

BayArea Plan

TO: MTC Planning Committee, ABAG Administrative Committee

DATE: January 4, 2013

FR: Executive Director, MTC
Executive Director, ABAG

W.I.

RE: Regional Priority Development Area Planning (PDA) Program and the Transit Oriented Affordable Housing (TOAH) Fund

At its November meeting, the Commission approved several clarifications for implementing its action to redirect \$20 million of the \$40 million Regional PDA Planning Program included in the OneBayArea Grant (OBAG) framework to the county Congestion Management Agencies (CMAs). Three options for the remaining \$20 million regional program were presented for preliminary feedback. The Commission directed staff to return in early 2013 to finalize the scope for the Regional Program following review with the Policy Advisory Council. In advance of this action now scheduled for your February meeting, several Commissioners requested additional information about the components of the Regional Program, which include the PDA Planning Grant Program, the Smart Growth Technical Assistance Program, and the Transit Oriented Affordable Housing (TOAH) Fund.

PDA Planning Grant Program: Launched in 2005 as the Station Area Planning Program, this program seeks to intensify land uses in and around transit stations and along corridors in PDAs throughout the region. Local jurisdictions are eligible to apply for up to \$750,000 to complete a comprehensive planning process, typically a specific plan and a programmatic Environmental Impact Report (EIR). New development projects are able to “tier off” of programmatic EIRs relative to a number of issues, sometimes significantly reducing the amount of time necessary to receive subsequent project approvals. Per the direction of MTC and ABAG, each full-scale planning effort includes eleven elements: a PDA profile, a community involvement strategy, land use alternatives analysis, market demand analysis, an affordable housing/anti-displacement strategy, multi-modal access and connectivity, pedestrian-friendly design standards, accessible design, parking analysis, infrastructure development/ budget and an implementation plan/financing strategy. MTC and ABAG planning staff jointly administered these grants by supporting local jurisdictions directly with project guidance and oversight.

PDA Planning grants continue to be a valuable tool to help jurisdictions realize Plan Bay Area land use goals. Completed plans have resulted in zoning for over 44,000 housing units, 60,000 new jobs and 24 million square feet of commercial development. Attachment 1 lists the 52 Regional Planning grants awarded to date. Following completion of these plans, jurisdictions are able to convert their Potential PDAs to Planned PDAs. In addition to the 99 Planned PDAs in the region, 70 Potential PDAs remain.

Smart Growth Technical Assistance: Launched in 2009, this program awards up to \$60,000 in consultant assistance to jurisdictions on a competitive basis to complete discrete short-term projects to address specific PDA implementation challenges. Such projects include parking policy/demand analysis, municipal financing mechanisms, development feasibility analysis, visualization, equitable

development analysis, civic engagement, infrastructure planning and design, station access and circulation, TOD-supportive zoning/form-based code, design guidelines, sustainability analysis and urban parks policies/financing strategies. Similar to the PDA Planning grants, MTC and ABAG planning staff jointly administer this program.

As shown in Attachment 2, 16 projects have been awarded to 13 jurisdictions totaling \$784,000 to date.

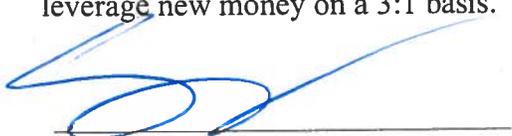
Transit Oriented Affordable Housing (TOAH) Fund: In 2011 MTC provided \$10 million as a seed investment for the TOAH fund. This investment leveraged an additional \$40 million in private capital from community development financial institutions, foundations, and private banks to create a \$50 million revolving loan fund for affordable housing developers for projects near transit in PDAs throughout the region. TOAH is managed by San Francisco-based Low Income Investment Fund (LIIF).

Loans can originate through the six local community development financial institutions who are partners in the Fund. Loan products available through the Fund include: predevelopment, acquisition, construction bridge, construction-to-mini-permanent, and leveraged loans. To date, the Fund has closed five loans totaling \$20 million (645 units). An additional four loans totaling \$19 million (460 units) are expected to be approved within the next three months. The remaining funding pipeline includes an additional 13 projects (\$24 million; 900 units). Attachment 3 summarizes the projects that have closed to date, a sample loan profile for the first loan closed by the fund is attached (Attachments 4a-e).

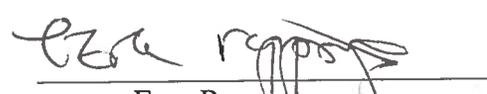
The TOAH Fund requires an exchange of federal transportation dollars for local funds because the transportation funds cannot be used directly for housing investment. Future investment in the Fund through the Regional PDA Planning program will require MTC to implement such an exchange.

