOHCD AMI	20% TCAC AMI
1 BR – LOSP	22	50% MOHCD AMI	20% TCAC AMI
Sub-Total	**30**		
LOTTERY			
Studio – SOS*	8	15% MOHCD AMI	40% TCAC AMI
Studio – SOS*	8	25% MOHCD AMI	40% TCAC AMI
Studio	10	30% MOHCD AMI	50% TCAC AMI
Studio	5	50% MOHCD AMI	50% TCAC AMI
Sub-Total	**31**		
1 BR – SOS*	22	15% MOHCD AMI	40% TCAC AMI
1 BR – SOS*	22	25% MOHCD AMI	40% TCAC AMI
1 BR	14	30% MOHCD AMI	50% TCAC AMI
1 BR	31	50% MOHCD AMI	50% TCAC AMI
Sub-Total	**89**		
STAFF UNITS			
2 BR	**1**		
TOTAL	**151**		
PROJECT AVERAGE		**35%**	**40%**
AVERAGE FOR LOTTERY UNITS ONLY		**31%**	**45%**

** SOS units will be marketed to households at 15/25% MOHCD AMI (prospective tenants will income qualify at this AMI level), however, the SOS units will be restricted at 60% MOHCD AMI for purposes of the Declaration of Restrictions as reflected in Section 7.5 below and consistent with the draft SOS Program Fund Policies and Procedures Manual.*

7.9. MOHCD/OCII Restrictions.

Unit Size	No. of Units	Maximum Income Level	Rental/Operating Subsidy
Studio	8	50% of Median Income	LOSP
Studio	10	30% of Median Income	
Studio	5	50% of Median Income	
Studio	16	60% of Median Income*	SOS
1-BR	22	50% of Median Income	LOSP
1-BR	14	30% of Median Income	
1-BR	31	50% of Median Income	
1-BR	44	60% of Median Income*	SOS
2-BR	1	Manager's Unit	

** SOS units will be restricted at 60% MOHCD AMI, consistent with the draft SOS Program Fund Policies and Procedures Manual, however the units will marketed to households at 15/25% (prospective tenants will income qualify and pay their portion of rent at the 15/25% AMI levels).*

8. SUPPORT SERVICES

8.5. Services Plan. CCDC will provide resident services for all senior households as well as supportive services for formerly homeless senior households. Anticipated staffing is as follows:

Position	FTE	Description
Intensive Case Manager (serving households in supportive units)	2	Focused primarily on supportive housing residents, provides ongoing supportive counseling, conducts regular assessments, and provides individualized wrap-around case management.
Resident Services Supervisor (support for households in both supportive and non-supportive units)	0.5	Oversees, trains, and supports Case Managers and Resident Services Coordinators, and provides direct case management.
Resident Services Coordinator (serving all residents)	1.5	Provides information, referral, and linkage services and coordinates educational workshops, health activities, and social/recreational activities.
Total FTE	4	

8.6. Services Budget. Services will be funded through a separate contract with HSH and through the operating budget. HSH will fund case management services for the LOSP units at a rate of $550/unit/month, consistent with HSH's standard for adult buildings. The balance of services will be funded through the operating budget.

The number of staff supported through the operating budget at 2 FTE exceeds the MOHCD Underwriting Guidelines for a building of this size. The Underwriting Guidelines would allow funding for up to 1.4 FTE (at a ratio of 1:100 for general lottery units (equivalent to 0.6 FTE) and a rate of 1:75 for the SOS units (equivalent to 0.8 FTE)) pursuant to the draft SOS Program Fund Policies and Procedures Manual). Based on CCDC's experience in operating 1296 Shotwell, which is a senior building with a similar population to that of Block 2 West that includes formerly homeless seniors and extremely low-income seniors supported by SOS, many seniors are presenting with high needs. Some extremely low-income seniors experienced homelessness immediately prior to securing a unit at 1296 Shotwell and require ongoing case management support. OCII staff recommends the higher staffing ratio to allow for adequate support to help tenants achieve long term housing stability.

Cost Type	HSH Budget	Operating Budget	Total
Intensive Case Management Salaries	$140,000	--	$140,000
Resident Services Supervisor	--	$37,500	$37,500
Resident Services Coordinator	--	$90,000	$90,000
Fringe	$56,000	$53,800	$109,800

Operating expenses	$2,000	$31,700	$33,700
Total	$198,000	$213,000	$411,000

8.7. HSH Assessment of Service Plan and Budget. HSH has worked with OCII, MOHCD, and the Sponsor to discuss supportive service needs and funding sources for this Project. HSH has budgeted $198,000 per year for Block 2 West, which is consistent with HSH's standard rate for adult permanent supportive housing and is intended to fund case management at a minimum ratio of one case manager for every 25 units. To supplement case management and address the needs of an elderly population, HSH suggests that the Sponsor seek additional resources to support in home health care services, and other health and senior services with City agencies such as the Department of Public Health and Department of Disability and Aging Services, as well as other resources as appropriate and available. See Condition 8.

9. STAFF RECOMMENDATIONS

9.5. Proposed Loan/Grant Terms

Financial Description of Proposed Loan (Residential)	
Loan Amount:	$62,428,902
Loan Term:	55 years
Loan Maturity Date:	2078
Loan Repayment Type:	Residual Receipts
Loan Interest Rate:	Up to 3% (interest rate may be adjusted to between 0% and 3% to conform with a future true debt analysis. Rate is to be determined prior to construction loan closing with approval of the OCII Executive Director and MOHCD Director and will be set forth in the Final Financial Plan.)
Date Loan Committee approves prior expenses can be paid:	November 12, 2020

Financial Description of Proposed Loan (Commercial)	
Loan Amount:	$2,582,163
Loan Term:	55 years
Loan Maturity Date:	2078
Loan Repayment Type:	Residual Receipts, 40% net commercial cash flow due to OCII
Loan Interest Rate:	3%
Date Loan Committee approves prior expenses can be paid:	April 7, 2023

9.6. Recommended Loan Conditions

1. Sponsor will work closely with the sponsor of Block 2 East throughout predevelopment and construction and will:
    a. Finalize the tentative and final parcel map for the overall Block 2 site.
    b. Collaborate on the scope and schedule of site work to ensure that work is complete prior to the Project’s close of construction financing. Sponsor and Mercy shall amend the existing JDA to reflect the site work structure and/or enter into a memorandum of understanding or similar agreement.
    c. Identify and implement strategies to improve construction efficiencies and optimize logistics between the Block 2 West and Block 2 East projects.
    d. Determine and document roles and responsibilities for the shared maintenance of the publicly accessible pedestrian mews and any other shared open space elements, subject to the advance review and approval of OCII.
2. Sponsor shall continue to refine the commercial capital and operating budgets and, prior to the close of construction financing, Sponsor shall:
    a. Submit an updated Commercial Space Plan that documents further outreach to prospective tenants, describes racial equity efforts and expected outcomes, and outlines plans to achieve community benefits pursuant to the below-referenced Community Commercial Services Agreement. The updated Commercial Space Plan shall include a third party prepared market study. In addition, the updated Commercial Space Plan shall include an analysis of resources available to fund tenant improvements such as, but not limited to, programs from OEWD.
    b. Based on findings from the updated Commercial Space Plan and market study as referenced above, provide a recommended tenant improvement allowance responsive to current market conditions and anticipated tenant uses and related improvement cost estimates for OCII review and approval. The final tenant improvement allowance will be included as an attachment to the OCII commercial loan agreement.
    c. Make good faith efforts to secure letters of intent with Community Serving Use tenants (as defined in the MOHCD Commercial Space Underwriting Guidelines).
    d. Enter into a retail leasing agreement or similar document with Mercy Commercial to establish ongoing roles and responsibilities regarding the leasing, management, and operation of the commercial spaces.
    e. Enter into a Community Commercial Services Agreement (as referenced in the MOHCD Commercial Space Underwriting Guidelines) or similar agreement to establish the terms and annual community benefit reporting requirements for the commercial spaces.

f. Subject to OCII review and approval, execute a reciprocal easement agreement or similar document to establish the terms for access to spaces shared between the residential and commercial projects and the allocation of costs and responsibilities.

g. Enter into a commercial space loan agreement and ground lease with OCII.

Following initial lease-up and a period of stabilized commercial occupancy as mutually agreed upon by the Sponsor, Mercy Commercial, and OCII, pursue a permanent commercial loan to reimburse OCII's commercial loan to the extent feasible.

3. To the extent that projected cash flow can support it, Sponsor shall explore the potential for permanent debt and/or continue to refine the income levels for the non-subsidized units and seek to incorporate a portion of units at a 40% AMI tier, with the intention of maximizing opportunities for COP holders. Any adjustments to AMI tiering will be balanced to ensure that cash flow remains positive for the first 20 years of operation. Final AMI tiering shall be reflected in the Final Financial Plan.

4. Sponsor shall provide for OCII review and approval: a) the request for proposals and/or solicitation package for equity investors and lenders before it is finalized and distributed; b) all raw financial data from developer or financial consultant prior to selection; c) proposals from all investors and lenders; and, d) all letters of intent from financial partners.

5. Sponsor shall work with OCII, MOHCD and HSH to finalize the LOSP budget and secure approval for a LOSP grant agreement in accordance with the timeframe and procedure set forth in the LOSP manual. Any proposed deviation(s) from a pro rata cost split between LOSP and the operating budget are subject to review and approval by OCII and MOHCD, and must be justified by the Sponsor.

6. If directed by OCII, MOHCD, and/or HSH, Sponsor shall submit an application for Continuum of Care rent and supportive services subsidies for all or a portion of the LOSP units.

7. Sponsor shall continue to refine the supportive services plan and budget for review and approval by OCII and HSH, and shall work with HSH to finalize a supportive services contract for the Project.

8. Sponsor shall explore partnerships and identify additional resources to serve such as in home health services, nursing, and other wellness resources to supplement on-site resident services and address the needs of the senior population.

9. Sponsor shall secure and maintain a SOS grant agreement in accordance with the parameters, process, and timeframe set forth in the SOS Policies and Procedures Manual as published by MOHCD.

10. Sponsor, in cooperation with OCII, shall continue to require the general contractor to exercise good faith efforts to select subcontractors who are either SBEs or, if they are not SBEs, are willing to create joint ventures or similar partnership opportunities with SBEs. In addition, Sponsor will work

closely with the general contractor and design team to monitor construction costs and identify opportunities for cost savings and efficiencies.

11. Sponsor shall provide an Early Outreach Plan one month after the start of construction and an initial draft Marketing Plan within 12 months of anticipated TCO, outlining the affirmative steps they will take to market the Project to OCII's preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents. In addition, the Marketing Plan will describe how the marketing is consistent with the Mayor's Racial Equity Statement and promotion of positive outcomes for African American San Franciscans.
12. Sponsor will evaluate scoring criteria for AHP and provide a self-score to OCII in 2024 and future rounds as appropriate. Sponsor will submit an application for AHP funding as directed by OCII.
13. Sponsor will monitor the timing and regulations of the HCD IIG NOFA for 2023 and/or future rounds, assess scoring, and apply for funding as directed by OCII.
14. Sponsor shall submit to OCII final permanent residential and commercial and residential sources and uses budgets and operating budgets, compliant with underwriting standards for OCII review and approval. The allocation of funds between the residential and commercial loans may be adjusted to optimize scoring and/or maximize tax credit basis. The final budgets will be incorporated into the Final Financial Plan, subject to approval by OCII and MOHCD.
15. Sponsor, in coordination with the sponsor of Block 2 East, will continue to conduct outreach to the Transbay community throughout predevelopment and construction to solicit input, address concerns, and educate community members on various aspects of the Project. Outreach should include updates to the Transbay CAC and other community organizations at key Project milestones.

10. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

Approval indicates approval with modifications, when so determined by the Committee.

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

____________________________________ Date: ____________________
Eric D. Shaw, Director
Mayor's Office of Housing

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

____________________________________ Date: ____________________
Salvador Menjivar, Director of Housing
Department of Homelessness and Supportive Housing

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

____________________________________ Date: ____________________
Thor Kaslofsky, Executive Director
Office of Community Investment and Infrastructure

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

____________________________________ Date: ____________________
Anna Van Degna, Director
Controller's Office of Public Finance

Attachments:
A. Project Milestones/Schedule
B. Borrower Org Chart
C. Developer Resumes
D. Asset Management Analysis of Sponsor
E. Threshold Eligibility Requirements and Ranking Criteria
F. Site Map with amenities
G. Elevations and Floor Plans
H. Comparison of City Investment in Other Housing Developments
I. Predevelopment Budget
J. Development Budget
K. 1st Year Operating Budget
L. 20-year Operating Pro Forma
M. Commercial Development Budget
N. Commercial Operating Budget

Request for permanent gap loan for Transbay Block 2 West

Shaw, Eric (MYR) <eric.shaw@sfgov.org>
Fri 4/7/2023 11:29 AM
To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

approve

Eric D. Shaw
Director/ Interim Director HopeSF

Mayor's Office of Housing and Community Development
City and County of San Francisco
1 South Van Ness Avenue, 5th Floor

GAP LOAN FOR TRANSBAY BLOCK 2 WEST

Menjivar, Salvador (HOM) <salvador.menjivar1@sfgov.org>

Mon 4/10/2023 11:42 AM

To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

Cc: Shaw, Eric (MYR) <eric.shaw@sfgov.org>

I support Chinatown Community Development Center request for permanent gap funding of up to $65,011,065 for Transbay Block 2 West with the understanding that the transaction will require approval from the OCII Commission.

Best,

Salvador

Salvador Menjivar
Director of Housing
Pronouns: He/Him
San Francisco Department of Homelessness and Supportive Housing
salvador.menjivar1**@sfgov.org** **|** 415-308-2843

Learn: [dhsh.sfgov.org]hsh.sfgov.org | Follow: @SF_HSH | Like: @SanFranciscoHSH

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Request For Permanent Gap Loan For Transbay Block 2 West

Kaslofsky, Thor (CII) <Thor.Kaslofsky@sfgov.org>

Fri 4/7/2023 11:24 AM

To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

Cc: Colomello, Elizabeth (CII) <elizabeth.colomello@sfgov.org>;Shaw, Eric (MYR) <eric.shaw@sfgov.org>

Hi Vanessa,
I approve the above request on behalf of OCII.

Thanks!

Best Regards,
Thor

OCII office of COMMUNITY INVESTMENT and INFRASTRUCTURE

Thor Kaslofsky
Executive Director

One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
415.749.2588
thor.kaslofsy@sfgov.org
www.sfocii.org

*Please note that if you are receiving this email outside of your normal working hours there is no urgent need to respond unless there is a specific request to do so.

RE: Request for permanent gap loan for Transbay Block 2 West

Trivedi, Vishal (CON) <vishal.trivedi@sfgov.org>
Fri 4/7/2023 11:28 AM
To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>
Cc: Shaw, Eric (MYR) <eric.shaw@sfgov.org>

Am I to submit a vote via email, did I understand that correctly?

If so, I vote "yes". Thanks!

Vishal Trivedi | Financial Analyst
Office of Public Finance | City & County of San Francisco
Email | vishal.trivedi@sfgov.org

Attachment A: Project Milestones and Schedule

No.	Performance Milestone	Estimated or Actual Date	Notes
A.	Prop I Noticing (if applicable)	N/A	N/A
1	Acquisition/Predev Financing Commitment	Feb 2021	Complete
2.	Site Acquisition (Ground Lease)	Feb 2024	
3.	Development Team Selection		
a.	Architect	Nov 2020	Complete
b.	General Contractor	Jun 2021	Complete
c.	Owner's Representative	Apr 2021	Complete
d.	Property Manager	Nov 2020	Complete
e.	Service Provider	Nov 2020	Complete
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	Oct 2022	Complete
b.	Submittal of Design Development & Cost Estimate	Apr 2023	
c.	Submittal of 50% CD Set & Cost Estimate	Aug 2023	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	Oct 2023	
5.	Commercial Space		
a.	Commercial Space Plan submission (preliminary)	Feb 2023	Complete
b.	Commercial Space Plan submission (updated)	Dec 2023	
b.	LOI/s executed (target)	Feb 2024	
6.	Environ Review/Land-Use Entitlements		
b.	CEQA Environ Review Submission	Oct 2022	Complete
c.	NEPA Environ Review Submission	N/A	
7.	PUC/PG&E		
a.	Temp Power Application Submission	Mar 2023	Complete
b.	Perm Power Application Submission	Nov 2022	Complete
8.	Permits		
a.	Building / Site Permit Application Submitted	Aug 2022	Complete
b.	Addendum #1 Submitted	Nov 2023	
c.	Addendum #2 Submitted	Nov 2023	
9.	Request for Bids Issued	Aug 2023	
10.	Service Plan Submission		
a.	Preliminary	Feb 2023	Complete

b.	Final	Aug 2023	
11.	Additional City Financing		
a.	Gap Financing Application (this request)	Mar 2023	Complete
12.	Other Financing		
a.	HCD IIG Application	Jun 2023	
b.	Construction Financing RFP	Sep 2023	
c.	AHP Application	Mar 2024 or Mar 2025	
d.	CDLAC Application	May 2023	
e.	TCAC Application	May 2023	
g.	LOSP Funding Request	Nov 2024	
13.	Closing		
a.	Construction Loan Closing	Feb 2024	
b.	Conversion of Construction Loan to Permanent Financing	Dec 2025	
14.	Construction		
a.	Notice to Proceed	Feb 2024	
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	Sept 2025	
15.	Marketing/Rent-up		
a.	Marketing Plan Submission	Sept 2024	
b.	Commence Marketing	Mar 2025	
c.	95% Occupancy	Mar 2026	
16.	Cost Certification/8609	Sept 2026	
17.	Close Out MOH/OCII Loan(s)	Sept 2026	

Attachment B: Borrower Org Chart

Transbay 2 Senior, L.P. Organizational Chart
As of March 2023

Residential Owner

Transbay 2 Senior, L.P.
Principal: Malcolm Yeung
EIN: 86-3088603

General Partner

CCDC Transbay 2 LLC
Principal: Malcolm Yeung
0.01% interest
EIN: 94-2514053

Limited Partner

TBD
Principal: TBD
99.99% interest
EIN: TBD

Sole Member/Manager

Chinatown Community Development Center, Inc.
Principal: Malcolm Yeung
EIN: 94-2514053

Commercial Owner

TBD Commercial LLC
Principal: Malcolm Yeung
EIN: TBD

Sole Member/Manager

Chinatown Community Development Center, Inc.
Principal: Malcolm Yeung
EIN: 94-2514053

The **residential** parcel of the property known as **Transbay 2 West** (Transbay Block 2 West) will be owned by **Transbay 2 Senior, L.P.** (the "limited partnership" or "LP"). The LP will have two partners: **CCDC Transbay 2 LLC** and an entity owned and controlled by the LIHTC equity investor (TBD). **CCDC Transbay 2 LLC** is the general partner. The LIHTC equity investor entity will be the limited partner.

Until the LIHTC equity investor entity is brought into the limited partnership, **Chinatown Community Development Center, Inc.** is the limited partner with a 99.99% interest in the partnership.

Chinatown Community Development Center, Inc., a 501(c)(3) tax-exempt California nonprofit public benefit corporation, is the sole member/manager of **CCDC Transbay 2 LLC**.

The **commercial** air rights parcel will be owned by a separate LLC **(TBD Commercial LLC)**. **Chinatown Community Development Center, Inc.**, a 501(c)(3) tax-exempt California nonprofit public benefit corporation, will be the sole member/manager of **TBD Commercial LLC**. The finances and operations of the commercial air rights parcel will be separate from the residential LP, and the rental income from commercial tenants will not flow up Transbay 2 Senior L.P.

Attachment C: Development Staff Resumes

Joanna Ladd

Associate Director of Housing Development

Chinatown Community
Development Center
華協中心

EDUCATION

B.A., Environmental Analysis
(Environmental Design Track)
Panoma College, Claremont, CA

RELATED AND PROFESSIONAL EXPERIENCE

Associate Director of Housing Development
Chinatown Community Development Center
San Francisco, CA (Jan 2021- Present)

- Lead the Housing Development Division as part of a two-person team with the Director of Housing Development.
- Direct responses to City of San Francisco requests for qualifications (RFQs) for new development sites.
- Perform financial feasibility analysis and evaluate alternate deal structures for prospective projects.
- Advise policymakers on state and local housing initiatives.
- Supervise a team of three Project Managers who are collectively developing or rehabilitating over 500 affordable apartments.

Senior Project Manager & Development Strategist
(June 2018 – Jan 2021)

- Supervised a team of four Assistant Project Managers Supervise to help them support the department's Project Managers and lead small rehabilitation projects.
- Led the successful RFQ response for development rights to 730 Stanyan, a 160-unit affordable family and transition-aged youth housing site with ground floor commercial that will start construction in 2023.

Project Manager
(Feb. 2014 to June 2018)

- Led all stages of the affordable housing development process Chinatown CDC acquired under the Rental Assistance Demonstration (RAD)
- Participated in the City of San Francisco's RAD Working Group and contributed to its Relocation Plan.

Assistant Project Manager (Feb 2013 – Feb 2014)
Housing Development Asst., (July 2011-Feb. 2013)

- Provided substantive support to Project Managers for new construction and recapitalization projects.
- Led Chinatown CDC's efforts to improve the environmental sustainability of its portfolio and operations.

Program Intern
Local Initiative Support Corporate (LISC)
San Francisco, CA (Sept. 2010- July 2011)

- Supported economic development initiatives in San Francisco and health initiatives in Richmond.
- Administered the AmeriCorps Program and managed a team of 12 AmeriCorps service members.
- Organized a symposium on arts facilities and economic development with over 150 attendees.

Executive Management Coordinator
Tenderloin Management Coordinator
San Francisco, CA (May – Aug. 2010)

- Interfaced with Board Members, civic leaders, and the public on behalf of the Executive Director
- Performed revenue stream analysis and managed budgets for Executive Director and Management Team
- Assisted the Housing Development Department with an RFP response for the Hugo Hotel

PROFESSIONAL AFFILATIONS & AWARDS

- Co-chair of the Non-Profit Housing Association of Northern California's Regulatory Working Group, August 2022-Present.
- Co-founder and member of the Community-Based Development Collective, October 2020-Present.
- Co-recipient of the Non-Profit Housing Association of Northern California's 2020 Building the Future Award for co-founding the Emerging Leaders Peer Network (ELPN), May 2014-June 2016.

Abigail Brown

Project Manager

Chinatown Community Development Center
華協中心

EDUCATION

Master of City Planning
University of California, Berkely
Bachelor of Arts, Cum Laude in Social Studies
Harvard University

RELATED AND PROESSIONAL EXPERIENCE

Project Manager
Chinatown Community Development Center
San Francisco, CA (April 2022 – Present)

- Project-managing new construction of 100% affordable senior project in Transbay neighborhood, including formerly homeless units, currently in predevelopment.
- Project-managing construction phase of occupied rehab of single-room occupancy (SRO) hotel with 70+ units.
- Project-managing completion of seismic safety retrofit of ground-floor commercial with occupied SRO units above.
- Supervising 2 assistant project managers

Assistant Project Manager
(April 2020 to April 2022)

- Project managed permanent conversion of $76.3 million new construction project.
- Prepared and presented case study on occupied SRO rehab.

Planner Trainee III, Accessible Services
SF Municipal Transportation Agency (SFMTA)
San Francisco, CA (June 2019 – March 2020)

- Project-managed ~$400,000 grant-implementation to increase access to medical appointments and grocery stores for low-income health clinic patients.
- Conducted and synthesized 8 department staff interviews to inform multi-year department strategy; facilitated 2 strategic planning retreat sessions; scoped 300+ community stakeholders for public outreach plan.
- Evaluated 120+ bus stops for accessibility features and amenities.
- Drafted official SFMTA style guide section on alternative text, increasing website accessibility for low-vision users.
- Re-envisioned and reorganized official agency booklet explaining SFMTA bus/rail system with a focus on accessibility.

Planner Trainee II, Accessible Services
(June 2018 – Feb. 2019)

- Conducted community outreach in the Bayview Hunter's Point neighborhood to develop a community-based transportation plan.
- Conducted and updated case studies for Emerging Mobility Working Group white paper on transportation network companies delivering accessible services.
- Cleaned, geocoded, and mapped 80,000+ Free Muni recipient addresses; data has informed routes and engagement.
- Proposed, designed, implemented, and synthesized transportation-focused depth-interviews with 6 older adults.

