

Affordable Housing GO Bonds Request for Approval, 1st Issuance 2019

Budget and Finance Committee

October 6, 2020



Mayor's Office of Housing and Community Development
City and County of San Francisco

2019 Affordable
Housing Bond
Action before
Committee



Action item recommending to approve:

- Resolution authorizing the sale of Taxable General Obligation Bonds (Affordable Housing 2019) Series 2020C, not to exceed \$260.0M

2019 Affordable Housing Bond Overview



- \$600M bond passed in November 2019
- First Issuance Project Funds: **\$252.6M**
 - To be issued in late 2020
 - Projected to be spent by 2023

| | Issuance 1 | Other Issuances | TOTAL |
|--|-----------------|-----------------|-----------------|
| Public Housing | \$ 50.6 | \$ 99.4 | \$ 150.0 |
| Low-Income Housing | \$ 143.7 | \$ 76.3 | \$ 220.0 |
| Preservation and Middle-Income Housing | \$ 37.1 | \$ 22.9 | \$ 60.0 |
| Senior Housing | \$ 21.2 | \$ 128.8 | \$ 150.0 |
| Educator Housing | \$ - | \$ 20.0 | \$ 20.0 |
| TOTAL | \$ 252.6 | \$ 347.4 | \$ 600.0 |

Note: Non-project funds included in Other Issuances column for presentation purposes only

2019 Affordable Housing Bond 1st Issuance

Public Housing (Sunnydale) – 297 units



\$45.6M – Public Housing Sunnydale

- Vertical and Infrastructure Development of Block 3A, 3B, 7, & 9

EXISTING CONDITIONS



PROPOSED SITE PLAN



| | Projects | Units | Date Needed | ISSUANCE #1 |
|--|----------|------------|-------------|-------------------|
| | | | | Late 2020 |
| Public Housing: \$150MM | | | | |
| HOPE SF - Sunnydale Ph 1B, Bik 7 & 9 Vertical & Infra Predev | | 0 | 1/21 | 8,120,000 |
| HOPE SF - Sunnydale 1A-3 Infrastructure Gap | 2 | 172 | 3/21 | 16,000,000 |
| SFHA Potrero & Sunnydale Accelerated Conversion HQS | 2 | 125 | 5/21 | 5,000,000 |
| HOPE SF - Sunnydale Bik 3A Vertical Gap | | 0 | 9/22 | 14,500,000 |
| HOPE SF - Sunnydale Bik 3B Vertical Gap | | 0 | 2/23 | 1,500,000 |
| Public Housing Scattered Sites | 5 | 70 | 5/21 | 5,000,000 |
| Legal and other incidentals | | | | 500,000 |
| <i>Subtotal</i> | 9 | 367 | | 50,620,000 |

2019 Affordable Housing Bond 1st Issuance

Public Housing (Scattered Sites) – 70 units



\$5.0M – Public Housing Scattered Sites

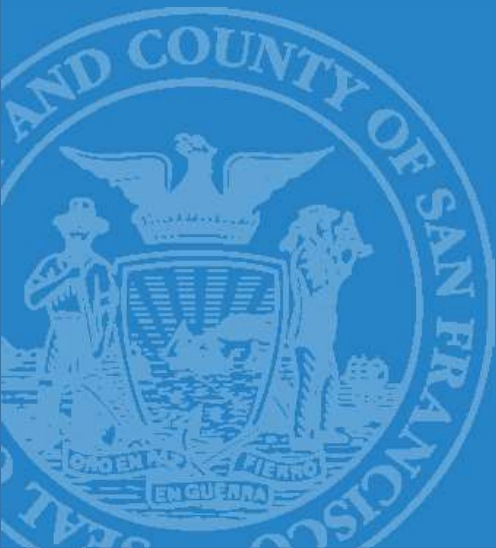
- Acquisition and rehabilitation of five multi unit residential buildings containing 70 units of public housing and serving low income households
- Upon conversion from public housing, the units will be subsidized by the Housing Choice Voucher (Section 8) program



