

Affordable Housing GO Bonds

2015 Update and Request for Approval, 1st Issuance 2019

Capital Planning Committee
September 14, 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

2015 Affordable Housing Bond update



- \$310M bond passed in November 2015
- First Issuance: **\$75.1M**
 - Issued October 2016
 - 96% spent as of June 2020
- Second issuance: **\$142.1M**
 - Issued May 2018
 - 82% spent as of June 2020
- Third issuance: **\$92.8M**
 - Issued October 2019
 - 24% encumbered and 4% spent as of June 2020

2015 Affordable Housing Bond Program Summary

(in millions)

	Issuance 1	Issuance 2	Issuance 3	TOTAL
Public Housing	\$ 41.0	\$ 0.4	\$ 38.6	\$ 80.0
Low-Income Housing	\$ 24.2	\$ 68.4	\$ 7.4	\$ 100.0
Low-Income Housing (Mission)	\$ 6.1	\$ 43.1	\$ 0.8	\$ 50.0
Middle-Income Housing	\$ 3.8	\$ 30.2	\$ 46.0	\$ 80.0
TOTAL	\$ 75.1	\$ 142.1	\$ 92.8	\$ 310.0

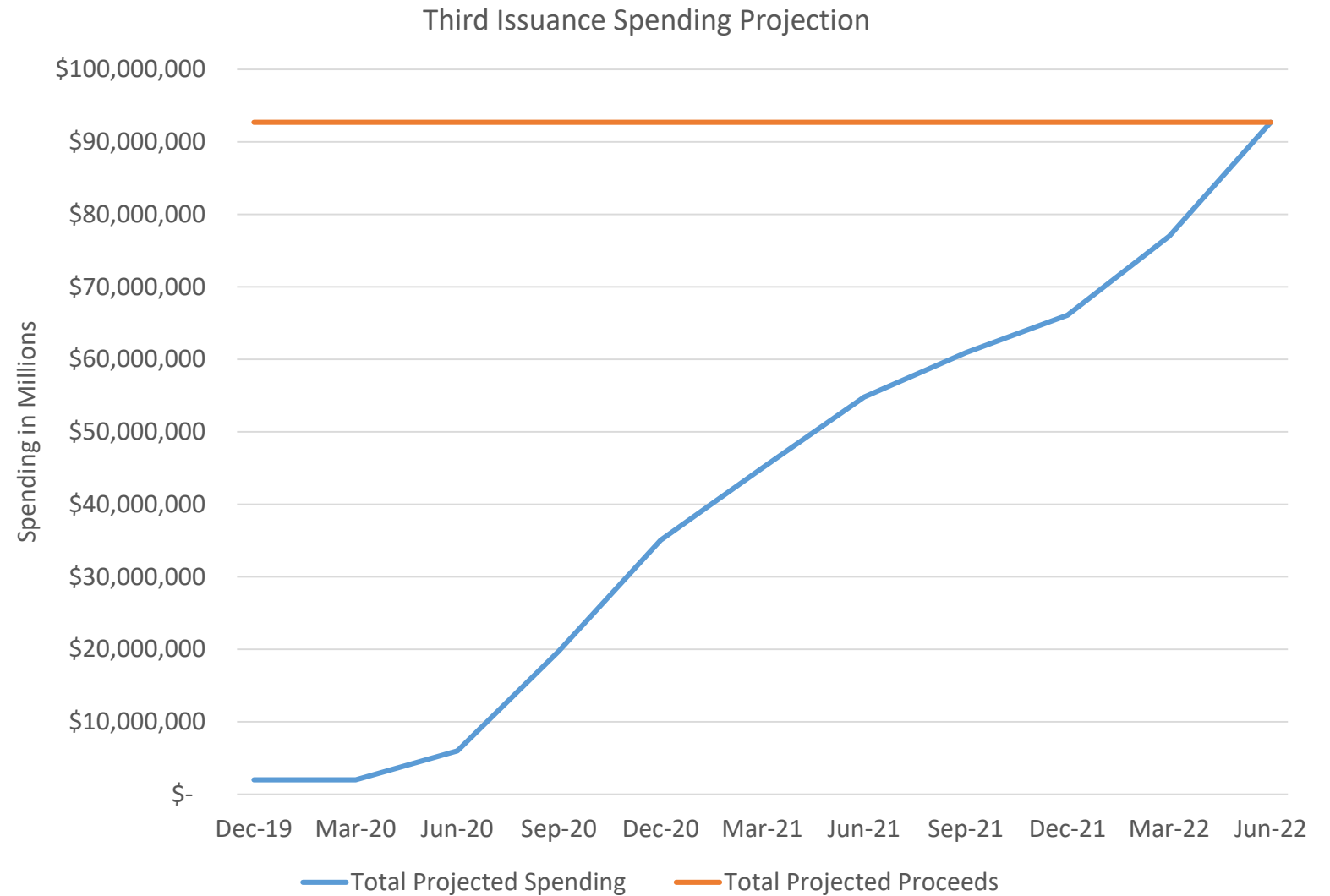


2015 Affordable Housing Bond Spendedown Timeline

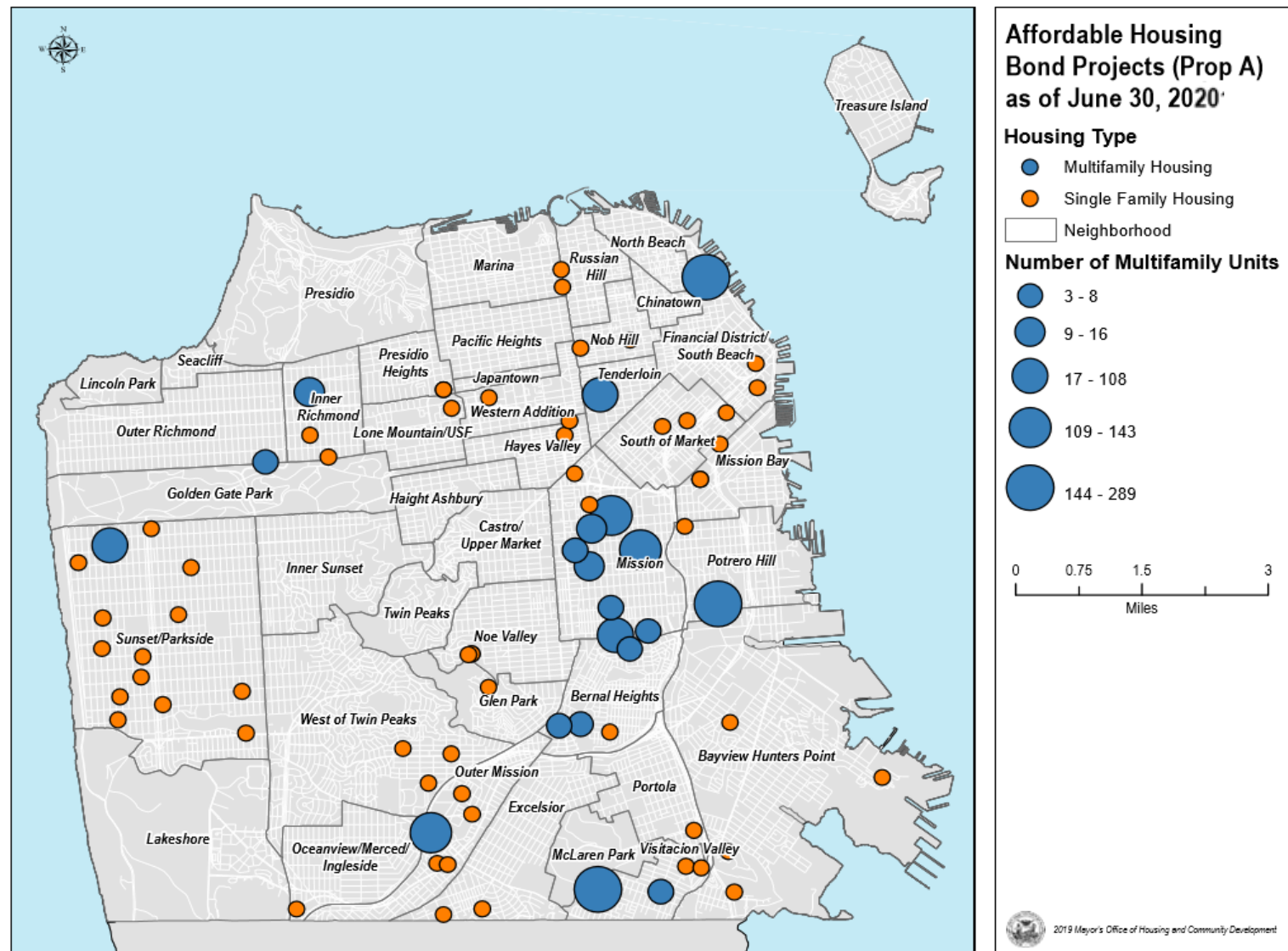


- First and Second issuance projected to be fully expended by end of 2020
- Third bond issuance is projected to be fully expended by mid-late 2022. Third issuance expenditure schedule is driven by \$26M allocation to educator housing at 43rd and Irving which will start construction in late 2021