Graduate Student Instructor
Dept of City and Regional Planning
UC Berkeley (Jan. 2019 – May 2019)
Planning Methods Gateway, Part II

- Co-designed and led graduate student lab sections.
- Graded and gave substantive feedback on four large assignments, smaller skill-building assignments, and final exam.

Chinatown Community
Development Center
華協中心

Judy Kuang

Assistant Project manager

EDUCATION

Master in Teaching English as Second Language
University of San Francisco
B.A. in Psychology; B.S. in Human Development
University of California, Davis

RELATED AND PROFESSIONAL EXPERIENCE

Assistant Project Manger
Chinatown Community Development Center
San Francisco, CA (Jan 2022- Present)

- Assist in a scattered site (3 buildings) rehabilitation project in Chinatown/North Beach
- Assist in a new 151-unit construction project in Transbay for seniors.

Youth Program Manager
(~ 2018 – Jan 2021)

- Coached youth and staff on grant writing, in addition to working with Grant Manager to continue to source fundings.
- Led staff in response to virtual programming and activated the talent of youth and alumni to build a replica of Chinatown in Minecraft during the Pandemic to continue to give tours.

Senior Community Organizer
(~2018 – 2022)

- Built community partnerships through collaborative projects and/or integrating volunteer groups in our service-learning projects run by youth leaders.

Community Organizer
(~2010 – 2013)

- Trained youth leaders and implemented in-building earthquake preparedness and fire safety programs that educated over 2,000 residents and youth, and young children.

Youth Coordinator
(August 2006 – 2010)

- Designed and developed Youth for Single Room Occupancies (YSRO) leadership empowerment program to educate immigrant youth and youth living in SROs to learn and work with SRO residents to address Chinatown SRO living conditions.

AmeriCorps Intern
Bernal Heights Neighborhood Center
San Francisco, CA (~2005 -2006)

- Outreached to Excelsior small Chinese business owners and residents for neighborhood improvement plans, like a transportation study and community fair.

PROFESSIONAL DEVEOPMENT

- UCLA Ziman 2022 Levine Affordable Housing Development Program
- Neighbor Works Training Institute (May 2022)
  1) Fundamentals of affordable housing development
  2) Real Estate Finance Nuts and Bolts
  3) Rental housing development finance
- NPH Affordable Housing Conference Panelist (Sept. 2021)
  Topic: Community Powered Resilience: Ensuring all Californians Are Safe from Disasters Workshop

Attachment D: Asset Management Evaluation of Project Sponsor

Asset Management's (AM) role at CCDC is to manage portfolio risk and opportunities by monitoring & analyzing the financial and physical health of CCDC's portfolio. CCDC's AM staff currently oversee 38 properties comprised of 3,090 affordable housing units including 546 senior supportive housing units. This comes to an average of 82 units per project. Over 4,700 individuals or ~ 2,500 households live in CCDC homes. 78% of the households in CCDC portfolio are extremely low income.

Sponsor's asset management staffing – job titles, FTEs, org chart and status of each
The Asset Management Department (AM) is comprised of 5.625 FTE:

- Director of Asset Management
- Associate Director of Asset Management
- Asset Manager (2.0FTE)
- Asset Management Coordinator
- Asset Management Assistant (0.625 FTE)

Two positions, the Director of Asset Management and the Asset Management Coordinator are currently vacant.

Description of scope and range of duties of sponsor's asset management team
CCDC's Asset Management Department consists of a Director, Associate Director, an Asset Manager (2.0FTE), Asset Management Coordinator, and an Administrative Assistant. The Associate Director (1.0 FTE) and the Asset Managers (2.0 FTE) each oversee approximately 14 properties, or ~1,250 units. The ~1,250 units per FTE is within industry standards. This number includes properties in operations and those in the pipeline, approximately 3,750 units total.
In operation the Associate Director, and two Asset Managers:

- Evaluate/Analysis monthly financial reports.
- Participate in lender, partner, and agency inspections.
- Commission and shepherd PNAs
- Act as CCDC's liaison with lenders and partners
- Plan for funding the properties' capital needs using reserves, grant funds, and recapitalizations.
- Establish, monitor, and analyze the CCDC 5YR Portfolio Plan financial and capital projections.
- Produce & analyze annual reports for REO, including contributing to and reviewing the property annual audits, tax returns, tax capital analysis and YR15 planning.

The Associate Director of Asset Management is assigned to all portfolio refinances, funding applications, and new projects. They are involved at the RFQ or acquisition phase and throughout the development process. They also review proformas, focusing on operating costs, debt service coverage ratio, and fee structure through stabilization and permanent conversion.

The Asset Management Coordinator provides administrative support for annual budget process, insurance renewal, and periodic claims, as well as cross portfolio reporting. The Asset Management Assistant organizes and produces all monthly and quarterly reporting. These two positions free up the Asset Managers, Associate Director, and Director for the higher-level activities.

Description of sponsor's coordination between asset management and other functional teams, including property management, accounting, compliance, facilities management, etc.
AM meets monthly with the Housing Development, Property Management, and Fiscal departments to discuss cross-department topics and coordinate the organization's approach to

property and portfolio issues. Even in a hybrid work environment, teams have coordinated closely through recurring interdepartmental meetings with department directors, as well as the monthly Small Sites coordination meeting with a focus on preservation projects with 25 units or fewer.

Sponsor's budget for asset management team – shown as cost center for projects in SF.
CCDC maintains a separate budget for the Asset Management team.

# of projects expected to be in sponsor's AM portfolio in 5 years and, if applicable, plans to augment staffing to manage growing portfolio

CCDC has 5 projects in development that will provide over 650 units of affordable housing in the next 3-5 years:

- 730 Stanyan with TNDC (160 units)
- Transbay Block 2 West (151 units)
- 1515 South Van Ness with MEDA (161 units)
- Pier 70 with YCD (116 units)
- 772 Pacific/New Asia (~175 units)

In the short term, to manage the workflow generated by these 5 new projects in pre-development, CCDC is planning to fill the two vacant positions. CCDC is also currently developing a 5-year Asset Management Department plan to establish the priorities and staffing to manage these 5 projects along with its current portfolio for the next 5 years. In addition, CCDC has relationships with experienced consultants who can perform discrete projects to fill in any gaps.

Attachment E: Threshold Eligibility Requirements and Ranking Criteria

The RFP, issued by OCII on June 22, 2020, defined minimum threshold requirements to be considered for selection. The Sponsors satisfied these requirements.

The Sponsor was selected, as part of a team along with the Sponsor of Block 2 East, based on their submittal in response to the RFP. The team led by Mercy and CCDC had the highest score of the five proposals received, with 90 out of 100 possible points. Scoring criteria was as follows:

Maximum Points	Criteria
50	**Proposed Development Concept**
20	Proposed massing concept
15	Financial feasibility and level of OCII subsidy
10	Proposed services plan
5	Proposed marketing plan
50	**Developer Team Experience and Capacity**
10	Developer’s experience: comparable mixed-use projects
10	Developer’s experience: affordable housing financing; workload capacity
10	Workforce and contracting action plan
10	Architect experience and capacity
5	Service provider experience and capacity
5	Property manager experience and capacity
100	**Maximum Total Points**

Attachment F: Site Map with amenities


TRANSBAY BLOCK 2 AMENITIES
GROCERY STORE / PHARMACY
RESTAURANT
CAFE
DAYCARE
BANK
PARK
EDUCATION
POST OFFICE / UPS
MUSEUM
TRANSIT STATION
TRANSBAY REDEVELOPMENT PROJECT AREA
TRANSBAY ZONE 1 SUB-AREA
TRUE NORTH
SOMA NORTH
0' 125' 250' 500'
SITE LOCATION
15-MIN WALK RADIUS (3/4-MILE)
BLOCK 2
BLOCK 1
BLOCK 3
BLOCK 4
BLOCK 5
BLOCK 6
BLOCK 7
BLOCK 8
BLOCK 9
BLOCK 10
BLOCK 11
BLOCK 12
PARCEL F
PARCEL M
SALESFORCE TOWER PARCEL T
SALESFORCE PARK
TRANSBAY TERMINAL
FUTURE TRANSBAY PARK
FUTURE UNDER RAMP PARK
TRANSBAY CHILD DEVELOPMENT CENTER
WOODLANDS MARKET
RINCON PARK
RINCON CENTER
JUMA VENTURES
EMBARCADERO YMCA
SAN FRANCISCO RAILWAY MUSEUM
FERRY BUILDING FARMER'S MARKET
FERRY BUILDING
EMBARCADERO PLAZA
EMBARCADERO STATION
MONTGOMERY STATION
SUE BIERMAN PARK
WALGREENS
WALTON SQUARE
SAFEWAY
TRANSAMERICA REDWOOD PARK
EDWIN ANITE LEE NEWCOMER SCHOOL
PORTSMOUTH SQUARE
UNION SQUARE
TRADER JOE'S
JESSIE SQUARE
YERBA BUENA GARDENS
SF MOMA
CVS
MOSCONE CENTER NORTH
MOSCONE CENTER SOUTH
ACADEMY OF ART
BESSIE CARMICHAEL MIDDLE SCHOOL
WHOLE FOODS
BRIGHT HORIZONS
RINCON HILL DOG PARK
SOUTH PARK
ORACLE PARK
MISSION CREEK CHANNEL
MISSION BAY
BAY BRIDGE
THE EMBARCADERO
JACKSON ST
WASHINGTON ST
CLAY ST
MONTGOMERY ST
KEARNY ST
SANSOME ST
BATTERY ST
FRONT ST
CALIFORNIA ST
DAVIS ST
DRUMM ST
PINE ST
BUSH ST
SUTTER ST
POST ST
GEARY ST
MARKET ST
MISSION ST
HOWARD ST
FOLSOM ST
HARRISON ST
BRYANT ST
BRANNAN ST
TOWNSEND ST
KING ST
1ST ST
2ND STREET
3RD ST
4TH ST
FREMONT ST
BEALE ST
MAIN ST
SPEAR ST
STEUART ST
ESSEX STREET

Attachment G: Elevations and Floor Plans

LEGEND

- STUDIO
- NESTED 1 BED
- 1 BEDROOM
- 2 BEDROOM MANAGER
- COMMUNITY ROOM
- AMENTITY
- CIRCULATION
- BACK OF HOUSE
- RETAIL
- MAIN BUILDING ENTRY
- DCDG PARCEL BOUNDARIES
- DCDG PARCEL BOUNDARY AND FUTURE PROPERTY LINE
- FUTURE PROPERTY LINE
- SETBACK

1 BEDROOM	
UNIT 1-P	492 SF
UNIT 1-Q	559 SF

0' 4 8 16

Transbay Block 2W - Senior Building

Level 1 Plan

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LEGEND

- STUDIO
- NESTED 1 BED
- 1 BEDROOM
- 2 BEDROOM MANAGER
- COMMUNITY ROOM
- AMENTITY
- CIRCULATION
- BACK OF HOUSE
- RETAIL
- MAIN BUILDING ENTRY
- DCDG PARCEL BOUNDARIES
- DCDG PARCEL BOUNDARY AND FUTURE PROPERTY LINE
- FUTURE PROPERTY LINE
- SETBACK

STUDIO	
UNIT S-A	415 SF
UNIT S-B.1	408 SF
UNIT S-C	438 SF
UNIT S-D	411 SF
UNIT S-E	401 SF
UNIT S-F	359 SF

1 BEDROOM	
UNIT 1-C	536 SF
UNIT 1-F	543 SF
UNIT 1-H	576 SF
UNIT 1-J	538 SF
UNIT 1-L	522 SF
UNIT 1-M	507 SF
UNIT 1-N	639 SF

NESTED 1-BEDROOM	
UNIT N1-D	547 SF
UNIT N1-E	504 SF
UNIT N1-G	542 SF

0' 4 8 16

Transbay Block 2W - Senior Building

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Level 2 Plan

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LEGEND

- STUDIO
- NESTED 1 BED
- 1 BEDROOM
- 2 BEDROOM MANAGER
- COMMUNITY ROOM
- AMENTITY
- CIRCULATION
- BACK OF HOUSE
- RETAIL
- MAIN BUILDING ENTRY
- DCDG PARCEL BOUNDARIES
- DCDG PARCEL BOUNDARY AND FUTURE PROPERTY LINE
- FUTURE PROPERTY LINE
- SETBACK

STUDIO	
UNIT S-A	415 SF
UNIT S-B	401 SF
UNIT S-C	438 SF
UNIT S-D	411 SF
UNIT S-E	401 SF
UNIT S-F	359 SF
1 BEDROOM	
UNIT 1-A.1	536 SF
UNIT 1-A.2	560 SF
UNIT 1-A.3	534 SF
UNIT 1-A.4	534 SF
UNIT 1-B	552 SF
UNIT 1-C	536 SF
UNIT 1-F	543 SF
UNIT 1-H	575 SF
UNIT 1-J	546 SF
UNIT 1-K	635 SF
UNIT 1-L	516 SF
UNIT 1-M	507 SF
UNIT 1-N	639 SF
NESTED 1-BEDROOM	
UNIT N1-D	547 SF
UNIT N1-E	504 SF
UNIT N1-G	542 SF

0' 4 8 16

Transbay Block 2W - Senior Building

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Levels 3-5 Plans

LEGEND

- STUDIO
- NESTED 1 BED
- 1 BEDROOM
- 2 BEDROOM MANAGER
- COMMUNITY ROOM
- AMENTITY
- CIRCULATION
- BACK OF HOUSE
- RETAIL
- MAIN BUILDING ENTRY
- DCDG PARCEL BOUNDARIES
- DCDG PARCEL BOUNDARY AND FUTURE PROPERTY LINE
- FUTURE PROPERTY LINE
- SETBACK

STUDIO	
UNIT S-A	415 SF
UNIT S-B	401 SF
UNIT S-C	438 SF
UNIT S-D	411 SF

1 BEDROOM	
UNIT 1-A.1	536 SF
UNIT 1-A.2	560 SF
UNIT 1-A.3	534 SF
UNIT 1-A.4	534 SF
UNIT 1-B	554 SF
UNIT 1-C	533 SF
UNIT 1-F	543 SF

NESTED 1-BEDROOM	
UNIT N1-D	547 SF
UNIT N1-E	504 SF

Transbay Block 2W - Senior Building

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Level 6 Plan

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LEGEND

- STUDIO
- NESTED 1 BED
- 1 BEDROOM
- 2 BEDROOM MANAGER
- COMMUNITY ROOM
- AMENTITY
- CIRCULATION
- BACK OF HOUSE
- RETAIL
- MAIN BUILDING ENTRY
- DCDG PARCEL BOUNDARIES
- DCDG PARCEL BOUNDARY AND FUTURE PROPERTY LINE
- FUTURE PROPERTY LINE
- SETBACK

STUDIO	
UNIT S-A	415 SF
UNIT S-B	401 SF
UNIT S-C	438 SF
UNIT S-D	411 SF
1 BEDROOM	
UNIT 1-A.1	536 SF
UNIT 1-A.2	560 SF
UNIT 1-A.3	534 SF
UNIT 1-A.4	534 SF
UNIT 1-B	554 SF
UNIT 1-C	533 SF
UNIT 1-F	543 SF
UNIT 1-J.1	572 SF
NESTED 1-BEDROOM	
UNIT N1-D	547 SF
UNIT N1-E	504 SF

0' 4 8 16

Transbay Block 2W - Senior Building

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Level 7 Plan

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LEGEND

- STUDIO
- NESTED 1 BED
- 1 BEDROOM
- 2 BEDROOM MANAGER
- COMMUNITY ROOM
- AMENTITY
- CIRCULATION
- BACK OF HOUSE
- RETAIL
- MAIN BUILDING ENTRY
- DCDG PARCEL BOUNDARIES
- DCDG PARCEL BOUNDARY AND FUTURE PROPERTY LINE
- FUTURE PROPERTY LINE
- SETBACK

STUDIO	
UNIT S-A	415 SF
UNIT S-B	401 SF
UNIT S-C	438 SF
UNIT S-D	411 SF
1 BEDROOM	
UNIT 1-A.1	536 SF
UNIT 1-A.2	560 SF
UNIT 1-A.3	534 SF
UNIT 1-A.4	534 SF
UNIT 1-B	554 SF
UNIT 1-C	533 SF
UNIT 1-F	543 SF
UNIT 1-H	590 SF
UNIT 1-J.1	572 SF
NESTED 1-BEDROOM	
UNIT N1-D	547 SF
UNIT N1-E	504 SF
UNIT N1-G	544 SF

0' 4 8 16

Transbay Block 2W - Senior Building

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Level 8 Plan

LEGEND

- STUDIO
- NESTED 1 BED
- 1 BEDROOM
- 2 BEDROOM MANAGER
- COMMUNITY ROOM
- AMENTITY
- CIRCULATION
- BACK OF HOUSE
- RETAIL
- MAIN BUILDING ENTRY
- DCDG PARCEL BOUNDARIES
- DCDG PARCEL BOUNDARY AND FUTURE PROPERTY LINE
- FUTURE PROPERTY LINE
- SETBACK

STUDIO	
UNIT S-A	415 SF
UNIT S-B	401 SF
UNIT S-C	438 SF
1 BEDROOM	
UNIT 1-A.1	536 SF
UNIT 1-A.2	560 SF
UNIT 1-A.3	534 SF
UNIT 1-A.4	534 SF
UNIT 1-B	554 SF
UNIT 1-C	533 SF
UNIT 1-F	543 SF
UNIT 1-H	590 SF
NESTED 1-BEDROOM	
UNIT N1-D	547 SF
UNIT N1-E	504 SF
UNIT N1-G	544 SF
2-BEDROOM	
UNIT 2-A	982 SF

0' 4 8 16

Transbay Block 2W - Senior Building

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Level 9 Plan

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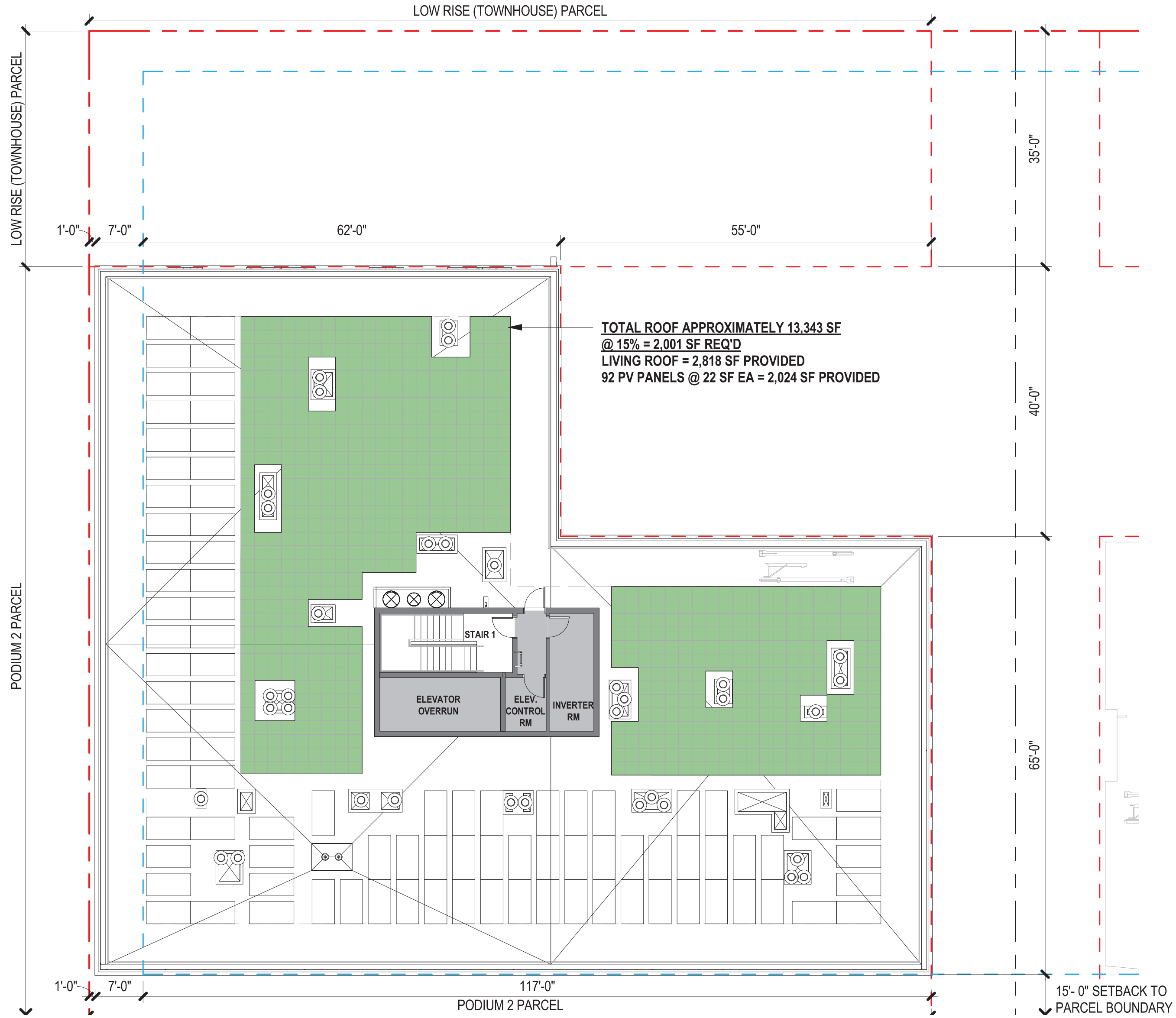

LEGEND

- STUDIO
- NESTED 1 BED
- 1 BEDROOM
- 2 BEDROOM MANAGER
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- AMENTITY
- CIRCULATION
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- RETAIL
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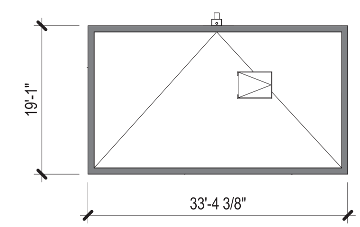
- DCDG PARCEL BOUNDARIES
- DCDG PARCEL BOUNDARY AND FUTURE PROPERTY LINE
- FUTURE PROPERTY LINE
- SETBACK



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Roof Plan

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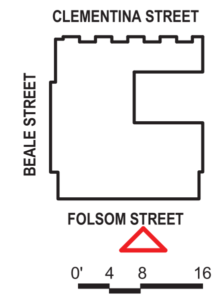

LEGEND

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- SETBACK

NOTES

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2. ALUMINUM STOREFRONT W/ CLEAR NON-TINTED & LOW REFLECTIVITY GLAZING
3. VENTING / EXHAUST STANDARD: SPACE FOR THE LOCATION OF DUCTS, EXHAUST PIPES & OTHER APPURTENANCES ASSOCIATED WITH COMMERCIAL USES ADJACENT TO THE OPEN SPACE PARCELS TO BE INTEGRATED INTO THE BUILDING. NO DUCTS OR EXHAUST PIPES WILL ENCROACH IN AREAS DESIGNATED FOR OPEN SPACE.