The TOAH Fund has been helpful in spurring investment in affordable housing as it provides an initial investment on the front end of the development financing equation. While funds will return to TOAH as loans are repaid, with the loss of redevelopment and other funding sources, the larger gap in financing for affordable housing/mixed use in today's environment is in construction and permanent financing. Looking ahead, MTC and ABAG will be focusing advocacy efforts to help address this gap.

Brian Prater, TOAH Fund manager through LIIF, will be available at your meeting to provide more complete information on the TOAH Fund and future plans for the Fund, including the opportunity to leverage new money on a 3:1 basis.



Steve Heminger



Ezra Rapport

- Attachments
Attachment 1: Station Area/PDA Planning Program Summary
Attachment 2: Technical Assistance Program Summary
Attachment 3: TOAH Program Summary
Attachments 4a-e: TOAH Loan Profiles (5)

MTC-funded Station Area/PDA Plans - Program Summary

County	Jurisdiction	Station Area/PDA	Final Product	Grant Award	Completed	Housing (new units) Max	Commercial (new dev. in sq. ft.)	Potential Jobs*
Alameda	Alameda	Alameda Pt.	partial	221,000	X			
Ala	Alameda	Naval Air Station	partial	200,000	in progress			
Ala	Alameda County	E. 14th/Mission Blvd.	Specific Plan/EIR	400,000	in progress			
Ala	Berkeley	Downtown	partial	300,000	X			
Ala	Dublin	W. Dublin BART	EIR	200,000	X			
Ala	Fremont	City Center	Precise Plan/EIR	224,000	in progress			
Ala	Fremont	Warm Springs	Community Plan/EIR	276,000	in progress			
Ala	Fremont	Warm Springs Augmentation		300,000				
Ala	Newark	Newark	Specific Plan/EIR	544,000	in progress	2,500	230,000	550
Ala	Oakland	Lake Merritt	Specific Plan/EIR	720,000	in progress			
Ala	Oakland	Upper Broadway	partial	400,000	in progress			
Ala	Pleasanton	Pleasanton	partial	115,000	X			
Ala	San Leandro	Downtown	TOD Strategy/EIR	450,000	X			
Ala	San Leandro	San Leandro Blvd.	partial	175,000	X	3,430	839,000	2,662
Ala	San Leandro	Downtown	partial - infrastructure	75,000	X			
Ala	Union City	Union City	partial	125,000	X			
		ALAMEDA COUNTY SUBTOTAL		4,725,000		5,930	1,069,000	3,212
		percent of total \$ awarded		25%				
		applications submitted, not funded		5				
Contra Costa	Anitoch	Hillcrest	partial - infrastructure	120,000	X			
CC	Concord	North Concord	Master Plan/EIR	750,000	X	12,272	6,000,000	26,530
CC	Concord	Downtown	Specific Plan/EIR	480,000	in progress			
CC	Concord	Naval Weapons Station	partial	240,000	in progress			
CC	Lafayette	Downtown	EIR	150,000	X			
CC	Pittsburg	Railroad Ave.	Specific Plan/EIR	500,000	X	1,845	988,449	
CC	Pittsburg	Pittsburg/ BayPoint	Master Plan/EIR	350,000	X	1,168	146,362	1,300
CC	Richmond	S. Richmond PDA	Specific Plan/EIR	496,000	in progress			
CC	San Pablo	NA	Specific Plan/EIR	500,000	X	739	815,000	1,900
CC	Walnut Creek	Walnut Creek BART	Specific Plan/EIR	450,000	in progress			
		CONTRA COSTA COUNTY SUBTOTAL		4,036,000		16,024	7,949,811	29,730
		percent of total \$ awarded		22%				
		applications submitted, not funded		9				
Marin	Larkspur	Larkspur	Specific Plan/EIR	480,000	in progress			
Marin	San Rafael	Civic Center	Station Area Plan	140,000	X	620	280,000	
Marin	San Rafael	Downtown	partial	388,000	X			
		MARIN COUNTY SUBTOTAL		1,008,000		620	280,000	-00
		percent of total \$ awarded		5%				
		applications submitted, not funded		1				