2015 Affordable Housing Bond 3rd Issuance Spending Projection (\$92.8M)



2015 Affordable Housing Bond Project Locations



2015 Affordable Housing Bond Unit Production Summary

As of June 2020



	Affordable Units in Predevelopment	Affordable Units in Construction	Affordable Units Completed	Projected Total Affordable Units
Public Housing – Potrero Parcel X Vertical	0	0	72	72
Public Housing – Potrero Infra (Affordable)	157	0	0	157
Public Housing – Potrero Infra (Market Rate)*	125	0	0	125
Public Housing – Sunnydale Parcel Q Vertical	0	0	55	55
Public Housing – Sunnydale Infra	0	167	0	167
Low Income Housing – 500 Turk	0	108	0	108
Low Income Housing – 1296 Shotwell	0	0	94	94
Low Income Housing – 88 Broadway/ 735 Davis	0	115	0	115
Low Income Housing – Balboa Park Upper Yard	112	0	0	112
Low Income Housing - Small Sites (Rehab)	0	35	45	80
Low Income - Mission Set Aside 1990 Folsom	0	143	0	143
Middle Income DALP ***	60	N/A	57	117
Middle Income TND ***	20	N/A	40	60
Middle Income Teacher Housing	82	0	0	82
Middle Income Prod – 88 Broadway/ 735 Davis	0	10	0	10
Middle Income Prod – Balboa Park Upper Yard	18	0	0	18
TOTAL	574	578	363**	1,515
Percent of Phase	38%	38%	24%	100%

* We are including infrastructure supporting Market Rate units at Potrero as they provide cross-subsidy for affordable housing units also supported by the infrastructure investment.

** We note that several units received both DALP and TND Loans. For the purposes of this summary we only counted units receiving both types of loans once as a DALP loan.

*** We note that loans not yet issued are tracked under Predevelopment so that the percentages will equal to 100%

Newly started construction

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



				ISSUANCE #1
Public Housing: \$150MM	Projects	Units	Date Needed	Late 2020
HOPE SF - Sunnydale Ph 1B, Blk 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 Blk 3A Vertical Gap		0	9/22	14,500,000
HOPE SF - Sunnydale Blk 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 (Sunnydale) – 297
units



Sunnydale Parcel Map



2019 Affordable Housing Bond 1st Issuance

Public Housing (Scattered Sites) – 70 units



\$5.0M – Public Housing Scattered Sites

- Acquisition and rehabilitation of multi-unit residential buildings not located in public housing projects.
- Many of the extremely low-income households in these units are stabilized by rental subsidies from the Section 8 Housing Assistance 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
Subtotal	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 to 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
Subtotal	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.