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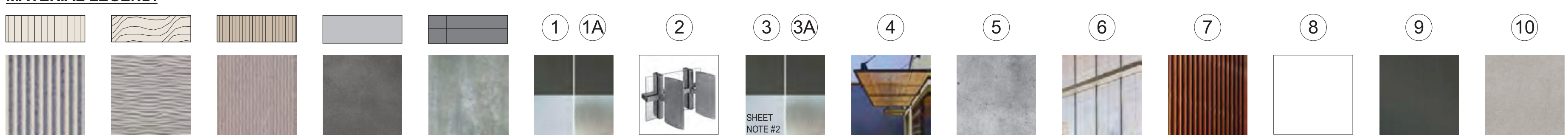

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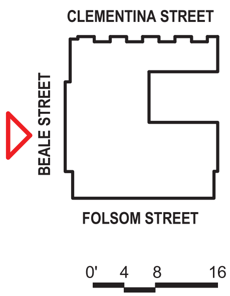
Folsom Street Elevation

plural | km | MITHŪN | Chinatown Community Development Center



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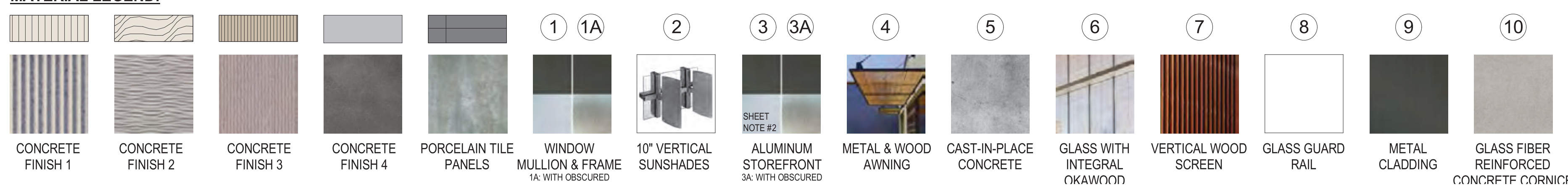

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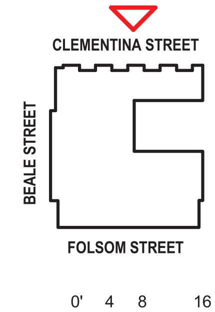
Beale Street Elevation

plural | km | MITHŪN | Chinatown Community Development Center



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- FUTURE PROPERTY LINE
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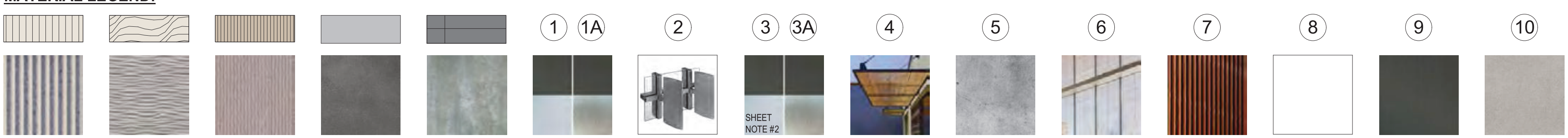

CONCRETE FINISH 1	CONCRETE FINISH 2	CONCRETE FINISH 3	CONCRETE FINISH 4	PORCELAIN TILE PANELS	WINDOW MULLION & FRAME 1A: WITH OBSCURED	10" VERTICAL SUNSHADES	ALUMINUM STOREFRONT 3A: WITH OBSCURED	METAL & WOOD AWNING	CAST-IN-PLACE CONCRETE	GLASS WITH INTEGRAL OKAWOOD	VERTICAL WOOD SCREEN	GLASS GUARD RAIL	METAL CLADDING	GLASS FIBER REINFORCED CONCRETE CORNICE

Transbay Block 2W - Senior Building

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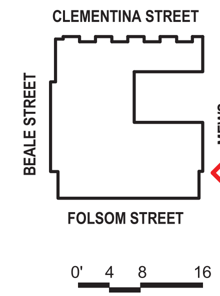
Clementina Street Elevation

plural km MITHŪN Chinatown Community Development Center



LEGEND

- DCDG PARCEL BOUNDARIES
- DCDG PARCEL BOUNDARY AND FUTURE PROPER' LINE
- FUTURE PROPERTY LINE
- SETBACK

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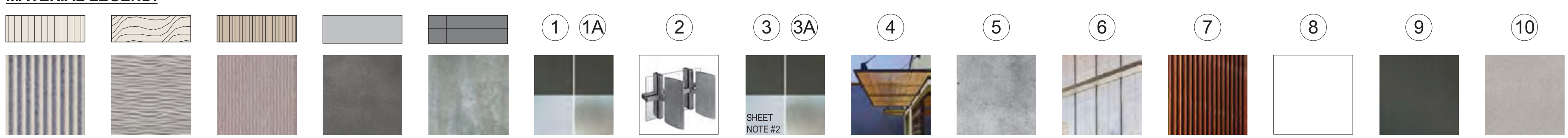

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Transbay Block 2W - Senior Building

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Mews Elevation

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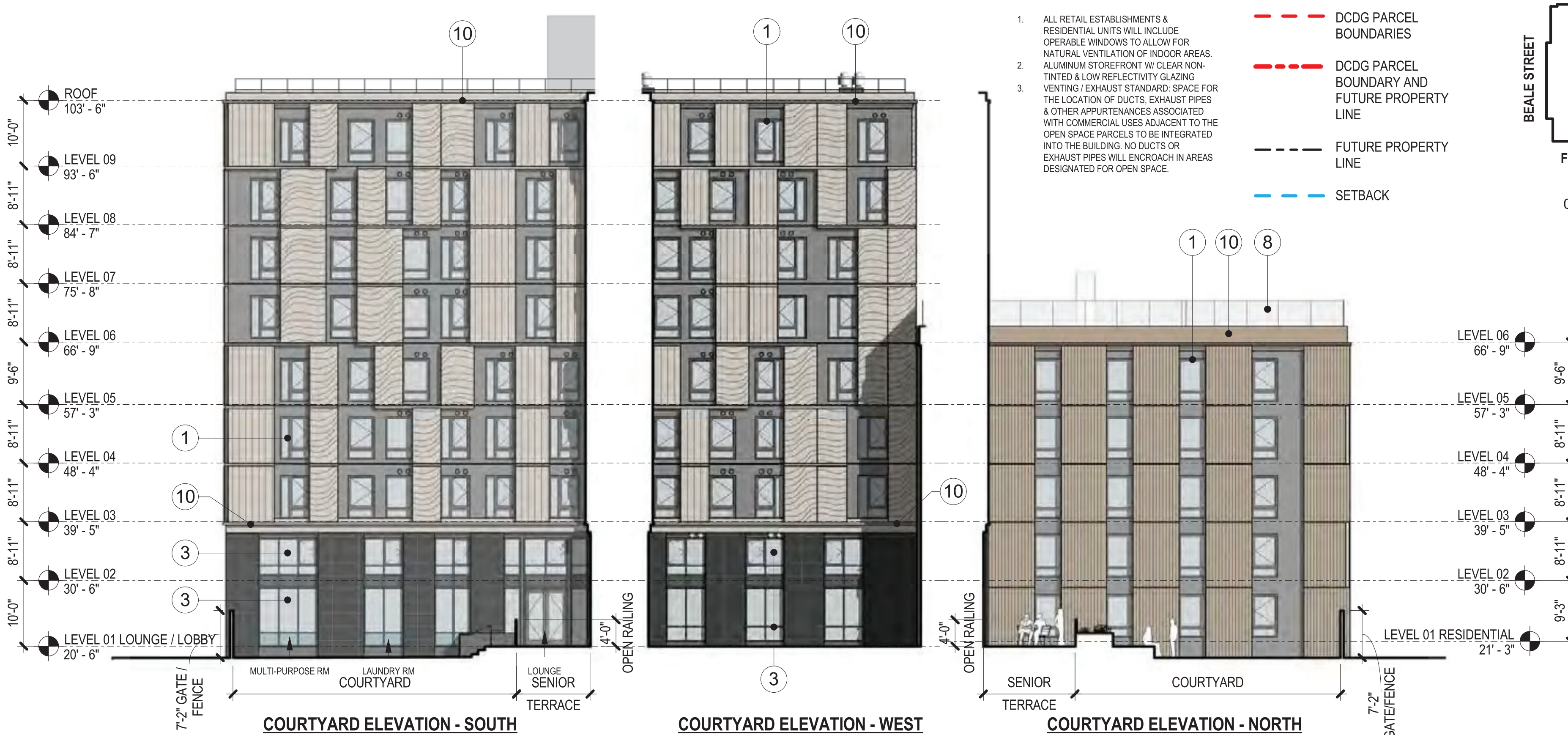

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LEGEND

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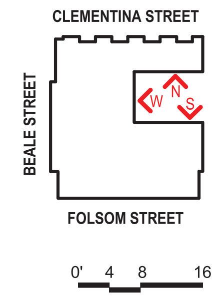
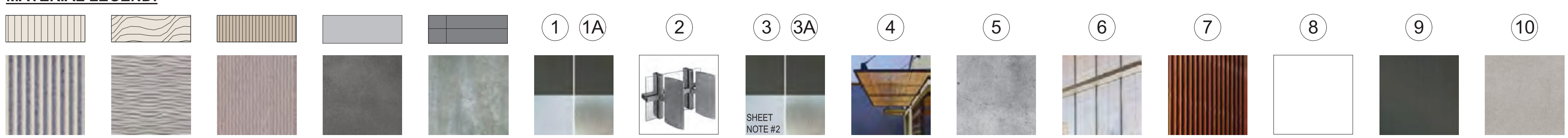
- DCDG PARCEL BOUNDARY AND FUTURE PROPERTY LINE
- FUTURE PROPERTY LINE
- SETBACK



MATERIAL LEGEND:



CONCRETE FINISH 1 | CONCRETE FINISH 2 | CONCRETE FINISH 3 | CONCRETE FINISH 4 | PORCELAIN TILE PANELS | 1 1A WINDOW MULLION & FRAME (1A: WITH OBSCURED GLAZING) | 2 10" VERTICAL SUNSHADES | 3 3A ALUMINUM STOREFRONT (3A: WITH OBSCURED GLAZING) | 4 METAL & WOOD AWNING | 5 CAST-IN-PLACE CONCRETE | 6 GLASS WITH INTEGRAL OKAWOOD SCREEN | 7 VERTICAL WOOD SCREEN | 8 GLASS GUARD RAIL | 9 METAL CLADDING | 10 GLASS FIBER REINFORCED CONCRETE CORNICE

Transbay Block 2W - Senior Building

Schematic Design Document
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Courtyard Elevation

plural | km | MITHŪN | Chinatown Community Development Center

Eye level perspective - View from the corner of Folsom and Beale

Transbay Block 2W - Senior Building

Schematic Design Document
21 October 2022

plural km MITHŪN Chinatown Community Development Center

Eye level perspective - View from the corner of Beale and Clementina

Transbay Block 2W - Senior Building

plural km MITHŪN Chinatown Community Development Center

Attachment H: Comparison of City Investment in Other Housing Developments

Affordable Multifamily Housing New Construction Cost Comparison

Updated 3/24/2023

		Acquisition by Unit/Bed/SF			Construction by Unit/Bed/SF			Soft Costs By Unit/Bed/SF			Total Development Cost (Incl. Land)			Subsidy	
		Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/ sq.ft[6]	Soft/unit	Soft/BR	Soft/ sq.ft[6]	Gross TDC/unit	Gross TDC/BR	Gross TDC/ sq.ft[6]	Subsidy / unit	Leveraging [7]
Delta of Subject and Comparable Projects		$ (24,781)	$ (15,550)	$ (138)	$ 48,174	$ 286,951	$ 344	$ 48,321	$ 105,638	$ 133	$ 70,560	$ 376,316	$ 452	$ 198,129	-180.8%
Delta Percentage		-100%	-100%	-100%	7%	70%	55%	31%	107%	89%	8%	72%	57%	82%	-254%
		$ -	$ -	$ -	$ 701,560	$ 696,945	$ 966	$ 205,824	$ 204,470	$ 283	$ 907,384	$ 901,414	$ 1,250	$ 439,012	51.6%
Comparable Projects	Average:	$ 24,781	$ 15,550	$ 137.84	$ 653,386	$ 409,993	$ 622	$ 157,503	$ 98,832	$ 150	$ 836,824	$ 525,099	$ 797	$ 240,883	71.2%

Costs lower than comparable average (within 10%)	Costs higher than comparable average (within 10%)

						Building Square Footage			Total Project Costs									
		Lot sq.ft	Completion/ start date	# of Units	# of BR[1]	Res.[2]	Non-Res. Sq. ft.	Total sg. ft.	Acq. Cost[3]	Constr. Cost[4]	Soft Cost	Total Dev. Cost w/land	Local Subsidy	Total Dev. Cost w/o land	Notes on Financing	Building Type	Stories	Comments
ALL PROJECTS	Average:	21,101		119	193	113,275	12,093	125,945	$ 2,575,790	$ 78,236,528	$ 19,479,643	$ 98,432,742	$ 28,737,799	$ 95,884,161				
Comparable Projects Completed (filtered)	Average:	22,512		104	173	97,641	15,247	112,888	$5,515,882	$66,738,034	$12,091,322	$84,345,239	$26,056,360	$78,829,356				
Comparable Projects Under Construction (filtered)	Average:	21,976		131	198	124,288	11,620	136,227	$2,303,129	$77,481,658	$23,357,085	$103,141,871	$33,660,617	$100,838,743				
Comparable Projects In Predevelopment (filtered)	Average:	18,523		115	187	109,998	10,065	118,781	$866,100	$84,776,028	$19,752,563	$105,799,144	$24,706,465	$105,041,306				
Total Comparable Projects	Average:	21,004		117	186	110,642	12,311	122,632	$2,895,037	$76,331,906	$18,400,323	$97,762,085	$28,141,147	$94,903,135				
Transbay 2 WEST		21,313	12/15/2023	151	152	106,710	2,945	109,655	$ -	$ 105,935,569	$ 31,079,401	$ 137,014,970	$ 66,290,770	$ 137,014,970				
Delta of Subject and Comp Project Averages		309		34	-34	-3,932	-9,366	-12,977	($2,895,037)	$29,603,663	$12,679,078	$39,252,885	$38,149,623	$42,111,835				
Delta Percentage		1%		29%	-18%	-4%	-76%	-11%	-100%	39%	69%	40%	136%	44%				

PROJECTS COMPLETED						Building Square Footage			Total Project Costs									
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR[1]	Res.[2]	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Building Type	Stories	Comments
Transbay 7 - Natalie Gubb Comm	222 Beale Street	29,209	Oct-18	120	208	118,251	5,000	123,251	$ 35,000	$ 72,327,319	$ 16,314,468	$ 88,676,787	$ 25,560,000	$ 88,641,787	HCD AHSC Loan	Type I Podium	4-8	3 Buildings - Pueblo structural system, plus Childcare shell
Mission Family Housing	1036 Mission	15,200	Oct-18	88	134	92,462	6,955	99,417	$ 5,551,029	$ 48,874,635	$ 6,583,453	$ 61,009,117	$ 17,704,400	$ 55,458,088	2 HCD Loans (MHP & TC	Type IB	9	
Eddy and Taylor Family Housing	222 Taylor	22,344	Jun-19	113	211	108,440	21,086	129,526	$ 9,300,000	$ 67,455,234	$ 14,837,459	$ 91,592,693	$ 22,187,436	$ 82,292,693	2 HCD Loans (MHP & TC	Type IB	8	Extensive PG&E regional switch required
1296 Shotwell Senior	1296 Shotwell	11,667	Jan-20	94	94	66,153	-	66,153	$ 831,098	$ 53,683,583	$ 257,523	$ 54,772,204	$ 27,812,014	$ 53,941,106	4% LIHTC HOME AHF	Type IA	9	seismic damper
Sunnydale Parcel Q	1477-1497 Sunnydale Ave	21,757	Jun-20	55	102	75,101	-	75,101	$ -	$ 41,616,310	$ 10,072,197	$ 51,688,507	$ 9,652,147	$ 51,688,507	9% LIHTC	Type IV	5	Grade podium parking
490 South Van Ness	490 S. Van Ness Avenue	14,250	Apr-21	81	121	51,639	28,985	80,624	$ 18,500,000	$ 55,813,702	$ 13,393,811	$ 87,707,513	$ 28,892,030	$ 69,207,513		Type IA	7 +	Over partial basement
1950 Mission Street	1950 Mission Street	36,590	Mar-21	157	262	113,432	48,142	161,574	$ 9,775,000	$ 107,597,228	$ 15,171,496	$ 132,543,724	$ 44,945,740	$ 122,768,724	HCD AHSC Loan	Type IA	9	30% of sf art and PDR spaces and Paseo Des Artes
2060 Folsom Street	2060 Folsom	29,075	May-21	127	252	155,648	11,810	167,458	$ 134,931	$ 86,536,260	$ 20,100,172	$ 106,771,363	$ 31,697,110	$ 106,636,432	HCD AHSC Loan	Type IB	9	$6MM
500 Turk Street (555 Larkin)	500 Turk Street	18,906	Dec-22	108	186	101,752	7,639	109,391	$ 1,853,895	$ 54,251,461	$ 29,815,020	$ 85,920,376	$ 32,400,000	$ 84,066,481	HCD AHSC Loan	Type I	8	Type I 8 stories on constrained site
681 Florida	681 Florida Street	19,000	Oct-22	130	199	126,830	9,250	136,080	$ 125,091	$ 69,184,293	$ 20,545,793	$ 89,855,177	$ 33,826,507	$ 89,730,086	HCD MHP Loan	Type IB	9	8,400+/- PDR
Completed Projects (average):	Average:	22,111		105	174	98,098	13,887	114,858	4,610,604	65,734,003	14,709,139	85,053,746	27,467,738	80,443,142				

PROJECTS UNDER CONSTRUCTION						Building Square Footage			Total Project Costs									
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR[1]	Res.[2]	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Building Type	Stories	Comments
921 Howard	921 Howard Street	28,893	Aug-23	203	259	235,680	1,970	237,650	$ 14,081,129	$ 111,260,260	$ 36,248,774	$ 161,590,163	$ 46,468,120	$ 147,509,034	CalHfa MIP/ 4% LIHTC	Type IA	18	Incl 3 parking spaces & retail (GMP 4/19/21)
BPUY - Balboa Park Upper Yard	2430 San Jose Ave	30,699	May-23	131	217	164,636	10,741	175,377	$ -	$ 91,871,410	$ 25,523,152	$ 117,394,562	$ 30,493,722	$ 117,394,562	4% Credits; HCD IIG & A	Type IB	8-9	Adjacent to BART. Early Childhood Ed Center. MOHCD Land not incl. (GMP Draft Contract 5/21)
180 Jones Street	180 Jones Street	4,853	Nov-24	70	70	36,166	3,304	39,470	$ 10,000	$ 38,293,496	$ 15,262,708	$ 53,566,204	$ 12,858,477	$ 53,556,204	4% LIHTC + MHP	Type I	9	Small very tight site; studios (95% CD est. updated est at close)
Central Freeway Parcel U	78 Haight Street	5,583	Dec-23	63	63	44,185	3,216	47,401	$ 37,439	$ 35,861,808	$ 18,518,268	$ 54,417,515	$ 26,746,467	$ 54,380,076	9% Fed & St. Credits,MH	Type I	7	Full basement, constrained site + childcare. (GMP_Eval Jan 2022)
600 7th Street (fmly. 801 Brannan)	600 7th Street	37,800	Jul-24	221	334	181,534	4,223	185,757	$ 10,000	$ 125,668,982	$ 19,654,482	$ 145,333,464	$ 17,500,000	$ 145,323,464	4% Credits; HCD IIG & N	Type I	8	Bids GMP 7/2022; commercial semi-warm shell 4 spaces
Mission Bay S. Bl. 9A-HomeOwn	400 China Basin Street	29,939	Jul-24	148	281	129,712	50,351	180,063	$ -	$ 105,209,208	$ 29,936,428	$ 135,145,636	$ 75,184,522	$ 135,145,636	OCII, IIG	Type I	8	Homeownership, (Loan Eval August 2021 data)
Under Construction:	Average:	22,360		139	204	131,986	12,301	144,286	2,356,428	84,694,194	24,190,635	105,294,558	33,818,194	102,935,275				

PROJECTS IN PREDEVELOPMENT						Building Square Footage			Total Project Costs									
Project Name	Address	Lot sq.ft	Start Date (anticipated)	# of Units	# of BR[1]	Res.[2]	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy	Total Dev. Cost w/o land	Notes on Financing	Building Type	Stories	Comments
266 4th Steet (4th & Folsom)	266 4th Street	8,400	TBD	70	99	60,515	1,580	62,095	$ 133,100	$ 49,982,213	$ 13,943,417	$ 64,058,730	$ 15,629,817	$ 63,925,630	4% Credits; AHSC, St. C	Type I	8	tunnel, structurally complex, small footprint
730 Stanyan	730 Stanyan Street	37,813	Apr-23	160	282	173,030	19,728	192,758	$ -	$ 124,194,710	$ 25,845,337	$ 150,040,047	$ 34,325,853	$ 150,040,047	4% Credits; HCD MHP	Type I	8	SVCs spaces, complex dsgn (100% DD, eval 3/14/2022, VE
2550 Irving	2550 Irving Street	19,125	Apr-24	90	161	107,821		107,618		$ 70,979,265	$ 24,946,857	$ 95,926,122	$ 25,573,912	$ 95,926,122	4% LIHTC; HCD - IIG, MH	Type I	7	Incl 1 space, pkg stacker system. 5/18/22 estimate w/15%
772 Pacific Avenue	772 Pacific Avenue	9,219	Apr-24	86	86	45,458	8,847	54,305	$ -	$ 58,265,200	$ 17,129,912	$ 75,395,112	$ 25,176,182	$ 75,395,112	4% Credits; MHP, AHP	Type IA	8	Comml rpl of Asia SF rest (9/30/21 Loan Eval)
1939 Market Street	1939 Market Street	11,860	May-24	187	277	141,915	1,475	143,390	$ -	$ 129,124,023	$ 26,618,903	$ 155,742,926	$ 31,028,625	$ 155,742,926	4% credits, AHP, MHP, II	Type I	15	Concept design, no parking (7/6/2022 GC estimates)
1515 SVN	1515 South Van Ness Ave	35,174	Feb-25	170	323	180,291	15,774	196,075	$ -	$ 112,327,729	$ 15,886,352	$ 128,214,081	$ 25,737,456	$ 128,214,081	4% credits, HCD MHP	TBD	6	Concept estimate, no application workbook as 11/22/2022
160 Freelon	160 Freelon	13,091	May-24	85	154	91,944	10,282	102,226	$ 20,000	$ 75,256,791	$ 19,236,327	$ 98,614,847	$ 20,077,591	$ 98,594,846	4% Credits, MHP, AHP	Type I assumed -- or Type IIIA	7	No design yet; No pkg. (10/19/21 loan eval est)
Homeless Prenatal Program Hsg (2530 18th)	2530 18th Street	13,504	Feb-24	73	117	79,010	12,768	91,778	$ 5,909,600	$ 58,078,289	$ 14,413,395	$ 78,401,284	$ 20,102,281	$ 72,491,684	4% Credits, MHP, IIG, AH	Type I	8	Schematic Design Dates 3/17/22
Transbay 2 EAST - Family OCII	200 Folsom	21,313	May-24	84	312	107,700	10,282	117,982	$20,000	$ 80,324,257	$ 17,831,883	$ 98,156,140	$ 26,695,472	$ 98,136,140	4% Credits, MHP, AHP	Type I	9	Conceptual 2021
In Predevelopment	Average:	18,833		112	201	109,743	10,092	118,692	760,338	84,281,386	19,539,154	104,949,921	24,927,465	104,274,065				

Attachment I: Predevelopment Budget

MOHCD Proforma - Permanent Financing Sources Uses of Funds

Application Date:	3/17/2023	**# Units:**	151
Project Name:	Transbay 2 West	***# Bedrooms:***	152
Project Address:	200 Folsom St	**# Beds:**	
Project Sponsor:	Chinatown Community Development Center		