Example Scattered Site Public Housing

2019 Affordable Housing Bond 1st Issuance

Low-Income Housing – 711 Units



\$143.7M – Low-Income Housing

- Geographic Equity Family Acquisition, Gap Financing, Permanent Supportive Housing



4840 Mission

| Low-Income Housing: \$220MM | Projects | Units | Date Needed | Late 2020 |
|--|----------|-------|-------------|-------------|
| Geographic Equity Family Acquisition | 1 | 75 | 12/20 | 15,000,000 |
| 921 Howard Gap | 1 | 102 | 03/21 | 17,500,000 |
| Balboa Park Upper Yard Gap | 1 | 130 | 1/21 | 15,600,000 |
| 4840 Mission Gap | 1 | 130 | 2/21 | 38,000,000 |
| Treasure Island C3.1 Mercy + CC Gap | 1 | 135 | 3/21 | 38,000,000 |
| Perm Supportive for Single Adults | 1 | 75 | 6/21 | 10,000,000 |
| Perm Supportive for People With Chronic Mental Illness | 2 | 4 | 9/21 | 5,000,000 |
| 78 Haight - Parcels (R, S &) U Gap | 1 | 60 | 12/21 | 4,000,000 |
| Legal and other incidentals | | | | 600,000 |
| <i>Subtotal</i> | 9 | 711 | | 143,700,000 |

2019 Affordable Housing Bond 1st Issuance

Low-Income Housing (Geographic Equity
Family Acquisition) – 75 units



\$15.0M Geographic Equity Family Acquisition

- At least \$15 Million dedicated for site acquisition and pre-development of new housing projects either in neighborhoods which experience limited affordable housing production; or in neighborhoods facing both limited affordable housing production as well as a high number of housing units removed from protected status.

2019 Affordable Housing Bond 1st Issuance

Low-Income Housing (Development Gap
Financing) – 557 units



Low-Income Housing Development

\$17.5M – 921 Howard – 102 units, Q1 2021 const. start

\$15.6M – Balboa Park – 130 units, Q1 2021 const. start

\$38.0M – 4840 Mission – 130 units, Q1 2021 const. start

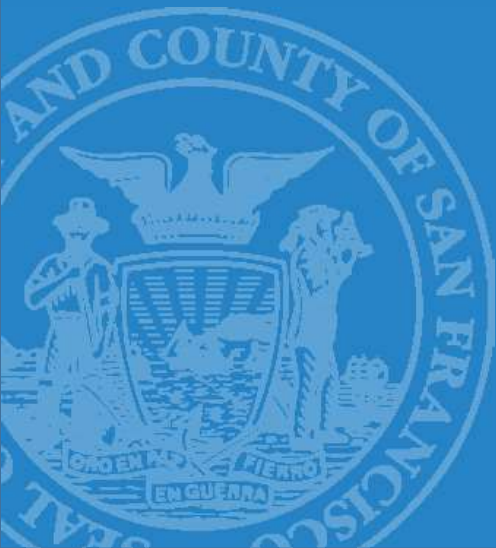
\$38.0M – Treasure Island – 135 units, Q2 2021 const. start

\$4.0M – 78 Haight – 60 units, Q4 2021 const. start

- Construction/permanent financing of new multifamily buildings

2019 Affordable Housing Bond 1st Issuance

Low-Income Housing (Permanent Supportive Housing) – 79 units



\$15.0MM Permanent Supportive Housing

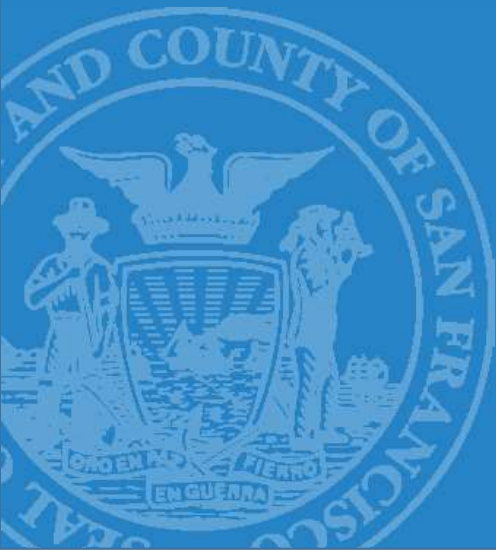
- At least \$10.0M dedicated for single adults
- At least \$5.0M dedicated for people with chronic mental illness