\$10.0M – Laguna Honda Hospital Senior Housing

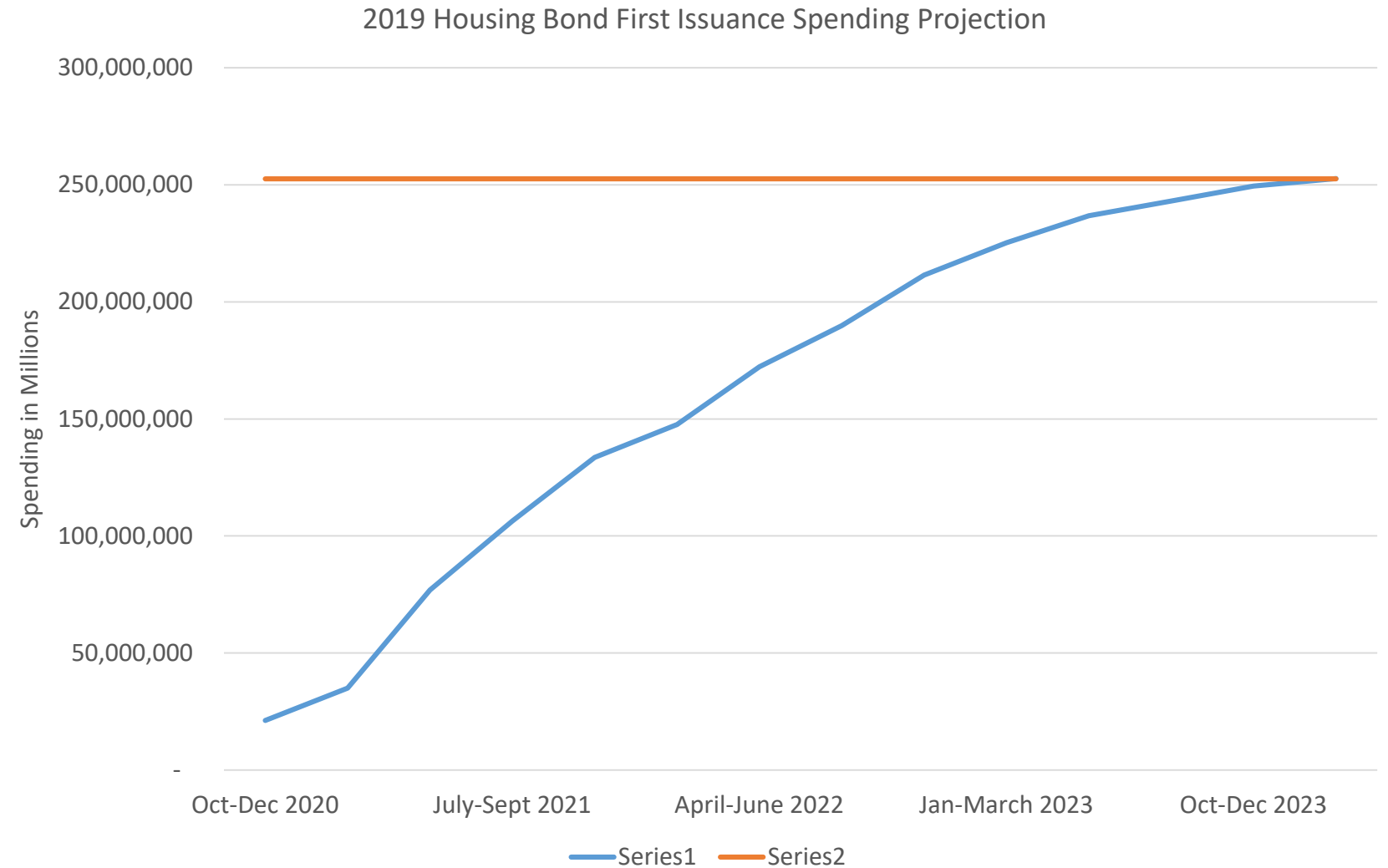
- Construction of 100 units senior housing

\$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
Subtotal	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	\$252,620,000.00
CSA Audit Fee	<u>\$505,240.00</u>
Total Project Fund Deposits:	\$253,125,240.00
Cost of Issuance	\$1,151,985.00
Underwriter's Discount	\$1,022,220.00
CGOBOC Fee	<u>\$255,555.00</u>
Total Delivery Expense:	\$2,429,760.00
<i>Reserve for Market Uncertainty</i>	<i>4,445,000</i>
Total Estimated Uses:	\$260,000,000

2019 Affordable Housing Bond 1st Issuance Financing Schedule

September							October							November						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	3	1	2	3	4	5	6	7
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28
27	28	29	30				25	26	27	28	29	30	31	29	30					

Date	Activity
Sept. 14 (Mon)	Capital Planning Committee @ Noon
Sept. 15 (Tue)	Introduction forms of Bond Resolutions, NOS and POS to City by close of business
Sept. 18 (Fri)	Select Underwriters
Sept. 22 (Tue)	Introduce legislation and Supplemental Appropriations Ordinance at BOS
Sept. 23 (Wed)	Send credit package to rating agencies
Sept. 30 (Wed)	Budget & Finance Committee consideration
Oct. 6 (Tue)	<ul style="list-style-type: none"> BOS consideration of resolution and supporting documents First reading of Supplemental Appropriations Ordinance
Oct. 9 (Fri)	Receive ratings
Oct. 12 (Mon)	Due Diligence Call
Oct. 16 (Fri)	Mayor to sign resolution
Oct. 19 (Mon)	Post POS
Wk of Oct. 26	Bond Sale/Sign BPA
Oct. 30 (Fri)	<ul style="list-style-type: none"> Distribute draft Final Official Statement Signature package to City
Nov. 2 (Mon)	Comments due on Final Official Statement
Nov. 3 (Tue)	Finalize/Post Final Official Statement
Nov. 4 (Wed)	Pre-Closing
Nov. 5 (Thu)	Closing

Questions?