LOSP Project

							Total Sources	**Comments**	
SOURCES	**62,428,902**	**807,860**	**500,100**	**59,847,539**	**-**	**6,008,973**	**129,593,374**		
Name of Sources:	MOHCD/OCII	Accrued Deferred Interest	GP Capital	Limited Partner Equity		IIG			
USES									
ACQUISITION									
Acquisition cost or value							0		
Legal / Closing costs / Broker's Fee							0		
Holding Costs							0		
Transfer Tax							0		
TOTAL ACQUISITION	**0**	**0**	**0**	**0**	**0**	**0**	**0**		
CONSTRUCTION (HARD COSTS)									
* Unit Construction/Rehab	8,109,562			59,847,539		3,464,425	71,421,526	Inclusive of MEPF design fees overall: residential 61m + amenity 2.157m + terrace/roof 2.84m + onsite 3.184m (minus 162.7k to demo line) +cistern 673k + 150k r20 + 1.52m GC contingency 308k piles to onsite line, 66.6k class 2 soil to enviro line, 181k class 1 soil to enviro line OCII breakout: 150k r20 power poles IIG breakout: 673k cistern, 83k onsite utilities, 2.7m remaining earthwork	
* Commercial Shell Construction							0		
* Demolition						373,939	373,939	overall: sitewide demo 474k + 2.5k abatement + 150k exist util + 50k trees OCII breakout: 32k bldg demo, 2.5k abatement, 67.5k onsite demo, 150k existing utility removal, 50k tree removal, IIG: remaining demo	
Environmental Remediation						181,800	181,800	66.6k class 2 soil (from res), 181k class 1 soil (from res)	
* Onsight Improvements/Landscaping							0	OCII: 308k pile removal (from res line)	
* Offsite Improvements						1,745,158	1,745,158	minus 311.5k to demo line, 75k offsite joint trench, 259k courtyard, 247k mews OCII breakout: 86k grd imp test, 110k temp power jt	Construction line item costs as a % of hard costs
* Infrastructure Improvements							0		
Parking							0		
GC Bond Premium/GC Insurance/GC Taxes	2,009,056						2,009,056	714k taxes+bonds, 1.29m ins	**2.4%**
GC Overhead & Profit	1,962,792						1,962,792		**2.3%**
CG General Conditions	6,152,987						6,152,987	gen cond + gen reqs+ st permit (res + amenity +roof+onsite) taxes +bonds to row 28	**7.3%**
Sub-total Construction Costs	*18,234,397*	*0*	*0*	*59,847,539*	*0*	*5,765,322*	*83,847,258*		
Design Contingency (remove at DD)	2,602,310						2,602,310	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+	**3.1%**
Bid Contingency (remove at bid)	2,602,310						2,602,310	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+	**3.1%**
Plan Check Contingency (remove/reduce during Plan Revi	1,732,310						1,732,310	4% up to $30MM HC, 3% $30-$45MM, 2% $45MM+	**2.1%**
Hard Cost Construction Contingency	8,224,570						8,224,570	total in this line: 5% new construction + 4.8% escalation (per guidance of construction manager and financial advisor)	**9.8%**
Sub-total Construction Contingencies	*15,161,500*	*0*	*0*	*0*	*0*	*0*	*15,161,500*		
TOTAL CONSTRUCTION COSTS	**33,395,897**	**0**	**0**	**59,847,539**	**0**	**5,765,322**	**99,008,758**		
SOFT COSTS									
Architecture & Design									
Architect design fees	1,515,262					108,770	1,624,032	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms	
Design Subconsultants to the Architect (incl. Fees)	770,247					55,291	825,538	IIG column multipled by proportion of IIG hard costs, I31/J31 = 0.066975	
Architect Construction Admin	682,134					48,966	731,100	CA phase for Mithun and KMA	
Reimbursables	18,957					1,361	20,318		
Additional Services	113,409					8,141	121,550		
Sub-total Architect Contract	*3,100,009*	*0*	*0*	*0*	*0*	*222,529*	*3,322,538*		
Other Third Party design consultants (not included under Architect contract)	50,000						50,000	30k 3rd party geotech review	
Total Architecture & Design	**3,150,009**	**0**	**0**	**0**	**0**	**222,529**	**3,372,538**		
Engineering & Environmental Studies									
Survey	15,500						15,500		
Geotechnical studies	162,800						162,800		
Phase I & II Reports	77,000						77,000		
CEQA / Environmental Review consultants	25,000						25,000		
NEPA / 106 Review							0		
CNA/PNA (rehab only)							0		
Other environmental consultants	557,725					7,550	565,275	Green (37205), Paleowest/archeo (8.65k), trash (10k), permit expediter (127250), exterior building maintenace (41k), corrosion (12.75k), arborist (8160), furniture procurement/installation (75k), wind study (12k), bird study (12k); IIG: jt trench (46555+ ASR 64.7k), 110k archeo testing IIG: proportional amount of joint trench consultant, 111.2k	
Total Engineering & Environmental Studies	**838,025**	**0**	**0**	**0**	**0**	**7,550**	**845,575**		
Financing Costs									
Construction Financing Costs									
Construction Loan Origination Fee	433,948						433,948		
Construction Loan Interest	10,902,115						10,902,115		
Title & Recording	100,000						100,000		
CDLAC & CDIAC fees	28,336						28,336	CDLAC (23.3k), CDIAC (5k)	
Bond Issuer Fees	667,613						667,613	MOHCD loan fee	
Other Bond Cost of Issuance	236,446						236,446	*Issuer fee annual during constr*	
City Att, Issuer Financial Advisor, Trustee Fee, COI Contin	131,333						131,333	City att (50k) + issuer fin adv (50k) + trustee fee during constr (11.3k)+COI contingency (20k)	
Sub-total Const. Financing Costs	*12,499,791*	*0*	*0*	*0*	*0*	*0*	*12,499,791*		
Permanent Financing Costs									
Permanent Loan Origination Fee	0						0	No perm debt	
Credit Enhance. & Appl. Fee	*0*						0		
Title & Recording	10,000						10,000		
Sub-total Perm. Financing Costs	*10,000*	*0*	*0*	*0*	*0*	*0*	*10,000*		
Total Financing Costs	**12,509,791**	**0**	**0**	**0**	**0**	**0**	**12,509,791**		
Legal Costs									
Borrower Legal fees	180,000						180,000	Legal: constr clos (50k) +perm close (10k) + org prtnrship (20k) + synd GP (50k) + synd LP (50k)	
Land Use / CEQA Attorney fees							0	Air rights legal and admin (commercial)	
Tax Credit Counsel							0		
Bond Counsel	100,000						100,000		
Construction Lender Counsel	75,000						75,000		
Permanent Lender Counsel	0						0		
* Constr Lender Expenses, Contracts Attorney	113,000						113,000	Constr lender exp 63k, contracts 50k	
Total Legal Costs	**468,000**	**0**	**0**	**0**	**0**	**0**	**468,000**		
Other Development Costs									
Appraisal	10,000						10,000		
Market Study	15,000						15,000		
* Insurance	2,375,380						2,375,380		
* Property Taxes							0	Exempt as 100% affordable housing	
Accounting / Audit	50,000						50,000		
* Organizational Costs							0		
Entitlement / Permit Fees	1,953,571						1,953,571	Local Dev impact fees (501k)+local permits and fees (1.45m)	
* Marketing / Rent-up	154,799						154,799		
* Furnishings	531,000						531,000	$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms	
PGE / Utility Fees	762,500						762,500		
TCAC App / Alloc / Monitor Fees	125,699						125,699		
* Financial Consultant fees	90,000						90,000		
Construction Management fees / Owner's Rep	186,428					13,572	200,000		
Security during Construction	100,000						100,000		
* Relocation	0						0		
Construction testing/inspections	420,000						420,000	300k special inspections during construction, 100k window water testing, 20k elevator monitoring	
Resident Services Set Up	62,920						62,920	Covers bringing staff on board and office set up prior to full occupancy during lease up period	
Accrued Deferred Interest	0	807,860					807,860		Total Soft Cost Contingency as % of Total Soft Costs
Total Other Development Costs	**6,837,297**	**807,860**	**0**	**0**	**0**	**13,572**	**7,658,729**		
Soft Cost Contingency									
Contingency (Arch, Eng, Fin, Legal & Other Dev)	2,495,514	0	0	0	0		2,495,514	Should be either 10% or 5% of total soft costs.	**10.0%**
TOTAL SOFT COSTS	**26,298,636**	**807,860**	**0**	**0**	**0**	**243,651**	**27,350,147**		
RESERVES									
* Operating Reserves	534,369						534,369	Residential	
Replacement Reserves							0		
* Tenant Improvements Reserves							0		
*							0		
*							0		
*							0		
TOTAL RESERVES	**534,369**	**0**	**0**	**0**	**0**	**0**	**534,369**		
DEVELOPER COSTS									
Developer Fee - Cash-out Paid at Milestones	1,100,000						1,100,000		
Developer Fee - Cash-out At Risk	1,100,000						1,100,000		
Commercial Developer Fee							0		
Developer Fee - GP Equity (also show as source)			500,100				500,100		
Developer Fee - Deferred (also show as source)							0		
Development Consultant Fees							0	Need MOHCD approval for this cost, N/A for most projects	
							0		
TOTAL DEVELOPER COSTS	**2,200,000**	**0**	**500,100**	**0**	**0**	**0**	**2,700,100**		
TOTAL DEVELOPMENT COST	**62,428,902**	**807,860**	**500,100**	**59,847,539**	**0**	**6,008,973**	**129,593,374**		
Development Cost/Unit by Source	413,436	5,350	3,312	396,341	0	39,795	858,234		
Development Cost/Unit as % of TDC by Source	48.2%	0.6%	0.4%	46.2%	0.0%	4.6%	100.0%		
Acquisition Cost/Unit by Source	0	0	0	0	0	0	0		
Construction Cost (inc Const Contingency)/Unit By Source	221,165	0	0	396,341	0	38,181	655,687		
Construction Cost (inc Const Contingency)/SF	304.55	0.00	0.00	545.78	0.00	52.58	902.91		

**Possible non-eligible GO Bond/COP Amount:*	*11,908,110*
City Subsidy/Unit	413,436
Tax Credit Equity Pricing:	0.950
Construction Bond Amount:	65,448,883
Construction Loan Term (in months):	34 months
Construction Loan Interest Rate (as %):	8.52%

Attachment J: Development Budget

DocuSign Envelope ID: A73FD288-849D-4158-A7FF-B0B3E33B2EBA

Application Date: 3/17/2023 **# Units:** 151
Project Name: Transbay 2 West ***# Bedrooms:*** 152 **LOSP Project**
Project Address: 200 Folsom St **# Beds:**
Project Sponsor: Chinatown Community Development Center

	MOHCD/OCII	Accrued Deferred Interest	GP Capital	Limited Partner Equity		IIG	Total Sources	Comments	
SOURCES	62,428,902	807,860	500,100	59,847,539	-	6,008,973	129,593,374		
Name of Sources:	MOHCD/OCII	Accrued Deferred Interest	GP Capital	Limited Partner Equity		IIG			
USES									
ACQUISITION									
Acquisition cost or value							0		
Legal / Closing costs / Broker's Fee							0		
Holding Costs							0		
Transfer Tax							0		
TOTAL ACQUISITION	**0**	**0**	**0**	**0**	**0**	**0**	**0**		
CONSTRUCTION (HARD COSTS)									
* Unit Construction/Rehab	8,109,562			59,847,539		3,464,425	71,421,526	Inclusive of MEPF design fees overall: residential 61m + amenity 2.157m + terrace/roof 2.84m + onsite 3.184m (minus 162.7k to demo line) +cistern 673k + 150k r20 + 1.52m GC contingency 308k piles to onsite line, 66.6k class 2 soil to enviro line, 181k class 1 soil to enviro line OCII breakout: 150k r20 power poles IIG breakout: 673k cistern, 83k onsite utilities, 2.7m remaining earthwork	
* Commercial Shell Construction							0		
* Demolition						373,939	373,939	overall: sitewide demo 474k + 2.5k abatement + 150k exist util + 50k trees OCII breakout: 32k bldg demo, 2.5k abatement, 67.5k onsite demo, 150k existing utility removal, 50k tree removal, IIG: remaining demo	
Environmental Remediation						181,800	181,800	66.6k class 2 soil (from res), 181k class 1 soil (from res)	
* Onsight Improvements/Landscaping							0	OCII: 308k pile removal (from res line)	
* Offsite Improvements						1,745,158	1,745,158	minus 311.5k to demo line, 75k offsite joint trench, 259k courtyard, 247k mews OCII breakout: 86k grd imp test, 110k temp power jt	Construction line item costs as a % of hard costs
* Infrastructure Improvements							0		
Parking							0		
GC Bond Premium/GC Insurance/GC Taxes	2,009,056						2,009,056	714k taxes+bonds, 1.29m ins	**2.4%**
GC Overhead & Profit	1,962,792						1,962,792		**2.3%**
CG General Conditions	6,152,987						6,152,987	gen cond + gen reqs+ st permit (res + amenity +roof+onsite) taxes +bonds to row 28	**7.3%**
Sub-total Construction Costs	*18,234,397*	*0*	*0*	*59,847,539*	*0*	*5,765,322*	*83,847,258*		
Design Contingency (remove at DD)	2,602,310						2,602,310	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+	**3.1%**
Bid Contingency (remove at bid)	2,602,310						2,602,310	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+	**3.1%**
Plan Check Contingency (remove/reduce during Plan Revi	1,732,310						1,732,310	4% up to $30MM HC, 3% $30-$45MM, 2% $45MM+	**2.1%**
Hard Cost Construction Contingency	8,224,570						8,224,570	total in this line: 5% new construction + 4.8% escalation (per guidance of construction manager and financial advisor)	**9.8%**
Sub-total Construction Contingencies	*15,161,500*	*0*	*0*	*0*	*0*	*0*	*15,161,500*		
TOTAL CONSTRUCTION COSTS	**33,395,897**	**0**	**0**	**59,847,539**	**0**	**5,765,322**	**99,008,758**		
SOFT COSTS									
Architecture & Design									
Architect design fees	1,515,262					108,770	1,624,032	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms	
Design Subconsultants to the Architect (incl. Fees)	770,247					55,291	825,538	IIG column multipled by proportion of IIG hard costs, I31/J31 = 0.066975	
Architect Construction Admin	682,134					48,966	731,100	CA phase for Mithun and KMA	
Reimbursables	18,957					1,361	20,318		
Additional Services	113,409					8,141	121,550		
Sub-total Architect Contract	*3,100,009*	*0*	*0*	*0*	*0*	*222,529*	*3,322,538*		
Other Third Party design consultants (not included under Architect contract)	50,000						50,000	30k 3rd party geotech review	
Total Architecture & Design	**3,150,009**	**0**	**0**	**0**	**0**	**222,529**	**3,372,538**		
Engineering & Environmental Studies									
Survey	15,500						15,500		
Geotechnical studies	162,800						162,800		
Phase I & II Reports	77,000						77,000		
CEQA / Environmental Review consultants	25,000						25,000		
NEPA / 106 Review							0		
CNA/PNA (rehab only)							0		
Other environmental consultants	557,725					7,550	565,275	Green (37205), Paleowest/archeo (8.65k), trash (10k), permit expediter (127250), exterior building maintenace (41k), corrosion (12.75k), arborist (8160), furniture procurement/installation (75k), wind study (12k), bird study (12k); IIG: jt trench (46555+ ASR 64.7k), 110k archeo testing IIG: proportional amount of joint trench consultant, 111.2k	
Total Engineering & Environmental Studies	**838,025**	**0**	**0**	**0**	**0**	**7,550**	**845,575**		
Financing Costs									
Construction Financing Costs									
Construction Loan Origination Fee	433,948						433,948		
Construction Loan Interest	10,902,115						10,902,115		
Title & Recording	100,000						100,000		
CDLAC & CDIAC fees	28,336						28,336	CDLAC (23.3k), CDIAC (5k)	
Bond Issuer Fees	667,613						667,613	MOHCD loan fee	
Other Bond Cost of Issuance	236,446						236,446	*Issuer fee annual during constr*	
City Att, Issuer Financial Advisor, Trustee Fee, COI Contin	131,333						131,333	City att (50k) + issuer fin adv (50k) + trustee fee during constr (11.3k)+COI contingency (20k)	
Sub-total Const. Financing Costs	*12,499,791*	*0*	*0*	*0*	*0*	*0*	*12,499,791*		
Permanent Financing Costs									
Permanent Loan Origination Fee	0						0	No perm debt	
Credit Enhance. & Appl. Fee	*0*						0		
Title & Recording	10,000						10,000		
Sub-total Perm. Financing Costs	*10,000*	*0*	*0*	*0*	*0*	*0*	*10,000*		
Total Financing Costs	**12,509,791**	**0**	**0**	**0**	**0**	**0**	**12,509,791**		
Legal Costs									
Borrower Legal fees	180,000						180,000	Legal: constr clos (50k) +perm close (10k) + org prtnrship (20k) + synd GP (50k) + synd LP (50k)	
Land Use / CEQA Attorney fees							0	Air rights legal and admin (commercial)	
Tax Credit Counsel							0		
Bond Counsel	100,000						100,000		
Construction Lender Counsel	75,000						75,000		
Permanent Lender Counsel	0						0		
* Constr Lender Expenses, Contracts Attorney	113,000						113,000	Constr lender exp 63k, contracts 50k	
Total Legal Costs	**468,000**	**0**	**0**	**0**	**0**	**0**	**468,000**		
Other Development Costs									
Appraisal	10,000						10,000		
Market Study	15,000						15,000		
* Insurance	2,375,380						2,375,380		
* Property Taxes							0	Exempt as 100% affordable housing	
Accounting / Audit	50,000						50,000		
* Organizational Costs							0		
Entitlement / Permit Fees	1,953,571						1,953,571	Local Dev impact fees (501k)+local permits and fees (1.45m)	
* Marketing / Rent-up	154,799						154,799		
* Furnishings	531,000						531,000	$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms	
PGE / Utility Fees	762,500						762,500		
TCAC App / Alloc / Monitor Fees	125,699						125,699		
* Financial Consultant fees	90,000						90,000		
Construction Management fees / Owner's Rep	186,428					13,572	200,000		
Security during Construction	100,000						100,000		
* Relocation	0						0		
Construction testing/inspections	420,000						420,000	300k special inspections during construction, 100k window water testing, 20k elevator monitoring	
Resident Services Set Up	62,920						62,920	Covers bringing staff on board and office set up prior to full occupancy during lease up period	
Accrued Deferred Interest	0	807,860					807,860		Total Soft Cost Contingency as % of Total Soft Costs
Total Other Development Costs	**6,837,297**	**807,860**	**0**	**0**	**0**	**13,572**	**7,658,729**		
Soft Cost Contingency									
Contingency (Arch, Eng, Fin, Legal & Other Dev)	2,495,514	0	0	0	0		2,495,514	Should be either 10% or 5% of total soft costs.	**10.0%**
TOTAL SOFT COSTS	**26,298,636**	**807,860**	**0**	**0**	**0**	**243,651**	**27,350,147**		
RESERVES									
* Operating Reserves	534,369						534,369	Residential	
Replacement Reserves							0		
* Tenant Improvements Reserves							0		
*							0		
*							0		
*							0		
TOTAL RESERVES	**534,369**	**0**	**0**	**0**	**0**	**0**	**534,369**		
DEVELOPER COSTS									
Developer Fee - Cash-out Paid at Milestones	1,100,000						1,100,000		
Developer Fee - Cash-out At Risk	1,100,000						1,100,000		
Commercial Developer Fee							0		
Developer Fee - GP Equity (also show as source)			500,100				500,100		
Developer Fee - Deferred (also show as source)							0		
Development Consultant Fees							0	Need MOHCD approval for this cost, N/A for most projects	
							0		
TOTAL DEVELOPER COSTS	**2,200,000**	**0**	**500,100**	**0**	**0**	**0**	**2,700,100**		
TOTAL DEVELOPMENT COST	**62,428,902**	**807,860**	**500,100**	**59,847,539**	**0**	**6,008,973**	**129,593,374**		
Development Cost/Unit by Source	413,436	5,350	3,312	396,341	0	39,795	858,234		
Development Cost/Unit as % of TDC by Source	48.2%	0.6%	0.4%	46.2%	0.0%	4.6%	100.0%		
Acquisition Cost/Unit by Source	0	0	0	0	0	0	0		
Construction Cost (inc Const Contingency)/Unit By Source	221,165	0	0	396,341	0	38,181	655,687		
Construction Cost (inc Const Contingency)/SF	304.55	0.00	0.00	545.78	0.00	52.58	902.91		

**Possible non-eligible GO Bond/COP Amount:*	*11,908,110*
City Subsidy/Unit	413,436
Tax Credit Equity Pricing:	0.950
Construction Bond Amount:	65,448,883
Construction Loan Term (in months):	34 months
Construction Loan Interest Rate (as %):	8.52%

Attachment K: 1st Year Operating Budget

MOHCD Proforma - Year 1 Operating Budget

Application Date:	**3/17/2023**	LOSP Units	Non-LOSP Units	**Project Name:**	**Transbay 2 West**
Total # Units:	**151**	30	121	**Project Address:**	**200 Folsom St**
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	**2026**	LOSP/non-LOSP Allocation 20%	80%	**Project Sponsor:**	**Chinatown Community Development Center**

INCOME	**LOSP**	**non-LOSP**	**Total**	**Comments**	
Residential - Tenant Rents	108,000	1,129,764	1,237,764	Links from 'New Proj - Rent & Unit Mix' Worksheet	**Alternative LOSP Split**
Residential - Tenant Assistance Payments (Non-LOSP)	0	687,336	687,336	Links from 'New Proj - Rent & Unit Mix' Worksheet	Residential - Tenant Assistance Payments (N
Residential - LOSP Tenant Assistance Payments	442,913		442,913		
Commercial Space			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	
Residential Parking	0	0	0	Links from 'Utilities & Other Income' Worksheet	
Miscellaneous Rent Income	0	0	0	Links from 'Utilities & Other Income' Worksheet	**Alternative LOSP Split**
Supportive Services Income	0	0			Supportive Services Income
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet	
Laundry and Vending	2,356	9,422	11,778	Links from 'Utilities & Other Income' Worksheet	**Projected LOSP Split**
Tenant Charges	0	0	0	Links from 'Utilities & Other Income' Worksheet	Tenant Charges
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income' Worksheet	
Other Commercial Income			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	**Alternative LOSP Split**
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0			Withdrawal from Capitalized Reserve (deposit
Gross Potential Income	**553,269**	**1,826,522**	**2,379,791**		
Vacancy Loss - Residential - Tenant Rents	(5,518)	(56,959)	(62,477)	Vacancy loss is 5% of Tenant Rents.	
Vacancy Loss - Residential - Tenant Assistance Payments	0	(34,367)	(34,367)	Vacancy loss is 5% of Tenant Assistance Payments.	
Vacancy Loss - Commercial			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	
EFFECTIVE GROSS INCOME	**547,751**	**1,735,196**	**2,282,947**	***PUPA: 15,119***	
OPERATING EXPENSES					
Management					**Alternative LOSP Split**
Management Fee	24,643	98,573	123,216	1st Year to be set according to HUD schedule. - AB: $68/PUPY	Management Fee
Asset Management Fee	4,856	19,424	24,280	AM fee above the line	Asset Management Fee
Sub-total Management Expenses	**29,499**	**117,997**	**147,496**	***PUPA: 977***	
Salaries/Benefits					**Alternative LOSP Split**
Office Salaries	25,989	103,954	129,943		Office Salaries
Manager's Salary	14,514	58,057	72,571		Manager's Salary
Health Insurance and Other Benefits	31,939	127,754	159,693	Health insurance + benefits (139.7k) + 403b (19k)	Health Insurance and Other Benefits
Other Salaries/Benefits	129,293	32,323	161,616	Desk clerk salaries	Other Salaries/Benefits
Administrative Rent-Free Unit	0	0	0		Administrative Rent-Free Unit
Sub-total Salaries/Benefits	**201,734**	**322,089**	**523,823**	***PUPA: 3,469***	
Administration					
Advertising and Marketing	1,020	4,080	5,100		
Office Expenses	12,308	49,234	61,542	Includes telephone (36.5k), office supplies (10k), computer (15k)	
Office Rent	0	0	0		**Projected LOSP Split**
Legal Expense - Property	2,000	8,000	10,000		Legal Expense - Property
Audit Expense	4,288	17,154	21,442		
Bookkeeping/Accounting Services	3,443	13,771	17,214		**Projected LOSP Split**
Bad Debts	2,320	9,281	11,601		Bad Debts
Miscellaneous	4,832	19,328	24,160	Misc admin	
Sub-total Administration Expenses	**30,212**	**120,847**	**151,059**	***PUPA: 1,000***	
Utilities					**Projected LOSP Split**
Electricity	19,237	76,950	96,187		Electricity
Water	14,647	58,588	73,235		
Gas	0	0	0		
Sewer	22,469	89,875	112,344		
Sub-total Utilities	**56,353**	**225,413**	**281,766**	***PUPA: 1,866***	
Taxes and Licenses					**Alternative LOSP Split**
Real Estate Taxes	1,903	7,610	9,513	$63 PUPY (based on avg comps across CCDC residential senior portfolio)	Real Estate Taxes
Payroll Taxes	7,635	30,541	38,176		Payroll Taxes
Miscellaneous Taxes, Licenses and Permits	2,023	8,094	10,117	$67 PUPY (based on avg comps across CCDC residential senior portfolio)	
Sub-total Taxes and Licenses	**11,561**	**46,245**	**57,806**	***PUPA: 383***	
Insurance					
Property and Liability Insurance	35,696	142,786	178,482	Quote from Sept 2022. Update pending, contacted broker Feb and March 2023	
Fidelity Bond Insurance	0	0			**Alternative LOSP Split**
Worker's Compensation	3,992	15,970	19,962		Worker's Compensation
Director's & Officers' Liability Insurance	0	0			
Sub-total Insurance	**39,689**	**158,755**	**198,444**	***PUPA: 1,314***	
Maintenance & Repair					**Alternative LOSP Split**
Payroll	63,174	252,695	315,869	Maintenance payroll	Payroll
Supplies	6,614	26,455	33,069	Misc and supplies	Supplies
Contracts	0	0			Contracts
Garbage and Trash Removal	14,453	57,811	72,264		**Alternative LOSP Split**
Security Payroll/Contract	0	0			Security Payroll/Contract
HVAC Repairs and Maintenance	4,017	16,066	20,083		
Vehicle and Maintenance Equipment Operation and Repairs	11,265	45,058	56,323	Repairs	
Miscellaneous Operating and Maintenance Expenses	12,127	48,507	60,634	Grounds (30k) + exterminating contract (10.4k) +elevator (20,215)	
Sub-total Maintenance & Repair Expenses	**111,648**	**446,594**	**558,242**	***PUPA: 3,697***	
					Alternative LOSP Split
Supportive Services	42,600	170,400	213,000	1.5 Res Services Coordinators + fringe, .5 Supervisor + fringe, + 31.7k RS expenses (out of	Supportive Services
Commercial Expenses			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	
TOTAL OPERATING EXPENSES	***523,297***	***1,608,339***	***2,131,636***	***PUPA: 14,117***	
Reserves/Ground Lease Base Rent/Bond Fees					
Ground Lease Base Rent	3,000	12,000	15,000	Ground lease with MOHCD	
Bond Monitoring Fee	500	2,000	2,500		**Alternative LOSP Split**
Replacement Reserve Deposit	15,100	60,400	75,500		Replacement Reserve Deposit
Operating Reserve Deposit	0	0			Operating Reserve Deposit
Other Required Reserve 1 Deposit	0	0			Other Required Reserve 1 Deposit
Other Required Reserve 2 Deposit	0	0			
Required Reserve Deposit/s, Commercial			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	**18,600**	**74,400**	**93,000**	***PUPA: 616*** Min DSCR: 1.09; Mortgage Rate: 5.00%	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	**541,897**	**1,682,739**	**2,224,636**	***PUPA: 14,733*** Term (Years): 30; Supportable 1st Mortgage Pmt: 53,496	
NET OPERATING INCOME (INCOME minus OP EXPENSES)	**5,854**	**52,457**	**58,311**	***PUPA: 386*** Supportable 1st Mortgage Amt: $830,450; Proposed 1st Mortgage Amt: $62,428,902	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)					**Alternative LOSP Split**
Hard Debt - First Lender	0	0	0	Provide additional comments here, if needed.	Hard Debt - First Lender
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	0	0	0	Provide additional comments here, if needed.	Hard Debt - Second Lender (HCD Program 0.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	Provide additional comments here, if needed.	Hard Debt - Third Lender (Other HCD Prograr
Hard Debt - Fourth Lender	0	0	0	Provide additional comments here, if needed.	Hard Debt - Fourth Lender
Commercial Hard Debt Service			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	
TOTAL HARD DEBT SERVICE	**0**	**0**	**0**	***PUPA: 0***	
CASH FLOW (NOI minus DEBT SERVICE)	**5,854**	**52,457**	**58,311**		
Commercial Only Cash Flow			0		
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	0	0			Allocation of Commercial Surplus to LOPS/no
AVAILABLE CASH FLOW	**5,854**	**52,457**	**58,311**		
USES OF CASH FLOW BELOW (This row also shows DSCR.)					
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL					
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0	0			
Partnership Management Fee (see policy for limits)	4,854	19,416	24,270	should be in our pro forma	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	1,000	4,000	5,000	should be in ours and megs	**Alternative LOSP Split**
Other Payments	0	0			Other Payments
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	0	0		Provide additional comments here, if needed.	Non-amortizing Loan Pmnt - Lender 1 (select
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	0	0		Provide additional comments here, if needed.	
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	0	0		Def. Develop. Fee split: 0% Provide additional comments here, if needed.	Deferred Developer Fee (Enter amt <= Max F
TOTAL PAYMENTS PRECEDING MOHCD	**5,854**	**23,416**	**29,270**	***PUPA: 194***	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	**(0)**	**29,041**	**29,041**		