Permanent Supportive Housing at 1064 Mission

2019 Affordable Housing Bond 1st Issuance

Preservation and Middle Income (Acquisition/ Preservation) – 94 units



\$29.4M – Acquisition/ Preservation

- Acquisition and rehab of 94 units of rent-controlled housing to preserve affordability



4830 Mission Street

| Preservation and Middle Income Housing: \$60MM | Projects | Units | Date Needed | Late 2020 |
|--|----------|-------|-------------|------------|
| Preservation: Small Sites NOFA | 12 | 94 | 6/21 | 29,400,000 |
| Middle Income: 921 Howard Gap | | 101 | 03/21 | 7,500,000 |
| Legal and other incidentals | | | | 200,000 |
| <i>Subtotal</i> | 12 | 195 | | 37,100,000 |

2019 Affordable Housing Bond 1st Issuance

Preservation and Middle Income
(Middle Income Development) – 101
units



\$7.5M - 921 Howard Gap

- Construction of 101 middle income units in new building



921 Howard

2019 Affordable Housing Bond 1st Issuance

Senior Housing – 245 units



\$15.0M – Geographic Equity Senior Housing

- Dedicated for site acquisition and pre-development of 75 units in new housing projects either in neighborhoods which experience limited affordable housing production; or in neighborhoods facing both limited affordable housing production as well as a high number of housing units removed from protected status.

\$3.0M – Laguna Honda Hospital Senior Housing

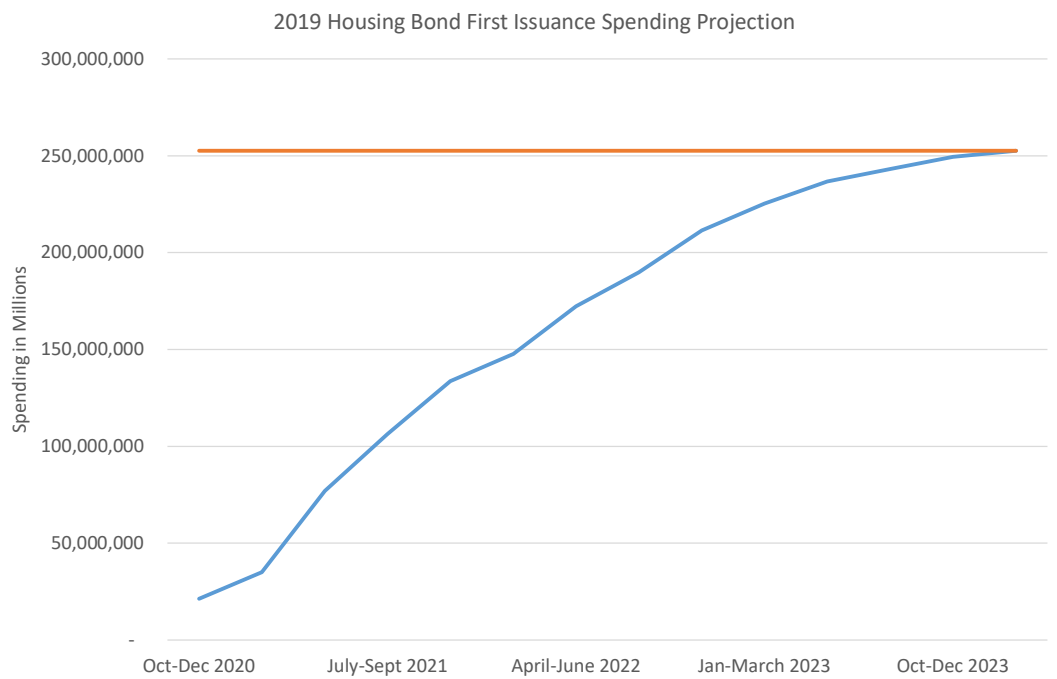
- Construction of 100 of units senior housing