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?	**Yes**	Project has MOHCD ground lease?	**Yes**	
Will Project Defer Developer Fee?	**No**			
Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1:	33%			Sum of DD F from LOSP and non-LOSP:
% of Residual Receipts available for distribution to **soft debt lenders** *in*	67%			Ratio of Sum of DDF and calculated 50%:

Soft Debt Lenders with Residual Receipts Obligations	*(Select lender name/program from drop down)*	**Total Principal Amt**	**Distrib. of Soft Debt Loans**
MOHCD/OCII - Soft Debt Loans	All MOHCD/OCII Loans payable from res. rects	$65,308,149	99.77%
MOHCD/OCII - Ground Lease Value or Land Acq Cost	Ground Lease Value	$150,000	0.23%
HCD (soft debt loan) - Lender 3			0.00%
Other Soft Debt Lender - Lender 4			0.00%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE	non-LOSP	Total	Comments
MOHCD Residual Receipts Amount Due	19,361	19,361	67% of residual receipts, multiplied by 100% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	19,361	19,361	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repymt.
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE		**9,680**	

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE		
HCD Residual Receipts Amount Due	0	
Lender 4 Residual Receipts Due	0	
Lender 5 Residual Receipts Due	0	
Total Non-MOHCD Residual Receipts Debt Service	**0**	
REMAINDER (Should be zero unless there are distributions below)	**9,680**	
Owner Distributions/Incentive Management Fee	9,680	100% of Borrower share of 33% of residual receipts
Other Distributions/Uses	0	
Final Balance (should be zero)	**0**	

Application Date:	**3/17/2023**
Total # Units:	**151**
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	**2026**

INCOME			
Residential - Tenant Rents		non-LOSP	Approved By (reqd)
Residential - Tenant Assistance Payments (Non-LOSP)	0.00%	100.00%	
Residential - LOSP Tenant Assistance Payments			
Commercial Space			
Residential Parking			
Miscellaneous Rent Income	LOSP	non-LOSP	Approved By (reqd)
Supportive Services Income			
Interest Income - Project Operations			
Laundry and Vending	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Tenant Charges			
Miscellaneous Residential Income			
Other Commercial Income	LOSP	non-LOSP	Approved By (reqd)
Withdrawal from Capitalized Reserve (deposit to operating account)	to operating account)		
Gross Potential Income			
Vacancy Loss - Residential - Tenant Rents			
Vacancy Loss - Residential - Tenant Assistance Payments			
Vacancy Loss - Commercial			
EFFECTIVE GROSS INCOME			
OPERATING EXPENSES			
Management	LOSP	non-LOSP	Approved By (reqd)
Management Fee			
Asset Management Fee			
Sub-total Management Expenses			
Salaries/Benefits	LOSP	non-LOSP	Approved By (reqd)
Office Salaries			
Manager's Salary			
Health Insurance and Other Benefits			
Other Salaries/Benefits	80.00%	20.00%	
Administrative Rent-Free Unit			
Sub-total Salaries/Benefits			
Administration			
Advertising and Marketing			
Office Expenses			
Office Rent	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Legal Expense - Property	20.00%	80.00%	
Audit Expense			
Bookkeeping/Accounting Services	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Bad Debts	20.00%	80.00%	
Miscellaneous			
Sub-total Administration Expenses			
Utilities	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Electricity	20.00%	80.00%	
Water			
Gas			
Sewer			
Sub-total Utilities			
Taxes and Licenses	LOSP	non-LOSP	Approved By (reqd)
Real Estate Taxes			
Payroll Taxes			
Miscellaneous Taxes, Licenses and Permits			
Sub-total Taxes and Licenses			
Insurance			
Property and Liability Insurance			
Fidelity Bond Insurance	LOSP	non-LOSP	Approved By (reqd)
Worker's Compensation			
Director's & Officers' Liability Insurance			
Sub-total Insurance			
Maintenance & Repair	LOSP	non-LOSP	Approved By (reqd)
Payroll			
Supplies	20.00%	80.00%	(LOSP-specific expenses must be tracked at entry level in project's
Contracts			
Garbage and Trash Removal	LOSP	non-LOSP	Approved By (reqd)
Security Payroll/Contract			
HVAC Repairs and Maintenance			
Vehicle and Maintenance Equipment Operation and Repairs			
Miscellaneous Operating and Maintenance Expenses			
Sub-total Maintenance & Repair Expenses			
	LOSP	non-LOSP	Approved By (reqd)
Supportive Services			
Commercial Expenses			
TOTAL OPERATING EXPENSES			
Reserves/Ground Lease Base Rent/Bond Fees			
Ground Lease Base Rent			
Bond Monitoring Fee	LOSP	non-LOSP	Approved By (reqd)
Replacement Reserve Deposit			
Operating Reserve Deposit			
Other Required Reserve 1 Deposit			
Other Required Reserve 2 Deposit			
Required Reserve Deposit/s, Commercial			
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			
NET OPERATING INCOME (INCOME minus OP EXPENSES)			
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)	LOSP	non-LOSP	Approved By (reqd)
Hard Debt - First Lender	0.00%	100.00%	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	42% pymt, or other 2nd Lende		
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	n, or other 3rd Lender)		
Hard Debt - Fourth Lender			
Commercial Hard Debt Service			
TOTAL HARD DEBT SERVICE			
CASH FLOW (NOI minus DEBT SERVICE)			
Commercial Only Cash Flow			
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	n-LOSP (residual income)		
AVAILABLE CASH FLOW			
USES OF CASH FLOW BELOW (This row also shows DSCR.)			
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			
Partnership Management Fee (see policy for limits)			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	LOSP	non-LOSP	Approved By (reqd)
Other Payments			
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	lender in comments field)		
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)			
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	0.00%	100.00%	
TOTAL PAYMENTS PRECEDING MOHCD			
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?		
Will Project Defer Developer Fee?		
Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1:		0
% of Residual Receipts available for distribution to **soft debt lenders** in	#VALUE!	

Soft Debt Lenders with Residual Receipts Obligations	
MOHCD/OCII - Soft Debt Loans	
MOHCD/OCII - Ground Lease Value or Land Acq Cost	
HCD (soft debt loan) - Lender 3	
Other Soft Debt Lender - Lender 4	
Other Soft Debt Lender - Lender 5	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	
MOHCD Residual Receipts Amount Due	
Proposed MOHCD Residual Receipts Amount to Loan Repayment	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE	
HCD Residual Receipts Amount Due	
Lender 4 Residual Receipts Due	
Lender 5 Residual Receipts Due	
Total Non-MOHCD Residual Receipts Debt Service	
REMAINDER (Should be zero unless there are distributions below)	
Owner Distributions/Incentive Management Fee	
Other Distributions/Uses	
Final Balance (should be zero)	

Attachment L: 20-year Operating Proforma

Transbay 2 West

Total # Units:	LOSP Units	Non-LOSP Units
151	30	121
	20.00%	80.00%

				Year 1 2026			Year 2 2027			Year 3 2028			
INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP
Residential - Tenant Rents	1.0%	2.5%		108,000	1,129,764	1,237,764	109,080	1,158,008	1,267,088	110,171	1,186,958	1,297,129	111,273
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	4.0%	SOS Subsidy row	-	687,336	687,336	-	802,289	802,289	-	834,381	834,381	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		442,913		442,913	460,196		460,196	478,231		478,231	496,925
Commercial Space	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%			-			-			-	
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		2,356	9,422	11,778	2,414	9,658	12,072	2,475	9,899	12,374	2,537
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%			-			#REF!			#REF!	
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-		-	-		-
Gross Potential Income				553,269	1,826,522	2,379,791	571,690	1,969,955	#REF!	590,877	2,031,239	#REF!	610,734
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(5,518)	(56,959)	(62,477)	(5,454)	(57,900)	(63,354)	(5,509)	(59,348)	(64,856)	(5,564)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(34,367)	(34,367)	-	(40,114)	(40,114)	-	(41,719)	(41,719)	-
Vacancy Loss - Commercial	n/a	n/a				-			-			-	
EFFECTIVE GROSS INCOME				547,751	1,735,196	2,282,947	566,236	1,871,940	#REF!	585,368	1,930,172	#REF!	605,170
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	24,643	98,573	123,216	25,506	102,023	127,529	26,398	105,594	131,992	27,322
Asset Management Fee	3.5%	3.5%	per MOHCD policy	4,856	19,424	24,280	5,026	20,104	25,130	5,202	20,807	26,009	5,384
Sub-total Management Expenses				29,499	117,997	147,496	30,532	122,127	152,658	31,600	126,401	158,001	32,706
Salaries/Benefits													
Office Salaries	3.5%	3.5%		25,989	103,954	129,943	26,898	107,593	134,491	27,840	111,359	139,198	28,814
Manager's Salary	3.5%	3.5%		14,514	58,057	72,571	15,022	60,089	75,111	15,548	62,192	77,740	16,092
Health Insurance and Other Benefits	3.5%	3.5%		31,939	127,754	159,693	33,056	132,226	165,282	34,213	136,854	171,067	35,411
Other Salaries/Benefits	3.5%	3.5%		129,293	32,323	161,616	133,818	33,455	167,273	138,502	34,625	173,127	143,349
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				201,734	322,089	523,823	208,795	333,362	542,157	216,103	345,030	561,132	223,666
Administration													
Advertising and Marketing	3.5%	3.5%		1,020	4,080	5,100	1,056	4,223	5,279	1,093	4,371	5,463	1,131
Office Expenses	3.5%	3.5%		12,308	49,234	61,542	12,739	50,957	63,696	13,185	52,740	65,925	13,647
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		2,000	8,000	10,000	2,070	8,280	10,350	2,142	8,570	10,712	2,217
Audit Expense	3.5%	3.5%		4,288	17,154	21,442	4,438	17,754	22,192	4,594	18,375	22,969	4,755
Bookkeeping/Accounting Services	3.5%	3.5%		3,443	13,771	17,214	3,563	14,253	17,816	3,688	14,752	18,440	3,817
Bad Debts	3.5%	3.5%		2,320	9,281	11,601	2,401	9,606	12,007	2,485	9,942	12,427	2,572
Miscellaneous	3.5%	3.5%		4,832	19,328	24,160	5,001	20,004	25,006	5,176	20,705	25,881	5,357
Sub-total Administration Expenses				30,212	120,847	151,059	31,269	125,077	156,346	32,364	129,455	161,818	33,496
Utilities													
Electricity	3.5%	3.5%		19,237	76,950	96,187	19,911	79,643	99,554	20,608	82,430	103,038	21,329
Water	3.5%	3.5%		14,647	58,588	73,235	15,160	60,639	75,798	15,690	62,761	78,451	16,239
Gas	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%		22,469	89,875	112,344	23,255	93,021	116,276	24,069	96,277	120,346	24,912
Sub-total Utilities				56,353	225,413	281,766	58,326	233,302	291,628	60,367	241,468	301,835	62,480
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		1,903	7,610	9,513	1,969	7,877	9,846	2,038	8,152	10,191	2,109
Payroll Taxes	3.5%	3.5%		7,635	30,541	38,176	7,902	31,610	39,512	8,179	32,716	40,895	8,465
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		2,023	8,094	10,117	2,094	8,377	10,471	2,168	8,670	10,838	2,243
Sub-total Taxes and Licenses				11,561	46,245	57,806	11,966	47,863	59,829	12,385	49,539	61,923	12,818
Insurance													
Property and Liability Insurance	3.5%	3.5%		35,696	142,786	178,482	36,946	147,783	184,729	38,239	152,956	191,194	39,577
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		3,992	15,970	19,962	4,132	16,529	20,661	4,277	17,107	21,384	4,426
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				39,689	158,755	198,444	41,078	164,312	205,390	42,516	170,063	212,578	44,004
Maintenance & Repair													
Payroll	3.5%	3.5%		63,174	252,695	315,869	65,385	261,540	326,924	67,673	270,693	338,367	70,042
Supplies	3.5%	3.5%		6,614	26,455	33,069	6,845	27,381	34,226	7,085	28,339	35,424	7,333
Contracts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%	3.5%		14,453	57,811	72,264	14,959	59,835	74,793	15,482	61,929	77,411	16,024
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		4,017	16,066	20,083	4,157	16,629	20,786	4,303	17,211	21,513	4,453
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		11,265	45,058	56,323	11,659	46,635	58,294	12,067	48,268	60,335	12,489
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		12,127	48,507	60,634	12,551	50,205	62,756	12,991	51,962	64,953	13,445
Sub-total Maintenance & Repair Expenses				111,648	446,594	558,242	115,556	462,224	577,780	119,601	478,402	598,003	123,787
Supportive Services	3.5%	3.5%		42,600	170,400	213,000	44,091	176,364	220,455	45,634	182,537	228,171	47,231
Commercial Expenses			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%			-			-			-	
TOTAL OPERATING EXPENSES				523,297	1,608,339	2,131,636	541,612	1,664,631	2,206,243	560,569	1,722,893	2,283,462	580,189
PUPA (w/o Reserves/GL Base Rent/Bond Fees)						14,117							
Reserves/Ground Lease Base Rent/Bond Fees									*Note: Hidden columns are in between total columns. To update/delete values in y*				
Ground Lease Base Rent				3,000	12,000	15,000	3,000	12,000	15,000	3,000	12,000	15,000	3,000
Bond Monitoring Fee				500	2,000	2,500	500	2,000	2,500	500	2,000	2,500	500
Replacement Reserve Deposit				15,100	60,400	75,500	15,100	60,400	75,500	15,100	60,400	75,500	15,100
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				18,600	74,400	93,000	18,600	74,400	93,000	18,600	74,400	93,000	18,600
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				541,897	1,682,739	2,224,636	560,212	1,739,031	2,299,243	579,169	1,797,293	2,376,462	598,789
PUPA (w/ Reserves/GL Base Rent/Bond Fees)						14,733							
NET OPERATING INCOME (INCOME minus OP EXPENSES)				5,854	52,457	58,311	6,024	132,909	#REF!	6,200	132,879	#REF!	6,382
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)									*Note: Hidden columns are in between total columns. To update/delete values in y*				
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%			-			-			-	
TOTAL HARD DEBT SERVICE				-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)				5,854	52,457	58,311	6,024	132,909	#REF!	6,200	132,879	#REF!	6,382
Commercial Only Cash Flow						-			-			-	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-		-
AVAILABLE CASH FLOW				5,854	52,457	58,311	6,024	132,909	#REF!	6,200	132,879	#REF!	6,382
USES OF CASH FLOW BELOW (This row also shows DSCR.)			*DSCR:*										
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL									*Note: Hidden columns are in between total columns. To update/delete values in y*				
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-		-	-		-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	4,854	19,416	24,270	5,024	20,096	25,119	5,200	20,799	25,999	5,382
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	1,000	4,000	5,000	1,000	4,000	5,000	1,000	4,000	5,000	1,000
Other Payments				-	-	-	-	-		-	-		-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-		-	-		-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-		-	-		-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-	-	-	-		-	-		-
TOTAL PAYMENTS PRECEDING MOHCD				5,854	23,416	29,270	6,024	24,096	30,119	6,200	24,799	30,999	6,382
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				(0)	29,041	29,041	0	108,814	#REF!	-	108,080	#REF!	(0)

			Year 1 Total	Year 2 Total	Year 3 Total
Does Project have a MOHCD Residual Receipt Obligation?	*Yes*				
Will Project Defer Developer Fee?	*No*				
Residual Receipts split for all years. - Lender/Owner	*67% / 33%*				
				#REF!	#REF!
		Max Deferred Developer Fee Amt:		#REF!	#REF!
		Cum. Deferred Developer Fee:	-	-	-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	*Dist. Soft Debt Loans*				
MOHCD Residual Receipts Amount Due	100.00%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	19,361	#REF!	#REF!
Proposed MOHCD Residual Receipts Amount to Loan Repayment			19,361	#REF!	#REF!
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		Proposed Total MOHCD Amt Due less Loan Repayment	-	#REF!	#REF!
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE					
HCD Residual Receipts Amount Due	0.00%	No HCD Financing	-	#REF!	#REF!
Lender 4 Residual Receipts Due	0.00%		-	#REF!	#REF!
Lender 5 Residual Receipts Due	0.00%		-	#REF!	#REF!
Total Non-MOHCD Residual Receipts Debt Service			-	#REF!	#REF!
REMAINDER (Should be zero unless there are distributions below)			9,680	#REF!	#REF!
Owner Distributions/Incentive Management Fee			9,680	#REF!	#REF!
Other Distributions/Uses			-		
Final Balance (should be zero)			-	#REF!	#REF!
REPLACEMENT RESERVE - RUNNING BALANCE					
Replacement Reserve Starting Balance			-	75,500	151,000
Replacement Reserve Deposits			75,500	75,500	75,500
Replacement Reserve Withdrawals (ideally tied to CNA)			-	-	-
Replacement Reserve Interest					
RR Running Balance			75,500	151,000	226,500
		RR Balance/Unit	*$500*	*$1,000*	*$1,500*
OPERATING RESERVE - RUNNING BALANCE					
Operating Reserve Starting Balance			-	-	-
Operating Reserve Deposits			-	-	-
Operating Reserve Withdrawals					
Operating Reserve Interest					
OR Running Balance			-	-	-
	OR Balance as a % of Prior Yr Op Exps + Debt Service			0.0%	0.0%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE					
Other Reserve 1 Starting Balance				-	-
Other Reserve 1 Deposits			-	-	-
Other Reserve 1 Withdrawals					
Other Reserve 1 Interest					
Other Required Reserve 1 Running Balance			-	-	-
OTHER RESERVE 2 - RUNNING BALANCE					
Other Reserve 2 Starting Balance				-	-
Other Reserve 2 Deposits			-	-	-
Other Reserve 2 Withdrawals					
Other Reserve 2 Interest					
Other Required Reserve 2 Running Balance			-	-	-

Transbay 2 West

		LOSP Units	Non-LOSP Units
Total # Units:	151	*30*	*121*
		20.00%	*80.00%*

INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 4 2029 non-LOSP	Year 4 2029 Total	Year 5 2030 LOSP	Year 5 2030 non-LOSP	Year 5 2030 Total	Year 6 2031 LOSP	Year 6 2031 non-LOSP	Year 6 2031 Total	Year 7 2032 LOSP	Year 7 2032 non-LOSP
Residential - Tenant Rents	1.0%	2.5%		1,216,632	1,327,905	112,385	1,247,048	1,359,433	113,509	1,278,224	1,391,733	114,644	1,310,180
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	4.0%	SOS Subsidy row	867,756	867,756	-	902,466	902,466	-	938,565	938,565	-	976,108
Residential - LOSP Tenant Assistance Payments	n/a	n/a			496,925	516,299		516,299	536,379		536,379	557,188	
Commercial Space	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%		-			-			-		
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		10,147	12,684	2,600	10,401	13,001	2,665	10,661	13,326	2,732	10,927
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%		-			-			-		
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-		-	-		-	-		-	-
Gross Potential Income				2,094,535	2,705,269	631,284	2,159,915	2,791,199	652,553	2,227,450	2,880,003	674,564	2,297,215
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(60,832)	(66,395)	(5,619)	(62,352)	(67,972)	(5,675)	(63,911)	(69,587)	(5,732)	(65,509)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(43,388)	(43,388)	-	(45,123)	(45,123)	-	(46,928)	(46,928)	-	(48,805)
Vacancy Loss - Commercial	n/a	n/a			-			-			-		
EFFECTIVE GROSS INCOME				1,990,316	2,595,486	625,665	2,052,439	2,678,104	646,877	2,116,610	2,763,488	668,832	2,182,901
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	109,289	136,612	28,279	113,115	141,393	29,268	117,074	146,342	30,293	121,171
Asset Management Fee	3.5%	3.5%	per MOHCD policy	21,536	26,920	5,572	22,289	27,862	5,767	23,070	28,837	5,969	23,877
Sub-total Management Expenses				130,825	163,531	33,851	135,404	169,255	35,036	140,143	175,179	36,262	145,048
Salaries/Benefits													
Office Salaries	3.5%	3.5%		115,256	144,070	29,823	119,290	149,113	30,866	123,465	154,332	31,947	127,786
Manager's Salary	3.5%	3.5%		64,369	80,461	16,655	66,622	83,277	17,238	68,953	86,192	17,842	71,367
Health Insurance and Other Benefits	3.5%	3.5%		141,644	177,054	36,650	146,601	183,251	37,933	151,732	189,665	39,261	157,043
Other Salaries/Benefits	3.5%	3.5%		35,837	179,187	148,366	37,092	185,458	153,559	38,390	191,949	158,934	39,733
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				357,106	580,772	231,495	369,604	601,099	239,597	382,540	622,137	247,983	395,929
Administration													
Advertising and Marketing	3.5%	3.5%		4,524	5,654	1,170	4,682	5,852	1,211	4,846	6,057	1,254	5,015
Office Expenses	3.5%	3.5%		54,586	68,233	14,124	56,497	70,621	14,619	58,474	73,093	15,130	60,521
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		8,870	11,087	2,295	9,180	11,475	2,375	9,501	11,877	2,459	9,834
Audit Expense	3.5%	3.5%		19,019	23,773	4,921	19,684	24,605	5,093	20,373	25,466	5,272	21,086
Bookkeeping/Accounting Services	3.5%	3.5%		15,268	19,085	3,951	15,803	19,753	4,089	16,356	20,445	4,232	16,928
Bad Debts	3.5%	3.5%		10,290	12,862	2,662	10,650	13,312	2,756	11,023	13,778	2,852	11,408
Miscellaneous	3.5%	3.5%		21,429	26,787	5,545	22,179	27,724	5,739	22,956	28,695	5,940	23,759
Sub-total Administration Expenses				133,985	167,482	34,669	138,675	173,344	35,882	143,529	179,411	37,138	148,552
Utilities													
Electricity	3.5%	3.5%		85,315	106,644	22,075	88,301	110,377	22,848	91,392	114,240	23,648	94,591
Water	3.5%	3.5%		64,958	81,197	16,808	67,231	84,039	17,396	69,584	86,980	18,005	72,020
Gas	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%		99,646	124,558	25,783	103,134	128,917	26,686	106,744	133,429	27,620	110,480
Sub-total Utilities				249,919	312,399	64,667	258,666	323,333	66,930	267,720	334,650	69,272	277,090
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		8,438	10,547	2,183	8,733	10,916	2,260	9,039	11,298	2,339	9,355
Payroll Taxes	3.5%	3.5%		33,861	42,326	8,762	35,046	43,808	9,068	36,273	45,341	9,386	37,542
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		8,974	11,217	2,322	9,288	11,609	2,403	9,613	12,016	2,487	9,949
Sub-total Taxes and Licenses				51,272	64,091	13,267	53,067	66,334	13,731	54,924	68,655	14,212	56,847
Insurance													
Property and Liability Insurance	3.5%	3.5%		158,309	197,886	40,962	163,850	204,812	42,396	169,585	211,981	43,880	175,520
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		17,706	22,132	4,581	18,325	22,907	4,742	18,967	23,709	4,908	19,631
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				176,015	220,018	45,544	182,175	227,719	47,138	188,551	235,689	48,788	195,151
Maintenance & Repair													
Payroll	3.5%	3.5%		280,168	350,210	72,493	289,974	362,467	75,031	300,123	375,153	77,657	310,627
Supplies	3.5%	3.5%		29,331	36,664	7,589	30,358	37,947	7,855	31,420	39,276	8,130	32,520
Contracts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%	3.5%		64,096	80,120	16,585	66,340	82,925	17,165	68,662	85,827	17,766	71,065
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		17,813	22,266	4,609	18,437	23,046	4,770	19,082	23,852	4,937	19,750
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		49,957	62,446	12,926	51,706	64,632	13,379	53,515	66,894	13,847	55,388
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		53,781	67,226	13,916	55,663	69,579	14,403	57,611	72,014	14,907	59,628
Sub-total Maintenance & Repair Expenses				495,146	618,933	128,119	512,476	640,596	132,603	530,413	663,016	137,244	548,978
Supportive Services	3.5%	3.5%		188,926	236,157	48,884	195,538	244,422	50,595	202,382	252,977	52,366	209,465
Commercial Expenses			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%		-			-			-		
TOTAL OPERATING EXPENSES				1,783,194	2,363,383	600,495	1,845,606	2,446,101	621,512	1,910,202	2,531,715	643,265	1,977,060
PUPA (w/o Reserves/GL Base Rent/Bond Fees)													
Reserves/Ground Lease Base Rent/Bond Fees				ꞁellow cells, manipulate each cell rather than dragging across multiple cells.									
Ground Lease Base Rent				12,000	15,000	3,000	12,000	15,000	3,000	12,000	15,000	3,000	12,000
Bond Monitoring Fee				2,000	2,500	500	2,000	2,500	500	2,000	2,500	500	2,000
Replacement Reserve Deposit				60,400	75,500	15,100	60,400	75,500	15,100	60,400	75,500	15,100	60,400
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				74,400	93,000	18,600	74,400	93,000	18,600	74,400	93,000	18,600	74,400
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				1,857,594	2,456,383	619,095	1,920,006	2,539,101	640,112	1,984,602	2,624,715	661,865	2,051,460
PUPA (w/ Reserves/GL Base Rent/Bond Fees)													
NET OPERATING INCOME (INCOME minus OP EXPENSES)				132,721	139,103	6,570	132,433	139,003	6,765	132,008	138,773	6,967	131,441
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)				ꞁellow cells, manipulate each cell rather than dragging across multiple cells.									
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%		-			-			-		
TOTAL HARD DEBT SERVICE				-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)				132,721	139,103	6,570	132,433	139,003	6,765	132,008	138,773	6,967	131,441
Commercial Only Cash Flow					-			-			-		
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-		-	-		-	-		-	-
AVAILABLE CASH FLOW				132,721	139,103	6,570	132,433	139,003	6,765	132,008	138,773	6,967	131,441
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***										
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				ꞁellow cells, manipulate each cell rather than dragging across multiple cells.									
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-		-	-		-	-		-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	21,527	26,909	5,570	22,280	27,850	5,765	23,060	28,825	5,967	23,867
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	4,000	5,000	1,000	4,000	5,000	1,000	4,000	5,000	1,000	4,000
Other Payments				-		-	-		-	-		-	-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-		-	-		-	-		-	-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-		-	-		-	-		-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-		-	-		-	-		-	-
TOTAL PAYMENTS PRECEDING MOHCD				25,527	31,909	6,570	26,280	32,850	6,765	27,060	33,825	6,967	27,867
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				107,194	107,194	(0)	106,152	106,152	(0)	104,948	104,948	0	103,574
Does Project have a MOHCD Residual Receipt Obligation?		***Yes***											
Will Project Defer Developer Fee?		***No***											
Residual Receipts split for all years. - Lender/Owner		*67% / 33%*											
		Dist. Soft Debt Loans			-			-			-		
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due		*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy		71,463			70,768			69,965		
Proposed MOHCD Residual Receipts Amount to Loan Repayment					71,463			70,768			69,965		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment		-			-			-		
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due		*0.00%*	No HCD Financing		-			-			-		
Lender 4 Residual Receipts Due		*0.00%*			-			-			-		
Lender 5 Residual Receipts Due		*0.00%*			-			-			-		
Total Non-MOHCD Residual Receipts Debt Service					-			-			-		
REMAINDER (Should be zero unless there are distributions below)					35,731			35,384			34,983		
Owner Distributions/Incentive Management Fee					35,731			35,384			34,983		
Other Distributions/Uses													
Final Balance (should be zero)					-			-			-		
REPLACEMENT RESERVE - RUNNING BALANCE													
Replacement Reserve Starting Balance					226,500			302,000			377,500		
Replacement Reserve Deposits					75,500			75,500			75,500		
Replacement Reserve Withdrawals (ideally tied to CNA)					-			-			-		
Replacement Reserve Interest													
RR Running Balance					302,000			377,500			453,000		
			RR Balance/Unit		*$2,000*			*$2,500*			*$3,000*		
OPERATING RESERVE - RUNNING BALANCE													
Operating Reserve Starting Balance					-			-			-		
Operating Reserve Deposits					-			-			-		
Operating Reserve Withdrawals													
Operating Reserve Interest													
OR Running Balance					-			-			-		
			OR Balance as a % of Prior Yr Op Exps + Debt Service		*0.0%*			*0.0%*			*0.0%*		
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE													
Other Reserve 1 Starting Balance					-			-			-		
Other Reserve 1 Deposits					-			-			-		
Other Reserve 1 Withdrawals													
Other Reserve 1 Interest													
Other Required Reserve 1 Running Balance					-			-			-		
OTHER RESERVE 2 - RUNNING BALANCE													
Other Reserve 2 Starting Balance					-			-			-		
Other Reserve 2 Deposits					-			-			-		
Other Reserve 2 Withdrawals													
Other Reserve 2 Interest													
Other Required Reserve 2 Running Balance					-			-			-		

Transbay 2 West

	LOSP Units	Non-LOSP Units											
Total # Units: 151	***30***	***121***			**Year 8 2033**			**Year 9 2034**			**Year 10 2035**		
	20.00%	*80.00%*											
INCOME	**% annual inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Residential - Tenant Rents	1.0%	2.5%		1,424,824	115,791	1,342,934	1,458,725	116,949	1,376,508	1,493,456	118,118	1,410,920	1,529,038
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	4.0%	SOS Subsidy row	976,108	-	1,015,152	1,015,152	-	1,055,758	1,055,758	-	1,097,988	1,097,988
Residential - LOSP Tenant Assistance Payments	n/a	n/a		557,188	578,754		578,754	601,103		601,103	624,261		624,261
Commercial Space	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-			-			-			-
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		13,659	2,800	11,200	14,000	2,870	11,480	14,350	2,942	11,767	14,709
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-			-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable		-	-		-	-		-	-	
Gross Potential Income				**2,971,779**	***697,345***	***2,369,287***	**3,066,631**	***720,921***	***2,443,746***	**3,164,667**	***745,321***	***2,520,676***	**3,265,997**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(71,241)	(5,790)	(67,147)	(72,936)	(5,847)	(68,825)	(74,673)	(5,906)	(70,546)	(76,452)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(48,805)	-	(50,758)	(50,758)	-	(52,788)	(52,788)	-	(54,899)	(54,899)
Vacancy Loss - Commercial	n/a	n/a		-			-			-			-
EFFECTIVE GROSS INCOME				**2,851,733**	***691,555***	***2,251,382***	**2,942,938**	***715,074***	***2,322,133***	**3,037,206**	***739,415***	***2,395,230***	**3,134,646**
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	151,464	31,353	125,412	156,765	32,450	129,802	162,252	33,586	134,345	167,931
Asset Management Fee	3.5%	3.5%	per MOHCD policy	29,846	6,178	24,713	30,891	6,394	25,578	31,972	6,618	26,473	33,091
Sub-total Management Expenses				**181,310**	***37,531***	***150,125***	**187,656**	***38,845***	***155,379***	**194,224**	***40,204***	***160,818***	**201,022**
Salaries/Benefits													
Office Salaries	3.5%	3.5%		159,733	33,065	132,259	165,324	34,222	136,888	171,110	35,420	141,679	177,099
Manager's Salary	3.5%	3.5%		89,208	18,466	73,864	92,331	19,112	76,450	95,562	19,781	79,125	98,907
Health Insurance and Other Benefits	3.5%	3.5%		196,303	40,635	162,539	203,174	42,057	168,228	210,285	43,529	174,116	217,645
Other Salaries/Benefits	3.5%	3.5%		198,667	164,497	41,124	205,621	170,254	42,563	212,817	176,213	44,053	220,266
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				**643,912**	***256,662***	***409,787***	**666,449**	***265,645***	***424,129***	**689,775**	***274,943***	***438,974***	**713,917**
Administration													
Advertising and Marketing	3.5%	3.5%		6,269	1,298	5,191	6,489	1,343	5,373	6,716	1,390	5,561	6,951
Office Expenses	3.5%	3.5%		75,651	15,660	62,639	78,299	16,208	64,831	81,039	16,775	67,100	83,875
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		12,293	2,545	10,178	12,723	2,634	10,534	13,168	2,726	10,903	13,629
Audit Expense	3.5%	3.5%		26,358	5,456	21,824	27,280	5,647	22,588	28,235	5,845	23,379	29,223
Bookkeeping/Accounting Services	3.5%	3.5%		21,160	4,380	17,521	21,901	4,534	18,134	22,668	4,692	18,769	23,461
Bad Debts	3.5%	3.5%		14,261	2,952	11,808	14,760	3,055	12,221	15,276	3,162	12,649	15,811
Miscellaneous	3.5%	3.5%		29,699	6,148	24,591	30,738	6,363	25,451	31,814	6,586	26,342	32,928
Sub-total Administration Expenses				**185,690**	***38,438***	***153,751***	**192,189**	***39,783***	***159,133***	**198,916**	***41,176***	***164,702***	**205,878**
Utilities													
Electricity	3.5%	3.5%		118,238	24,475	97,901	122,377	25,332	101,328	126,660	26,219	104,874	131,093
Water	3.5%	3.5%		90,025	18,635	74,540	93,175	19,287	77,149	96,437	19,962	79,849	99,812
Gas	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%		138,099	28,587	114,346	142,933	29,587	118,348	147,936	30,623	122,491	153,113
Sub-total Utilities				**346,362**	***71,697***	***286,788***	**358,485**	***74,206***	***296,826***	**371,032**	***76,804***	***307,215***	**384,018**
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		11,694	2,421	9,683	12,103	2,505	10,021	12,527	2,593	10,372	12,965
Payroll Taxes	3.5%	3.5%		46,928	9,714	38,856	48,571	10,054	40,216	50,271	10,406	41,624	52,030
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		12,436	2,574	10,297	12,872	2,664	10,658	13,322	2,758	11,031	13,788
Sub-total Taxes and Licenses				**71,058**	***14,709***	***58,836***	**73,545**	***15,224***	***60,896***	**76,119**	***15,757***	***63,027***	**78,784**
Insurance													
Property and Liability Insurance	3.5%	3.5%		219,400	45,416	181,663	227,079	47,005	188,021	235,027	48,651	194,602	243,253
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		24,538	5,079	20,318	25,397	5,257	21,029	26,286	5,441	21,765	27,206
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				**243,938**	***50,495***	***201,981***	**252,476**	***52,263***	***209,050***	**261,313**	***54,092***	***216,367***	**270,459**
Maintenance & Repair													
Payroll	3.5%	3.5%		388,284	80,375	321,499	401,874	83,188	332,751	415,939	86,099	344,398	430,497
Supplies	3.5%	3.5%		40,650	8,415	33,658	42,073	8,709	34,836	43,546	9,014	36,056	45,070
Contracts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%	3.5%		88,831	18,388	73,552	91,940	19,032	76,126	95,158	19,698	78,791	98,488
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		24,687	5,110	20,441	25,551	5,289	21,156	26,445	5,474	21,897	27,371
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		69,235	14,332	57,327	71,659	14,833	59,333	74,167	15,352	61,410	76,762
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		74,535	15,429	61,715	77,143	15,969	63,875	79,843	16,528	66,110	82,638
Sub-total Maintenance & Repair Expenses				**686,222**	***142,048***	***568,192***	**710,240**	***147,020***	***588,078***	**735,098**	***152,165***	***608,661***	**760,827**
Supportive Services	3.5%	3.5%		261,831	54,199	216,796	270,995	56,096	224,384	280,480	58,059	232,238	290,297
Commercial Expenses			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-			-			-			-
TOTAL OPERATING EXPENSES				**2,620,325**	***665,780***	***2,046,257***	**2,712,036**	***689,082***	***2,117,876***	**2,806,958**	***713,200***	***2,192,001***	**2,905,201**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)													
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent				15,000	3,000	12,000	15,000	3,000	12,000	15,000	3,000	12,000	15,000
Bond Monitoring Fee				2,500	500	2,000	2,500	500	2,000	2,500	500	2,000	2,500
Replacement Reserve Deposit				75,500	15,100	60,400	75,500	15,100	60,400	75,500	15,100	60,400	75,500
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				**93,000**	***18,600***	***74,400***	**93,000**	***18,600***	***74,400***	**93,000**	***18,600***	***74,400***	**93,000**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				**2,713,325**	***684,380***	***2,120,657***	**2,805,036**	***707,682***	***2,192,276***	**2,899,958**	***731,800***	***2,266,401***	**2,998,201**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)													
NET OPERATING INCOME (INCOME minus OP EXPENSES)				**138,408**	***7,176***	***130,726***	**137,901**	***7,392***	***129,857***	**137,249**	***7,616***	***128,829***	**136,445**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-			-			-			-
TOTAL HARD DEBT SERVICE				-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)				**138,408**	***7,176***	***130,726***	**137,901**	***7,392***	***129,857***	**137,249**	***7,616***	***128,829***	**136,445**
Commercial Only Cash Flow				-			-			-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					-	-		-	-		-	-	
AVAILABLE CASH FLOW				**138,408**	***7,176***	***130,726***	**137,901**	***7,392***	***129,857***	**137,249**	***7,616***	***128,829***	**136,445**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***										
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy		-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	29,834	6,176	24,703	30,878	6,392	25,567	31,959	6,616	26,462	33,078
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	5,000	1,000	4,000	5,000	1,000	4,000	5,000	1,000	4,000	5,000
Other Payments					-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.		-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.		-	-		-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	-		-	-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD				**34,834**	***7,176***	***28,703***	**35,878**	***7,392***	***29,567***	**36,959**	***7,616***	***30,462***	**38,078**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				**103,574**	(0)	102,023	**102,023**	(0)	100,290	**100,290**	(0)	98,367	**98,367**
Does Project have a MOHCD Residual Receipt Obligation?		***Yes***											
Will Project Defer Developer Fee?		***No***											
Residual Receipts split for all years. - Lender/Owner		*67% / 33%*											
		Dist. Soft Debt Loans		-			-			-			-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due		*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	69,049			68,015			66,860			65,578
Proposed MOHCD Residual Receipts Amount to Loan Repayment				69,049			68,015			66,860			65,578
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment	-			-			-			-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due		*0.00%*	No HCD Financing	-			-			-			-
Lender 4 Residual Receipts Due		*0.00%*		-			-			-			-
Lender 5 Residual Receipts Due		*0.00%*		-			-			-			-
Total Non-MOHCD Residual Receipts Debt Service				-			-			-			-
REMAINDER (Should be zero unless there are distributions below)				**34,525**			**34,008**			**33,430**			**32,789**
Owner Distributions/Incentive Management Fee				34,525			34,008			33,430			32,789
Other Distributions/Uses													
Final Balance (should be zero)				-			-			-			-
REPLACEMENT RESERVE - RUNNING BALANCE													
Replacement Reserve Starting Balance				**453,000**			**528,500**			**604,000**			**679,500**
Replacement Reserve Deposits				**75,500**			**75,500**			**75,500**			**75,500**
Replacement Reserve Withdrawals (ideally tied to CNA)				-			-			-			-
Replacement Reserve Interest													
RR Running Balance				**528,500**			**604,000**			**679,500**			**755,000**
			RR Balance/Unit	*$3,500*			*$4,000*			*$4,500*			*$5,000*
OPERATING RESERVE - RUNNING BALANCE													
Operating Reserve Starting Balance				-			-			-			-
Operating Reserve Deposits				-			-			-			-
Operating Reserve Withdrawals													
Operating Reserve Interest													
OR Running Balance				-			-			-			-
			OR Balance as a % of Prior Yr Op Exps + Debt Service	*0.0%*			*0.0%*			*0.0%*			*0.0%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE													
Other Reserve 1 Starting Balance				-			-			-			-
Other Reserve 1 Deposits				-			-			-			-
Other Reserve 1 Withdrawals													
Other Reserve 1 Interest													
Other Required Reserve 1 Running Balance				-			-			-			-
OTHER RESERVE 2 - RUNNING BALANCE													
Other Reserve 2 Starting Balance				-			-			-			-
Other Reserve 2 Deposits				-			-			-			-
Other Reserve 2 Withdrawals													
Other Reserve 2 Interest													
Other Required Reserve 2 Running Balance				-			-			-			-

Transbay 2 West

	LOSP Units	Non-LOSP Units
Total # Units: 151	30	121
	20.00%	80.00%

INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 11 2036 LOSP	Year 11 2036 non-LOSP	Year 11 2036 Total	Year 12 2037 LOSP	Year 12 2037 non-LOSP	Year 12 2037 Total	Year 13 2038 LOSP	Year 13 2038 non-LOSP	Year 13 2038 Total	LOSP
Residential - Tenant Rents	1.0%	2.5%		119,299	1,446,193	1,565,493	120,492	1,482,348	1,602,840	121,697	1,519,407	1,641,104	122,914
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	4.0%	SOS Subsidy row	-	1,141,908	1,141,908	-	1,187,584	1,187,584	-	1,235,087	1,235,087	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		648,259		648,259	673,126		673,126	698,892		698,892	725,589
Commercial Space	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%			-			-			-	
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		3,015	12,061	15,077	3,091	12,363	15,454	3,168	12,672	15,840	3,247
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%			-			-			-	
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-		-	-		-
Gross Potential Income				770,574	2,600,163	3,370,737	796,709	2,682,295	3,479,004	823,757	2,767,166	3,590,923	851,750
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(5,965)	(72,310)	(78,275)	(6,025)	(74,117)	(80,142)	(6,085)	(75,970)	(82,055)	(6,146)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(57,095)	(57,095)	-	(59,379)	(59,379)	-	(61,754)	(61,754)	-
Vacancy Loss - Commercial	n/a	n/a				-			-			-	
EFFECTIVE GROSS INCOME				764,609	2,470,758	3,235,367	790,684	2,548,799	3,339,483	817,672	2,629,441	3,447,113	845,605
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	34,762	139,047	173,808	35,978	143,913	179,892	37,238	148,950	186,188	38,541
Asset Management Fee	3.5%	3.5%	per MOHCD policy	6,850	27,399	34,249	7,090	28,358	35,448	7,338	29,351	36,689	7,595
Sub-total Management Expenses				41,612	166,446	208,058	43,068	172,272	215,340	44,575	178,301	222,877	46,135
Salaries/Benefits													
Office Salaries	3.5%	3.5%		36,659	146,638	183,297	37,943	151,770	189,713	39,271	157,082	196,353	40,645
Manager's Salary	3.5%	3.5%		20,474	81,895	102,369	21,190	84,761	105,951	21,932	87,728	109,660	22,700
Health Insurance and Other Benefits	3.5%	3.5%		45,053	180,210	225,263	46,629	186,518	233,147	48,261	193,046	241,307	49,951
Other Salaries/Benefits	3.5%	3.5%		182,380	45,595	227,975	188,764	47,191	235,954	195,370	48,843	244,213	202,208
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				284,566	454,338	738,904	294,526	470,240	764,766	304,834	486,698	791,533	315,503
Administration													
Advertising and Marketing	3.5%	3.5%		1,439	5,755	7,194	1,489	5,957	7,446	1,541	6,165	7,706	1,595
Office Expenses	3.5%	3.5%		17,362	69,449	86,811	17,970	71,880	89,849	18,599	74,395	92,994	19,250
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		2,821	11,285	14,106	2,920	11,680	14,600	3,022	12,089	15,111	3,128
Audit Expense	3.5%	3.5%		6,049	24,197	30,246	6,261	25,044	31,305	6,480	25,920	32,400	6,707
Bookkeeping/Accounting Services	3.5%	3.5%		4,856	19,426	24,282	5,026	20,106	25,132	5,202	20,809	26,012	5,384
Bad Debts	3.5%	3.5%		3,273	13,091	16,364	3,387	13,550	16,937	3,506	14,024	17,530	3,629
Miscellaneous	3.5%	3.5%		6,816	27,264	34,080	7,055	28,218	35,273	7,301	29,206	36,507	7,557
Sub-total Administration Expenses				42,617	170,467	213,084	44,108	176,433	220,542	45,652	182,608	228,261	47,250
Utilities													
Electricity	3.5%	3.5%		27,136	108,545	135,681	28,086	112,344	140,430	29,069	116,276	145,345	30,086
Water	3.5%	3.5%		20,661	82,644	103,305	21,384	85,537	106,921	22,133	88,530	110,663	22,907
Gas	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%		31,694	126,778	158,472	32,804	131,215	164,019	33,952	135,808	169,759	35,140
Sub-total Utilities				79,492	317,967	397,459	82,274	329,096	411,370	85,154	340,614	425,768	88,134
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		2,684	10,735	13,419	2,778	11,111	13,889	2,875	11,500	14,375	2,976
Payroll Taxes	3.5%	3.5%		10,770	43,081	53,851	11,147	44,589	55,736	11,537	46,149	57,687	11,941
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		2,854	11,417	14,271	2,954	11,816	14,771	3,057	12,230	15,287	3,165
Sub-total Taxes and Licenses				16,308	65,233	81,541	16,879	67,516	84,395	17,470	69,879	87,349	18,081
Insurance													
Property and Liability Insurance	3.5%	3.5%		50,353	201,413	251,766	52,116	208,463	260,578	53,940	215,759	269,699	55,828
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		5,632	22,527	28,158	5,829	23,315	29,144	6,033	24,131	30,164	6,244
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				55,985	223,940	279,925	57,944	231,778	289,722	59,973	239,890	299,863	62,072
Maintenance & Repair													
Payroll	3.5%	3.5%		89,113	356,452	445,564	92,232	368,927	461,159	95,460	381,840	477,300	98,801
Supplies	3.5%	3.5%		9,329	37,318	46,647	9,656	38,624	48,280	9,994	39,976	49,970	10,344
Contracts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%	3.5%		20,387	81,548	101,936	21,101	84,403	105,503	21,839	87,357	109,196	22,604
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		5,666	22,663	28,329	5,864	23,456	29,321	6,069	24,277	30,347	6,282
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		15,890	63,559	79,449	16,446	65,784	82,230	17,022	68,086	85,108	17,617
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		17,106	68,424	85,530	17,705	70,819	88,524	18,324	73,298	91,622	18,966
Sub-total Maintenance & Repair Expenses				157,491	629,964	787,455	163,003	652,013	815,016	168,708	674,834	843,542	174,613
Supportive Services	3.5%	3.5%		60,092	240,366	300,458	62,195	248,779	310,974	64,372	257,486	321,858	66,625
Commercial Expenses			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%			-			-			-	
TOTAL OPERATING EXPENSES				738,162	2,268,721	3,006,883	763,997	2,348,127	3,112,124	790,737	2,430,311	3,221,048	818,413
PUPA (w/o Reserves/GL Base Rent/Bond Fees)													
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent				3,000	12,000	15,000	3,000	12,000	15,000	3,000	12,000	15,000	3,000
Bond Monitoring Fee				500	2,000	2,500	500	2,000	2,500	500	2,000	2,500	500
Replacement Reserve Deposit				15,100	60,400	75,500	15,100	60,400	75,500	15,100	60,400	75,500	15,100
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				18,600	74,400	93,000	18,600	74,400	93,000	18,600	74,400	93,000	18,600
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				756,762	2,343,121	3,099,883	782,597	2,422,527	3,205,124	809,337	2,504,711	3,314,048	837,013
PUPA (w/ Reserves/GL Base Rent/Bond Fees)													
NET OPERATING INCOME (INCOME minus OP EXPENSES)				7,847	127,637	135,484	8,087	126,272	134,359	8,335	124,730	133,065	8,591
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%			-			-			-	
TOTAL HARD DEBT SERVICE				-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)				7,847	127,637	135,484	8,087	126,272	134,359	8,335	124,730	133,065	8,591
Commercial Only Cash Flow						-			-			-	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-		-
AVAILABLE CASH FLOW				7,847	127,637	135,484	8,087	126,272	134,359	8,335	124,730	133,065	8,591
USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:										
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-		-	-		-	-		-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	6,847	27,388	34,235	7,087	28,347	35,433	7,335	29,339	36,674	7,591
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	1,000	4,000	5,000	1,000	4,000	5,000	1,000	4,000	5,000	1,000
Other Payments				-	-		-	-		-	-		-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-		-	-		-	-		-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-		-	-		-	-		-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-		-	-		-	-		-
TOTAL PAYMENTS PRECEDING MOHCD				7,847	31,388	39,235	8,087	32,347	40,433	8,335	33,339	41,674	8,591
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				(0)	96,248	96,248	0	93,925	93,925	0	91,391	91,391	(0)