\$3.0M – 772 Pacific Predevelopment

- Construction of 70 units of senior housing in Chinatown

| Senior Housing: \$150MM | Projects | Units | Date Needed | Late 2020 |
|---|----------|-------|-------------|------------|
| Laguna Honda Hospital Senior Housing Predev | 1 | 100 | 7/20 | 3,000,000 |
| Geographic Equity Senior Acquisition | 1 | 75 | 12/20 | 15,000,000 |
| 772 Pacific Predev | 1 | 70 | 3/21 | 3,000,000 |
| Legal and other incidentals | | | | 200,000 |
| <i>Subtotal</i> | 3 | 245 | | 21,200,000 |

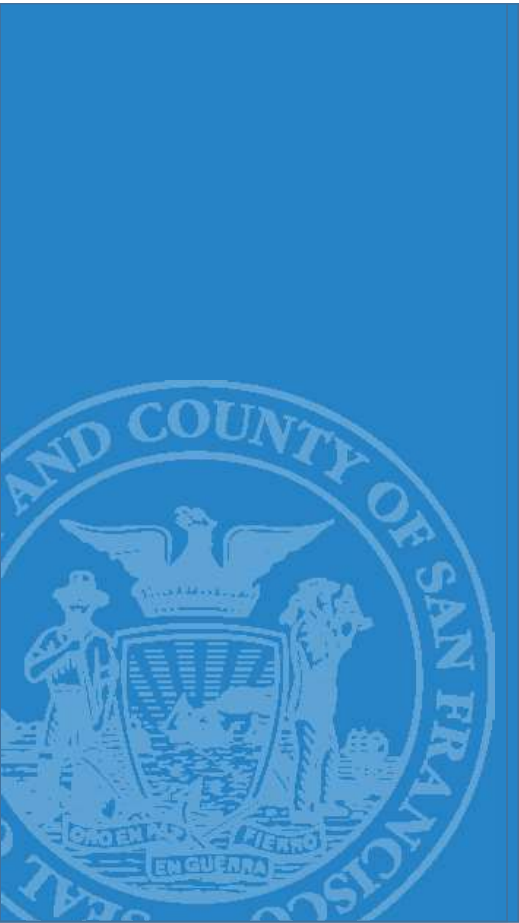
2019 Affordable Housing Bond 1st Issuance Spending Projection (\$252.6M)



Request for
Approval for
Affordable
Housing 2019
Bond 1st Issuance
(Series 2020C)



| | <u>2020C</u> |
|---------------------------------------|----------------------|
| Maximum Not to Exceed Amount: | \$260,000,000 |
| <i>Reserve for Market Uncertainty</i> | <i>\$4,445,000</i> |
| Estimated Sources: | |
| Par Amount | <u>\$255,555,000</u> |
| Total Estimated Sources: | \$260,000,000 |
| Estimated Uses: | |
| Project Fund Deposits: | |
| Project Fund | \$252,620,000 |
| CSA Audit Fee | <u>\$505,240</u> |
| Total Project Fund Deposits: | \$253,125,240 |
| Cost of Issuance | \$1,151,985 |
| Underwriter's Discount | \$1,022,220 |
| CGOBOC Fee | <u>\$255,555</u> |
| Total Delivery Expense: | \$2,429,760 |
| <i>Reserve for Market Uncertainty</i> | <i>\$4,445,000</i> |
| Total Estimated Uses: | \$260,000,000 |



Questions?