Does Project have a MOHCD Residual Receipt Obligation?	Yes
Will Project Defer Developer Fee?	No
Residual Receipts split for all years. - Lender/Owner	67% / 33%

	Dist. Soft Debt Loans	Comments	Year 11 Total	Year 12 Total	Year 13 Total
			-	-	-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE					
MOHCD Residual Receipts Amount Due	100.00%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	64,166	62,617	60,928
Proposed MOHCD Residual Receipts Amount to Loan Repayment			64,166	62,617	60,928
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		Proposed Total MOHCD Amt Due less Loan Repayment	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE					
HCD Residual Receipts Amount Due	0.00%	No HCD Financing	-	-	-
Lender 4 Residual Receipts Due	0.00%		-	-	-
Lender 5 Residual Receipts Due	0.00%		-	-	-
Total Non-MOHCD Residual Receipts Debt Service			-	-	-
REMAINDER (Should be zero unless there are distributions below)			32,083	31,308	30,464
Owner Distributions/Incentive Management Fee			32,083	31,308	30,464
Other Distributions/Uses					
Final Balance (should be zero)			-	-	-
REPLACEMENT RESERVE - RUNNING BALANCE					
Replacement Reserve Starting Balance			755,000	830,500	906,000
Replacement Reserve Deposits			75,500	75,500	75,500
Replacement Reserve Withdrawals (ideally tied to CNA)			-	-	-
Replacement Reserve Interest					
RR Running Balance			830,500	906,000	981,500
		RR Balance/Unit	$5,500	$6,000	$6,500
OPERATING RESERVE - RUNNING BALANCE					
Operating Reserve Starting Balance			-	-	-
Operating Reserve Deposits			-	-	-
Operating Reserve Withdrawals					
Operating Reserve Interest					
OR Running Balance			-	-	-
		OR Balance as a % of Prior Yr Op Exps + Debt Service	0.0%	0.0%	0.0%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE					
Other Reserve 1 Starting Balance			-	-	-
Other Reserve 1 Deposits			-	-	-
Other Reserve 1 Withdrawals					
Other Reserve 1 Interest					
Other Required Reserve 1 Running Balance			-	-	-
OTHER RESERVE 2 - RUNNING BALANCE					
Other Reserve 2 Starting Balance			-	-	-
Other Reserve 2 Deposits			-	-	-
Other Reserve 2 Withdrawals					
Other Reserve 2 Interest					
Other Required Reserve 2 Running Balance			-	-	-

Transbay 2 West

	LOSP Units	Non-LOSP Units
Total # Units: 151	*30*	*121*
	20.00%	*80.00%*

INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 14 2039 non-LOSP	Year 14 2039 Total	Year 15 2040 LOSP	Year 15 2040 non-LOSP	Year 15 2040 Total	Year 16 2041 LOSP	Year 16 2041 non-LOSP	Year 16 2041 Total	Year 17 2042 LOSP	Year 17 2042 non-LOSP
Residential - Tenant Rents	1.0%	2.5%		1,557,392	1,680,306	124,143	1,596,327	1,720,470	125,385	1,636,235	1,761,620	126,638	1,677,141
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	4.0%	SOS Subsidy row	1,284,491	1,284,491	-	1,335,871	1,335,871	-	1,389,305	1,389,305	-	1,444,878
Residential - LOSP Tenant Assistance Payments	n/a	n/a			725,589	753,250		753,250	781,910		781,910	811,603	
Commercial Space	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%		-			-			-		
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		12,989	16,236	3,328	13,314	16,642	3,412	13,646	17,058	3,497	13,988
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%		-			-			-		
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-		-	-		-	-		-	-
Gross Potential Income				**2,854,872**	**3,706,622**	**880,722**	**2,945,512**	**3,826,234**	**910,706**	**3,039,187**	**3,949,893**	**941,738**	**3,136,007**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(77,870)	(84,015)	(6,207)	(79,816)	(86,024)	(6,269)	(81,812)	(88,081)	(6,332)	(83,857)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(64,225)	(64,225)	-	(66,794)	(66,794)	-	(69,465)	(69,465)	-	(72,244)
Vacancy Loss - Commercial	n/a	n/a			-			-			-		
EFFECTIVE GROSS INCOME				**2,712,778**	**3,558,383**	**874,515**	**2,798,902**	**3,673,416**	**904,437**	**2,887,910**	**3,792,346**	**935,406**	**2,979,906**
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	154,164	192,704	39,890	159,559	199,449	41,286	165,144	206,430	42,731	170,924
Asset Management Fee	3.5%	3.5%	per MOHCD policy	30,378	37,973	7,860	31,442	39,302	8,135	32,542	40,677	8,420	33,681
Sub-total Management Expenses				**184,542**	**230,677**	**47,750**	**191,001**	**238,751**	**49,421**	**197,686**	**247,107**	**51,151**	**204,605**
Salaries/Benefits													
Office Salaries	3.5%	3.5%		162,580	203,225	42,068	168,270	210,338	43,540	174,160	217,700	45,064	180,255
Manager's Salary	3.5%	3.5%		90,798	113,498	23,494	93,976	117,470	24,316	97,265	121,582	25,167	100,670
Health Insurance and Other Benefits	3.5%	3.5%		199,802	249,753	51,699	206,795	258,494	53,508	214,033	267,541	55,381	221,524
Other Salaries/Benefits	3.5%	3.5%		50,552	252,760	209,286	52,321	261,607	216,611	54,153	270,763	224,192	56,048
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				**503,733**	**819,236**	**326,546**	**521,363**	**847,909**	**337,975**	**539,611**	**877,586**	**349,804**	**558,497**
Administration													
Advertising and Marketing	3.5%	3.5%		6,381	7,976	1,651	6,604	8,255	1,709	6,835	8,544	1,769	7,075
Office Expenses	3.5%	3.5%		76,999	96,249	19,924	79,694	99,618	20,621	82,483	103,104	21,343	85,370
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		12,512	15,640	3,237	12,950	16,187	3,351	13,403	16,753	3,468	13,872
Audit Expense	3.5%	3.5%		26,827	33,534	6,942	27,766	34,708	7,185	28,738	35,923	7,436	29,744
Bookkeeping/Accounting Services	3.5%	3.5%		21,538	26,922	5,573	22,291	27,864	5,768	23,072	28,839	5,970	23,879
Bad Debts	3.5%	3.5%		14,515	18,143	3,756	15,023	18,778	3,887	15,549	19,436	4,023	16,093
Miscellaneous	3.5%	3.5%		30,228	37,785	7,822	31,286	39,108	8,095	32,381	40,476	8,379	33,514
Sub-total Administration Expenses				**189,000**	**236,250**	**48,904**	**195,615**	**244,518**	**50,615**	**202,461**	**253,077**	**52,387**	**209,547**
Utilities													
Electricity	3.5%	3.5%		120,346	150,432	31,139	124,558	155,697	32,229	128,917	161,147	33,357	133,430
Water	3.5%	3.5%		91,629	114,536	23,709	94,836	118,545	24,539	98,155	122,694	25,398	101,591
Gas	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%		140,561	175,701	36,370	145,480	181,851	37,643	150,572	188,215	38,961	155,842
Sub-total Utilities				**352,536**	**440,670**	**91,219**	**364,874**	**456,093**	**94,411**	**377,645**	**472,056**	**97,716**	**390,863**
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		11,902	14,878	3,080	12,319	15,399	3,188	12,750	15,938	3,299	13,196
Payroll Taxes	3.5%	3.5%		47,764	59,706	12,359	49,436	61,795	12,792	51,166	63,958	13,239	52,957
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		12,658	15,823	3,275	13,101	16,376	3,390	13,560	16,950	3,509	14,034
Sub-total Taxes and Licenses				**72,325**	**90,406**	**18,714**	**74,856**	**93,570**	**19,369**	**77,476**	**96,845**	**20,047**	**80,188**
Insurance													
Property and Liability Insurance	3.5%	3.5%		223,310	279,138	57,782	231,126	288,908	59,804	239,216	299,020	61,897	247,588
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		24,976	31,220	6,462	25,850	32,312	6,689	26,755	33,443	6,923	27,691
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				**248,286**	**310,358**	**64,244**	**256,976**	**321,220**	**66,493**	**265,970**	**332,463**	**68,820**	**275,279**
Maintenance & Repair													
Payroll	3.5%	3.5%		395,204	494,005	102,259	409,036	511,295	105,838	423,353	529,191	109,542	438,170
Supplies	3.5%	3.5%		41,375	51,718	10,706	42,823	53,529	11,080	44,322	55,402	11,468	45,873
Contracts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%	3.5%		90,414	113,018	23,395	93,579	116,973	24,213	96,854	121,067	25,061	100,244
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		25,127	31,409	6,502	26,007	32,508	6,729	26,917	33,646	6,965	27,859
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		70,469	88,087	18,234	72,936	91,170	18,872	75,489	94,361	19,533	78,131
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		75,863	94,829	19,630	78,518	98,148	20,317	81,266	101,583	21,028	84,111
Sub-total Maintenance & Repair Expenses				**698,453**	**873,066**	**180,725**	**722,899**	**903,623**	**187,050**	**748,200**	**935,250**	**193,597**	**774,387**
Supportive Services	3.5%	3.5%		266,498	333,123	68,956	275,826	344,782	71,370	285,479	356,849	73,868	295,471
Commercial Expenses			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%		-			-			-		
TOTAL OPERATING EXPENSES				**2,515,372**	**3,333,785**	**847,058**	**2,603,410**	**3,450,468**	**876,705**	**2,694,529**	**3,571,234**	**907,389**	**2,788,838**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)													
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent				12,000	15,000	3,000	12,000	15,000	3,000	12,000	15,000	3,000	12,000
Bond Monitoring Fee				2,000	2,500	500	2,000	2,500	500	2,000	2,500	500	2,000
Replacement Reserve Deposit				60,400	75,500	15,100	60,400	75,500	15,100	60,400	75,500	15,100	60,400
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				**74,400**	**93,000**	**18,600**	**74,400**	**93,000**	**18,600**	**74,400**	**93,000**	**18,600**	**74,400**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				**2,589,772**	**3,426,785**	**865,658**	**2,677,810**	**3,543,468**	**895,305**	**2,768,929**	**3,664,234**	**925,989**	**2,863,238**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)													
NET OPERATING INCOME (INCOME minus OP EXPENSES)				**123,006**	**131,597**	**8,857**	**121,092**	**129,949**	**9,132**	**118,980**	**128,113**	**9,417**	**116,668**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%		-			-			-		
TOTAL HARD DEBT SERVICE				-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)				**123,006**	**131,597**	**8,857**	**121,092**	**129,949**	**9,132**	**118,980**	**128,113**	**9,417**	**116,668**
Commercial Only Cash Flow					-			-			-		
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-		-	-		-	-		-	-
AVAILABLE CASH FLOW				**123,006**	**131,597**	**8,857**	**121,092**	**129,949**	**9,132**	**118,980**	**128,113**	**9,417**	**116,668**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			*DSCR:*										
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-		-	-		-	-		-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	30,366	37,957	7,857	31,429	39,286	8,132	32,529	40,661	8,417	33,667
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	4,000	5,000	1,000	4,000	5,000	1,000	4,000	5,000	1,000	4,000
Other Payments				-		-	-		-	-		-	-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-		-	-		-	-		-	-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-		-	-		-	-		-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-		-	-		-	-		-	-
TOTAL PAYMENTS PRECEDING MOHCD				**34,366**	**42,957**	**8,857**	**35,429**	**44,286**	**9,132**	**36,529**	**45,661**	**9,417**	**37,667**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				88,640	**88,640**	-	85,663	**85,663**	(0)	82,452	**82,452**	-	79,001
Does Project have a MOHCD Residual Receipt Obligation?		**Yes**											
Will Project Defer Developer Fee?		**No**											
Residual Receipts split for all years. - Lender/Owner		*67% / 33%*											
		Dist. Soft Debt Loans			-			-					
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due		*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy		59,094			57,109			54,968		
Proposed MOHCD Residual Receipts Amount to Loan Repayment					59,094			57,109			54,968		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment		-			-			-		
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due		*0.00%*	No HCD Financing		-			-			-		
Lender 4 Residual Receipts Due		*0.00%*			-			-			-		
Lender 5 Residual Receipts Due		*0.00%*			-			-			-		
Total Non-MOHCD Residual Receipts Debt Service					-			-			-		
REMAINDER (Should be zero unless there are distributions below)					**29,547**			**28,554**			**27,484**		
Owner Distributions/Incentive Management Fee					29,547			28,554			27,484		
Other Distributions/Uses													
Final Balance (should be zero)					-			-			-		
REPLACEMENT RESERVE - RUNNING BALANCE													
Replacement Reserve Starting Balance					**981,500**			**1,057,000**			**1,132,500**		
Replacement Reserve Deposits					**75,500**			**75,500**			**75,500**		
Replacement Reserve Withdrawals (ideally tied to CNA)					-			-			-		
Replacement Reserve Interest													
RR Running Balance					**1,057,000**			**1,132,500**			**1,208,000**		
			RR Balance/Unit		*$7,000*			*$7,500*			*$8,000*		
OPERATING RESERVE - RUNNING BALANCE													
Operating Reserve Starting Balance					-			-			-		
Operating Reserve Deposits					-			-			-		
Operating Reserve Withdrawals													
Operating Reserve Interest													
OR Running Balance					-			-			-		
			OR Balance as a % of Prior Yr Op Exps + Debt Service		*0.0%*			*0.0%*			*0.0%*		
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE													
Other Reserve 1 Starting Balance					-			-			-		
Other Reserve 1 Deposits					-			-			-		
Other Reserve 1 Withdrawals													
Other Reserve 1 Interest													
Other Required Reserve 1 Running Balance					-			-			-		
OTHER RESERVE 2 - RUNNING BALANCE													
Other Reserve 2 Starting Balance					-			-			-		
Other Reserve 2 Deposits					-			-			-		
Other Reserve 2 Withdrawals													
Other Reserve 2 Interest													
Other Required Reserve 2 Running Balance					-			-			-		

Transbay 2 West

	LOSP Units	Non-LOSP Units
Total # Units:		
151	*30*	*121*
	20.00%	*80.00%*

INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Total	Year 18 2043 LOSP	Year 18 2043 non-LOSP	Year 18 2043 Total	Year 19 2044 LOSP	Year 19 2044 non-LOSP	Year 19 2044 Total	Year 20 2045 LOSP	Year 20 2045 non-LOSP	Year 20 2045 Total
Residential - Tenant Rents	1.0%	2.5%		1,803,780	*127,905*	1,719,070	1,846,974	*129,184*	1,762,046	1,891,230	*130,476*	1,806,097	1,936,573
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	4.0%	SOS Subsidy row	1,444,878	-	*1,502,673*	1,502,673	-	*1,562,780*	1,562,780	-	*1,625,291*	1,625,291
Residential - LOSP Tenant Assistance Payments	n/a	n/a		811,603	*842,365*		842,365	*874,236*		874,236	*907,253*		907,253
Commercial Space	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-			-			-			-
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		17,485	*3,584*	*14,337*	17,922	*3,674*	*14,696*	18,370	*3,766*	*15,063*	18,829
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	3.0%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-			-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable		-	-		-	-		-	-	
Gross Potential Income				**4,077,745**	***973,855***	***3,236,080***	**4,209,935**	***1,007,094***	***3,339,522***	**4,346,616**	***1,041,494***	***3,446,452***	**4,487,946**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(90,189)	*(6,395)*	*(85,953)*	(92,349)	*(6,459)*	*(88,102)*	(94,562)	*(6,524)*	*(90,305)*	(96,829)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(72,244)	-	*(75,134)*	(75,134)	-	*(78,139)*	(78,139)	-	*(81,265)*	(81,265)
Vacancy Loss - Commercial	n/a	n/a		-			-			-			-
EFFECTIVE GROSS INCOME				**3,915,312**	***967,459***	***3,074,993***	**4,042,452**	***1,000,634***	***3,173,281***	**4,173,915**	***1,034,971***	***3,274,882***	**4,309,853**
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	213,655	*44,227*	*176,906*	221,133	*45,774*	*183,098*	228,872	*47,377*	*189,506*	236,883
Asset Management Fee	3.5%	3.5%	per MOHCD policy	42,101	*8,715*	*34,860*	43,575	*9,020*	*36,080*	45,100	*9,336*	*37,343*	46,678
Sub-total Management Expenses				**255,756**	***52,941***	***211,766***	**264,707**	***54,794***	***219,178***	**273,972**	***56,712***	***226,849***	**283,561**
Salaries/Benefits													
Office Salaries	3.5%	3.5%		225,319	*46,641*	*186,564*	233,206	*48,274*	*193,094*	241,368	*49,963*	*199,852*	249,816
Manager's Salary	3.5%	3.5%		125,837	*26,048*	*104,193*	130,241	*26,960*	*107,840*	134,800	*27,904*	*111,614*	139,518
Health Insurance and Other Benefits	3.5%	3.5%		276,905	*57,319*	*229,278*	286,597	*59,326*	*237,302*	296,628	*61,402*	*245,608*	307,010
Other Salaries/Benefits	3.5%	3.5%		280,240	*232,039*	*58,010*	290,048	*240,160*	*60,040*	300,200	*248,566*	*62,141*	310,707
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				**908,302**	***362,047***	***578,045***	**940,092**	***374,719***	***598,276***	**972,996**	***387,834***	***619,216***	**1,007,050**
Administration													
Advertising and Marketing	3.5%	3.5%		8,843	*1,831*	*7,322*	9,153	*1,895*	*7,579*	9,473	*1,961*	*7,844*	9,805
Office Expenses	3.5%	3.5%		106,713	*22,090*	*88,358*	110,448	*22,863*	*91,451*	114,314	*23,663*	*94,652*	118,315
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		17,340	*3,589*	*14,357*	17,947	*3,715*	*14,860*	18,575	*3,845*	*15,380*	19,225
Audit Expense	3.5%	3.5%		37,180	*7,696*	*30,785*	38,481	*7,966*	*31,863*	39,828	*8,244*	*32,978*	41,222
Bookkeeping/Accounting Services	3.5%	3.5%		29,849	*6,179*	*24,715*	30,894	*6,395*	*25,580*	31,975	*6,619*	*26,475*	33,094
Bad Debts	3.5%	3.5%		20,116	*4,164*	*16,656*	20,820	*4,310*	*17,239*	21,549	*4,461*	*17,842*	22,303
Miscellaneous	3.5%	3.5%		41,893	*8,672*	*34,687*	43,359	*8,975*	*35,902*	44,877	*9,290*	*37,158*	46,448
Sub-total Administration Expenses				**261,934**	***54,220***	***216,882***	**271,102**	***56,118***	***224,472***	**280,590**	***58,082***	***232,329***	**290,411**
Utilities													
Electricity	3.5%	3.5%		166,787	*34,525*	*138,100*	172,624	*35,733*	*142,933*	178,666	*36,984*	*147,936*	184,920
Water	3.5%	3.5%		126,988	*26,287*	*105,146*	131,433	*27,207*	*108,827*	136,033	*28,159*	*112,636*	140,794
Gas	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%		194,803	*40,324*	*161,297*	201,621	*41,736*	*166,942*	208,678	*43,196*	*172,785*	215,981
Sub-total Utilities				**488,578**	***101,136***	***404,543***	**505,679**	***104,675***	***418,702***	**523,377**	***108,339***	***433,356***	**541,696**
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		16,495	*3,415*	*13,658*	17,073	*3,534*	*14,136*	17,670	*3,658*	*14,631*	18,289
Payroll Taxes	3.5%	3.5%		66,197	*13,703*	*54,811*	68,514	*14,182*	*56,729*	70,912	*14,679*	*58,715*	73,393
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		17,543	*3,631*	*14,525*	18,157	*3,758*	*15,034*	18,792	*3,890*	*15,560*	19,450
Sub-total Taxes and Licenses				**100,235**	***20,749***	***82,994***	**103,743**	***21,475***	***85,899***	**107,374**	***22,226***	***88,906***	**111,132**
Insurance													
Property and Liability Insurance	3.5%	3.5%		309,485	*64,063*	*256,254*	320,317	*66,306*	*265,223*	331,528	*68,626*	*274,506*	343,132
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		34,614	*7,165*	*28,660*	35,825	*7,416*	*29,663*	37,079	*7,675*	*30,702*	38,377
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				**344,099**	***71,229***	***284,914***	**356,143**	***73,722***	***294,886***	**368,608**	***76,302***	***305,207***	**381,509**
Maintenance & Repair													
Payroll	3.5%	3.5%		547,712	*113,376*	*453,506*	566,882	*117,345*	*469,379*	586,723	*121,452*	*485,807*	607,259
Supplies	3.5%	3.5%		57,341	*11,870*	*47,479*	59,348	*12,285*	*49,140*	61,425	*12,715*	*50,860*	63,575
Contracts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%	3.5%		125,305	*25,938*	*103,752*	129,690	*26,846*	*107,384*	134,230	*27,786*	*111,142*	138,928
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		34,824	*7,208*	*28,834*	36,042	*7,461*	*29,843*	37,304	*7,722*	*30,888*	38,610
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		97,663	*20,216*	*80,865*	101,082	*20,924*	*83,695*	104,619	*21,656*	*86,625*	108,281
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		105,139	*21,764*	*87,055*	108,818	*22,525*	*90,102*	112,627	*23,314*	*93,255*	116,569
Sub-total Maintenance & Repair Expenses				**967,984**	***200,373***	***801,491***	**1,001,863**	***207,386***	***829,543***	**1,036,928**	***214,644***	***858,577***	**1,073,221**
Supportive Services	3.5%	3.5%		369,339	*76,453*	*305,813*	382,266	*79,129*	*316,516*	395,645	*81,899*	*327,594*	409,493
Commercial Expenses			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-			-			-			-
TOTAL OPERATING EXPENSES				**3,696,227**	***939,148***	***2,886,447***	**3,825,595**	***972,018***	***2,987,473***	**3,959,491**	***1,006,039***	***3,092,034***	**4,098,073**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)													
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent				15,000	*3,000*	*12,000*	15,000	*3,000*	*12,000*	15,000	*3,000*	*12,000*	15,000
Bond Monitoring Fee				2,500	*500*	*2,000*	2,500	*500*	*2,000*	2,500	*500*	*2,000*	2,500
Replacement Reserve Deposit				75,500	*15,100*	*60,400*	75,500	*15,100*	*60,400*	75,500	*15,100*	*60,400*	75,500
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				**93,000**	***18,600***	***74,400***	**93,000**	***18,600***	***74,400***	**93,000**	***18,600***	***74,400***	**93,000**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				**3,789,227**	***957,748***	***2,960,847***	**3,918,595**	***990,618***	***3,061,873***	**4,052,491**	***1,024,639***	***3,166,434***	**4,191,073**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)													
NET OPERATING INCOME (INCOME minus OP EXPENSES)				**126,085**	***9,711***	***114,146***	**123,857**	***10,016***	***111,408***	**121,424**	***10,332***	***108,448***	**118,780**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 0%	-			-			-			-
TOTAL HARD DEBT SERVICE				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CASH FLOW (NOI minus DEBT SERVICE)				**126,085**	***9,711***	***114,146***	**123,857**	***10,016***	***111,408***	**121,424**	***10,332***	***108,448***	**118,780**
Commercial Only Cash Flow				-			-			-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					-	-		-	-		-	-	
AVAILABLE CASH FLOW				**126,085**	***9,711***	***114,146***	**123,857**	***10,016***	***111,408***	**121,424**	***10,332***	***108,448***	**118,780**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***										
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy		-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	42,084	*8,711*	*34,845*	43,557	*9,016*	*36,065*	45,081	*9,332*	*37,327*	46,659
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	5,000	*1,000*	*4,000*	5,000	*1,000*	*4,000*	5,000	*1,000*	*4,000*	5,000
Other Payments					-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.		-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.		-	-		-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	-		-	-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD				***47,084***	***9,711***	***38,845***	***48,557***	***10,016***	***40,065***	***50,081***	***10,332***	***41,327***	***51,659***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				**79,001**	(0)	75,300	**75,300**	(0)	71,343	**71,343**	0	67,121	**67,121**
Does Project have a MOHCD Residual Receipt Obligation?		***Yes***											
Will Project Defer Developer Fee?		***No***											
Residual Receipts split for all years. - Lender/Owner		*67% / 33%*											
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		*Dist. Soft Debt Loans*											
MOHCD Residual Receipts Amount Due		*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	52,667			50,200			47,562			44,747
Proposed MOHCD Residual Receipts Amount to Loan Repayment				52,667			50,200			47,562			44,747
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment	-			-			-			-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due		*0.00%*	No HCD Financing	-			-			-			-
Lender 4 Residual Receipts Due		*0.00%*		-			-			-			-
Lender 5 Residual Receipts Due		*0.00%*		-			-			-			-
Total Non-MOHCD Residual Receipts Debt Service				**-**			**-**			**-**			**-**
REMAINDER (Should be zero unless there are distributions below)				**26,334**			**25,100**			**23,781**			**22,374**
Owner Distributions/Incentive Management Fee				26,334			25,100			23,781			22,374
Other Distributions/Uses													
Final Balance (should be zero)				-			-			-			-
REPLACEMENT RESERVE - RUNNING BALANCE													
Replacement Reserve Starting Balance				**1,208,000**			**1,283,500**			**1,359,000**			**1,434,500**
Replacement Reserve Deposits				**75,500**			**75,500**			**75,500**			**75,500**
Replacement Reserve Withdrawals (ideally tied to CNA)				**-**			**-**			**-**			**-**
Replacement Reserve Interest													
RR Running Balance				**1,283,500**			**1,359,000**			**1,434,500**			**1,510,000**
			RR Balance/Unit	*$8,500*			*$9,000*			*$9,500*			*$10,000*
OPERATING RESERVE - RUNNING BALANCE													
Operating Reserve Starting Balance				-			-			-			-
Operating Reserve Deposits				-			-			-			-
Operating Reserve Withdrawals													
Operating Reserve Interest													
OR Running Balance				-			-			-			-
			OR Balance as a % of Prior Yr Op Exps + Debt Service	*0.0%*			*0.0%*			*0.0%*			*0.0%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE													
Other Reserve 1 Starting Balance				-			-			-			-
Other Reserve 1 Deposits				-			-			-			-
Other Reserve 1 Withdrawals													
Other Reserve 1 Interest													
Other Required Reserve 1 Running Balance				-			-			-			-
OTHER RESERVE 2 - RUNNING BALANCE													
Other Reserve 2 Starting Balance				-			-			-			-
Other Reserve 2 Deposits				-			-			-			-
Other Reserve 2 Withdrawals													
Other Reserve 2 Interest													
Other Required Reserve 2 Running Balance				-			-			-			-

Attachment M: Commercial Development Budget

Application Date: 3/17/2023 **# Commercial Spaces:** 3
Project Name: Transbay 2 West
Project Address: 200 Folsom St
Project Sponsor: Chinatown Community Development Center

Don't forget to fill in D138:D140!

	Space 1	Space 2	Space 3	Space 4	Space 5	Total Sources	Comments	
COMMERCIAL SPACE								
Commercial Use - Description	Retail A	Retail B	Retail C			2.28%	**%age Total Building Costs in Commercial Budget**	
Gross SF	1421	905	619			**2,945**	**Total Commercial SF**	
SOURCES	**1,465,858**	**662,897**	**453,407**	**-**	**-**	**2,582,163**		
Name of Sources:	OCII	OCII	OCII					
USES								
ACQUISITION								
Acquisition cost or value						0		
Legal / Closing costs / Broker's Fee						0		
Holding Costs						0		
Transfer Tax						0		
TOTAL ACQUISITION	**0**	**0**	**0**	**0**	**0**	**0**		
CONSTRUCTION (HARD COSTS)								
Unit Construction/Rehab						0		
Commercial Warm Shell Construction	542,360	345,416	236,257			1,124,033	See MOHCD Commercial Underwriting Guidelines: http://sfmohcd.org/documents-reports-and-forms	
Commercial Cold Shell Construction						0		
Demolition						0		
Environmental Remediation						0		
Onsight Improvements/Landscaping						0		
Offsite Improvements						0		Construction line item costs as a % of hard costs
Infrastructure Improvements						0		
Parking						0		
GC Bond Premium/GC Insurance/GC Taxes						0		**0.0%**
GC Overhead & Profit						0		**0.0%**
CG General Conditions						0		**0.0%**
Sub-total Construction Costs	*542,360*	*345,416*	*236,257*	*0*	*0*	*1,124,033*		
Design Contingency (remove at DD)						0		**0.0%**
Bid Contingency (remove at bid)						0		**0.0%**
Plan Check Contingency (remove/reduce during Plan Review)						0		**0.0%**
Hard Cost Construction Contingency	27,118	17,271	11,813			56,202		**5.0%**
Sub-total Construction Contingencies	*27,118*	*17,271*	*11,813*	*0*	*0*	*56,202*		
TOTAL CONSTRUCTION COSTS	**569,478**	**362,687**	**248,070**	**0**	**0**	**1,180,235**		
SOFT COSTS								
Architecture & Design								
Architect design fees						0	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms	
Architecture design fees for Schematic Drawings for tenant-paid tenant improvements						0		
Design Subconsultants to the Architect (incl. Fees)						0		
Architect Construction Admin						0		
Reimbursables						0		
Additional Services						0		
Sub-total Architect Contract	*0*	*0*	*0*	*0*	*0*	*0*		
Other Third Party design consultants (not included under Architect contract)						0		
Total Architecture & Design	**0**	**0**	**0**	**0**	**0**	**0**		
Engineering & Environmental Studies								
Survey						0		
Geotechnical studies						0		
Phase I & II Reports						0		
CEQA / Environmental Review consultants						0		
NEPA / 106 Review						0		
CNA/PNA (rehab only)						0		
Other environmental consultants						0	Name consultants & contract amounts	
Total Engineering & Environmental Studies	**0**	**0**	**0**	**0**	**0**	**0**		
Financing Costs								
Construction Financing Costs								
Construction Loan Origination Fee						0		
Construction Loan Interest						0		
Title & Recording						0		
CDLAC & CDIAC fees						0		
Bond Issuer Fees						0		
Other Bond Cost of Issuance						0		
Other Lender Costs (specify)						0		
Sub-total Const. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*		
Permanent Financing Costs								
Permanent Loan Origination Fee						0		
Credit Enhance. & Appl. Fee						0		
Title & Recording						0		
Commercial Loan Origination Fee						0		
Sub-total Perm. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*		
Total Financing Costs	**0**	**0**	**0**	**0**	**0**	**0**		
Legal Costs								
Borrower Legal fees						0		
Land Use / CEQA Attorney fees						0		
Tax Credit Counsel						0		
Bond Counsel						0		
Construction Lender Counsel						0		
Permanent Lender Counsel						0		
Air rights legal and admin (commercial)	24,126	15,365	10,509			50,000		
Total Legal Costs	**24,126**	**15,365**	**10,509**	**0**	**0**	**50,000**		
Other Development Costs								
Appraisal						0		
Market Study						0		
Insurance						0		
Property Taxes						0		
Accounting / Audit						0		
Organizational Costs						0		
Entitlement / Permit Fees						0		
Marketing / Lease-up						0		
Furnishings						0		
PGE / Utility Fees						0		
TCAC App / Alloc / Monitor Fees						0		
Financial Consultant fees						0		
Construction Management fees / Owner's Rep						0		
Security during Construction						0		
Relocation						0		
						0		
						0		
						0		
Total Other Development Costs	**0**	**0**	**0**	**0**	**0**	**0**		Total Soft Cost Contingency as % of Total Soft Costs
Soft Cost Contingency								
Contingency (Arch, Eng, Fin, Legal & Other Dev)	1,206	768	525			2,500	5%	**5.0%**
TOTAL SOFT COSTS	**25,332**	**16,133**	**11,035**	**0**	**0**	**52,500**		
RESERVES								
Operating Reserves	93,149	59,324	40,577			193,050	TI soft costs 43k, permitting 150k	
Replacement Reserves	21,713	13,829	9,458			45,000	3 years	
Tenant Improvements Reserves	213,150	135,750	92,850			441,750	Commercial TI allowance (150*retail sf)	
Commercial Lease-Up Reserves	32,897	20,951	14,330			68,178	pre-leasing 54.6k, marketing 7.5k, market analysis 6k	
3 Year Commercial vacancy reserve	85,139	54,223	37,087			176,450	Pro-rata share of real estate taxes, insurance, and 10K insurance deductible	
TOTAL RESERVES	**446,048**	**284,077**	**194,303**	**0**	**0**	**924,428**		
DEVELOPER COSTS								
Commercial Developer Fee - Cash-out Paid at Milestones	425,000					425,000		
Other (specify)						0		
Other (specify)						0		
TOTAL DEVELOPER COSTS	**425,000**	**0**	**0**	**0**	**0**	**425,000**		
TOTAL DEVELOPMENT COST	**1,465,858**	**662,897**	**453,407**	**0**	**0**	**2,582,163**		
Development Cost/SF by Source	1,032	732	732					
Development Cost/Unit as % of TDC by Source								
Acquisition Cost/SF by Source	0	0	0			0		
Construction Cost (inc Const Contingency)/SF By Source	401	401	401					
Construction Cost (inc Const Contingency)/SF	400.76	400.76	400.76			10.76		

Commercial Loan Amount:		Fill in with value or 'N/A' if not applicable.
Commercial Loan Term (in years):		Fill in with value or 'N/A' if not applicable.
Commercial Interest Rate (as %):		Fill in with value or 'N/A' if not applicable.

Attachment N: Commercial Operating Proforma

Transbay 2 West LOSP Project

Drop down menu to the right controls how much Net Commerical Revenue is contributed to the Residential Operating Budget. (100% is default, select another choice only if allowed by MOHCD policy.) 0%

Total # Units: 151

	% annual increase	Comments	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	Year 6 2031	Year 7 2032	Year 8 2033	Year 9 2034	Year 10 2035	Year 11 2036	Year 12 2037	Year 13 2038	Year 14 2039	Year 15 2040	Year 16 2041	Year 17 2042	Year 18 2043	Year 19 2044	Year 20 2045
Business Year																						
COMMERCIAL INCOME																						
Commercial Space 1	3.0%	$2.75 psf per month	84,827	84,827	87,372	89,993	92,693	95,474	98,338	101,288	104,327	107,456	110,680	110,680	110,680	110,680	110,680	112,894	115,152	117,455	119,804	122,200
Commercial Space 2	3.0%	$2.75 psf per month	54,024	54,024	55,645	57,314	59,034	60,805	62,629	64,508	66,443	68,436	70,489	72,604	74,782	77,026	79,337	81,717	84,168	86,693	89,294	91,973
Commercial Space 3	3.0%	$2.75 psf per month	36,951	36,951	38,060	39,202	40,378	41,589	42,837	44,122	45,446	46,809	48,213	48,213	48,213	48,213	48,213	49,178	50,161	51,164	52,188	53,231
Commercial Space 4	3.0%																					
Commercial Space 5	3.0%																					
Other Commercial Income	3.0%	Draw from capitalized op and replacement reserves	101,867	101,867	17,716																	
Gross Potential Income			**277,670**	**277,670**	**198,793**	**186,509**	**192,105**	**197,868**	**203,804**	**209,918**	**216,215**	**222,702**	**229,383**	**231,498**	**233,676**	**235,919**	**238,230**	**243,788**	**249,481**	**255,312**	**261,285**	**267,404**
		Rent/SF/Month:	*$4.97*	*$7.86*	*$5.63*	*$5.28*	*$5.44*	*$5.60*	*$5.77*	*$5.94*	*$6.12*	*$6.30*	*$6.49*	*$6.55*	*$6.61*	*$6.68*	*$6.74*	*$6.90*	*$7.06*	*$7.22*	*$7.39*	*$7.57*
Vacancy Loss - Commercial	n/a	First Year assumes 50%; enter negative # if need to override. For out years, manually enter per MOHCD policy; annual incrementing usually not appropriate. Indicate if market study or other source if using "actual projected vacancy." --- We used 100% vacancy Year 1 and 2, and then 50%	(175,803)	(175,803)	(90,538)	(46,627)	(48,026)	(49,467)	(50,951)	(52,479)	(54,054)	(55,675)	(57,346)	(57,874)	(58,419)	(58,980)	(59,557)	(60,947)	(62,370)	(63,828)	(65,321)	(66,851)
EFFECTIVE GROSS INCOME			**101,867**	**101,867**	**108,254**	**139,882**	**144,078**	**148,401**	**152,853**	**157,438**	**162,162**	**167,026**	**172,037**	**173,623**	**175,257**	**176,939**	**178,672**	**182,841**	**187,111**	**191,484**	**195,964**	**200,553**
COMMERCIAL OPERATING EXPENSES																						
Management																						
Commercial Management Fee	3.5%	Fee to be based on recommendation of current market study. Fee to be 6.5% of Effective Gross Income (UNABLE TO MAKE THIS HAPPEN ON SPREADSHEET DUE TO LOCKED IN FORMULAS)	9,092	9,411	9,740	10,081	10,434	10,799	11,177	11,568	11,973	12,392	12,826	13,275	13,739	14,220	14,718	15,233	15,766	16,318	16,889	17,480
Sub-total Management Expenses			**9,092**	**9,411**	**9,740**	**10,081**	**10,434**	**10,799**	**11,177**	**11,568**	**11,973**	**12,392**	**12,826**	**13,275**	**13,739**	**14,220**	**14,718**	**15,233**	**15,766**	**16,318**	**16,889**	**17,480**
Utilities																						
Electricity	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sewer	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Utilities			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes and Licenses																						
Real Estate Taxes	2.0%		52,422	53,470	54,540	55,631	56,743	57,878	59,036	60,216	61,421	62,649	63,902	65,180	66,484	67,813	69,170	70,553	71,964	73,403	74,872	76,369
Payroll Taxes	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Taxes, Licenses and Permits	3.5%		198	205	212	220	227	235	243	252	261	270	279	289	299	310	321	332	343	355	368	381
Sub-total Taxes and Licenses			**52,620**	**53,675**	**54,752**	**55,850**	**56,970**	**58,113**	**59,279**	**60,468**	**61,681**	**62,919**	**64,181**	**65,469**	**66,783**	**68,123**	**69,490**	**70,885**	**72,308**	**73,759**	**75,239**	**76,750**
Insurance																						
Property and Liability Insurance	7.0%		4,793	5,129	5,488	5,872	6,283	6,722	7,193	7,697	8,235	8,812	9,429	10,089	10,795	11,550	12,359	13,224	14,150	15,140	16,200	17,334
Fidelity Bond Insurance	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director's & Officers' Liability Insurance	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance			**4,793**	**5,129**	**5,488**	**5,872**	**6,283**	**6,722**	**7,193**	**7,697**	**8,235**	**8,812**	**9,429**	**10,089**	**10,795**	**11,550**	**12,359**	**13,224**	**14,150**	**15,140**	**16,200**	**17,334**
Maintenance & Repair																						
Payroll	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracts	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Payroll/Contract	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	Asset Management	1,000	1,035	1,071	1,109	1,148	1,188	1,229	1,272	1,317	1,363	1,411	1,460	1,511	1,564	1,619	1,675	1,734	1,795	1,857	1,923
Miscellaneous Operating and Maintenance Expenses	3.5%	**Common Area Maintenance (CAM) (only an expense when we have tenants) (Calculation should be =CAM*(1-vacancy rate) (CAM = $0.60*12 years * 2945 sf)**	17,016	17,612	18,228	18,866	19,526	20,210	20,917	21,649	22,407	23,191	24,003	24,843	25,712	26,612	27,544	28,508	29,506	30,538	31,607	32,713
Sub-total Maintenance & Repair Expenses			**18,016**	**18,647**	**19,299**	**19,975**	**20,674**	**21,397**	**22,146**	**22,921**	**23,724**	**24,554**	**25,413**	**26,303**	**27,223**	**28,176**	**29,162**	**30,183**	**31,239**	**32,333**	**33,465**	**34,636**
Reserves/Ground Lease Base Rent/Bond Fees																						
Replacement Reserve Deposit		Replacement Reserve Deposit: $150,000 every 10 years	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Operating Reserve Deposit		Insurance Deductible aka Incident Reserve				10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Other Required Reserve 1 Deposit		Retail Leasing Reserve (based on turnover ever 5 years, 6% commission of retail rent)				6,818	7,159	7,517	7,893	8,287	8,702	9,137	9,594	10,073	10,577	11,106	11,661	12,244	12,856	13,499	14,174	14,883
Other Required Reserve 2 Deposit		2nd Generation Tenant Improvement Reserves (Based on 5 years @ 10psf)				5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**15,000**	15,000	15,000	37,708	38,049	38,407	38,783	39,177	39,592	40,027	40,484	40,963	41,467	41,996	42,551	43,134	43,746	44,389	45,064	45,773
TOTAL COMMERCIAL OPERATING EXPENSES			**99,521**	**101,861**	**104,279**	**129,485**	**132,409**	**135,439**	**138,578**	**141,832**	**145,205**	**148,703**	**152,333**	**156,098**	**160,007**	**164,066**	**168,280**	**172,659**	**177,209**	**181,939**	**186,857**	**191,972**
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**2,346**	**6**	**3,976**	**10,397**	**11,669**	**12,962**	**14,275**	**15,607**	**16,957**	**18,323**	**19,705**	**17,525**	**15,250**	**12,874**	**10,392**	**10,182**	**9,902**	**9,545**	**9,107**	**8,581**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																						
Hard Debt - First Lender																						
Hard Debt - Second Lender																						
Hard Debt - Third Lender																						
Hard Debt - Fourth Lender																						
TOTAL HARD DEBT SERVICE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)			**2,346**	**6**	**3,976**	**10,397**	**11,669**	**12,962**	**14,275**	**15,607**	**16,957**	**18,323**	**19,705**	**17,525**	**15,250**	**12,874**	**10,392**	**10,182**	**9,902**	**9,545**	**9,107**	**8,581**
REPLACEMENT RESERVE - RUNNING BALANCE																						
Replacement Reserve Starting Balance				15,000	30,000	45,000	60,000	75,000	90,000	105,000	120,000	135,000	150,000	165,000	180,000	195,000	210,000	225,000	240,000	255,000	270,000	285,000
Replacement Reserve Deposits			15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Replacement Reserve Withdrawals (ideally tied to CNA)																						
Replacement Reserve Interest																						
RR Running Balance			**15,000**	**30,000**	**45,000**	**60,000**	**75,000**	**90,000**	**105,000**	**120,000**	**135,000**	**150,000**	**165,000**	**180,000**	**195,000**	**210,000**	**225,000**	**240,000**	**255,000**	**270,000**	**285,000**	**300,000**
OPERATING RESERVE - RUNNING BALANCE																						
Operating Reserve Starting Balance				-	-	-	10,000	20,000	30,000	40,000	50,000	60,000	70,000	80,000	90,000	100,000	110,000	120,000	130,000	140,000	150,000	160,000
Operating Reserve Deposits			-	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Operating Reserve Withdrawals																						
Operating Reserve Interest																						
OR Running Balance			-	-	-	**10,000**	**20,000**	**30,000**	**40,000**	**50,000**	**60,000**	**70,000**	**80,000**	**90,000**	**100,000**	**110,000**	**120,000**	**130,000**	**140,000**	**150,000**	**160,000**	**170,000**
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE																						
Other Reserve 1 Starting Balance				-	-	-	6,818	13,977	21,494	29,386	37,674	46,375	55,512	65,106	75,179	85,756	96,862	108,523	120,767	133,623	147,123	161,297
Other Reserve 1 Deposits			-	-	-	6,818	7,159	7,517	7,893	8,287	8,702	9,137	9,594	10,073	10,577	11,106	11,661	12,244	12,856	13,499	14,174	14,883
Other Reserve 1 Withdrawals																						
Other Reserve 1 Interest																						
Other Required Reserve 1 Running Balance			-	-	-	**6,818**	**13,977**	**21,494**	**29,386**	**37,674**	**46,375**	**55,512**	**65,106**	**75,179**	**85,756**	**96,862**	**108,523**	**120,767**	**133,623**	**147,123**	**161,297**	**176,180**
OTHER RESERVE 2 - RUNNING BALANCE																						
Other Reserve 2 Starting Balance				-	-	-	5,890	11,780	17,670	23,560	29,450	35,340	41,230	47,120	53,010	58,900	64,790	70,680	76,570	82,460	88,350	94,240
Other Reserve 2 Deposits			-	-	-	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890	5,890
Other Reserve 2 Withdrawals																						
Other Reserve 2 Interest																						
Other Required Reserve 2 Running Balance			-	-	-	**5,890**	**11,780**	**17,670**	**23,560**	**29,450**	**35,340**	**41,230**	**47,120**	**53,010**	**58,900**	**64,790**	**70,680**	**76,570**	**82,460**	**88,350**	**94,240**	**100,130**