County	Jurisdiction	Station Area/PDA	Final Product	Grant Award	Completed	Housing (new units) Max	Commercial (new dev. in sq. ft.)	Potential Jobs*
Santa Clara	Mtn. View	El Camino/San Antonio	Precise Plan/EIR	400,000	in progress			
SC	San Jose	Diridon	Specific Plan/EIR	750,000	in progress			
SC	Santa Clara	Santa Clara	Station Area Plan	600,000	X	2,250	4,200,000	11,800
SC	Sunnyvale	Lawrence	partial/EIR	450,000	in progress			
SANTA CLARA COUNTY SUBTOTAL				2,200,000		2,250	4,200,000	11,800
percent of total \$ awarded				12%				
applications submitted, not funded				2				
San Francisco	SF	Treasure Island	Mobility Mgmt Plan	500,000	in progress			
SF	SF	ENTrips	partial	750,000	X			
SF	SF	Market/Octavia	partial	160,000	X			
SF	SF	BiCounty	partial	200,000	X			
SF	SF	Central Corridor EIR plus Augmentation	EIR	400,000	in progress			
SF	SF			200,000				
SF	SF	Market St.	EIR	300,000	in progress			
SAN FRANCISCO COUNTY SUBTOTAL				2,510,000		0	0	0
percent of total \$ awarded				13%				
applications submitted, not funded				0				
San Mateo	East Palo Alto	East Palo Alto	Specific Pla/EIRn	360,000	X	835	1,500,000	3,801
SM	San Mateo	Hillsdale	Station Area Plan/EIR	400,000	X	750		
SM	San Mateo County	NA	Community Plan/EIR	446,000	X	3,024	545,000	1,127
SM	SSF	Caltrain Downtown	Specific Plan/EIR	600,000	in progress			
SAN MATEO COUNTY SUBTOTAL				1,806,000		4,609	2,045,000	4,928
percent of total \$ awarded				10%				
applications submitted, not funded				4				
Solano	Fairfield	Fairfield	Specific Plan/EIR	225,000	X	6,800	5,600,000	
SOLANO COUNTY SUBTOTAL				225,000		6,800	5,600,000	-00
percent of total \$ awarded				1%				
applications submitted, not funded				3				
Sonoma	Cloverdale	Downtown	Precise Plan/EIR	140,000	X	761	340,000	1,000
Son	Healdsburg	Healdsburg	EIR	160,000	in progress			
Son	Petaluma	Central and Corona	partial	240,000	in progress			
Son	Rohnert Park	Central Rohnert Park	Specific Plan/EIR	448,000	in progress			
Son	Santa Rosa	Downtown	Specific Plan/EIR	450,000	X	3,409	493,500	1,316
Son	Santa Rosa	Jennings	Specific Plan/EIR	400,000	X	2,941	1,650,000	5,923
Son	Windsor	Windsor	Specific Plan/EIR	300,000	X	1,230	759,100	2,160
SONOMA COUNTY SUBTOTAL				2,138,000		8,341	3,242,600	10,399
percent of total \$ awarded				11%				
applications submitted, not funded				0				
REGIONAL TOTALS				18,648,000		44,574	24,386,411	60,069

* When not directly included in plans, jobs calculated as follows: retail - 1 job per 450 sq. ft., office - 1 job per 300 sq. ft., and R&D - 1 job per 1000 sq. ft.

Denotes jobs total included in plan

Technical Assistance Program Summary

County	Jurisdiction	Project	Award
Ala	Berkeley	Downtown Berkeley Comprehensive Financing Plan	50,000
Ala	Oakland	Temescal Parking Demand and Pricing Study	60,000
Ala	Oakland	Oakland Residential Parking Survey - Telegraph Avenue	24,000
Ala	Oakland	Financial Feasibility of development contributions to public benefits	55,000
Ala	Oakland	Equitable Development Strategies for West Oakland	60,000
Ala	San Leandro	San Leandro Parking Management Plan	30,000
CC	El Cerrito	Del Norte Transit-Oriented Development Strategy	60,000
CC	Martinez	Downtown Martinez Infrastructure Study	25,000
Marin	Marin County	Multi-family design guidelines development and outreac	55,000
SC	VTA	Evaluation of Replacement Parking Requirements at TOD Sites	55,000
SM	East Palo Alto	Specific Plan Nexus Study and Impact Fee for public improvements	60,000
SM	San Mateo County	North Fair Oaks Community Plan Parking Study and Strategy	60,000
SM/SC	Sam Trans	Grand Boulevard Initiative Economic & Housing Opportunities Project	50,000
SM	San Carlos	TOD Ordinance & Form-Based Code	50,000
Sol	Suisun City	Development Feasibility Analysis	60,000
Son	Cloverdale	Feasible Design of Greenway Undercrossing/Caltrans Coordination	30,000
			\$784,000

Bay Area Transit Oriented Affordable Housing Fund LLC
Portfolio Report
as of November 30, 2012

Number	Borrower	Project Name	# of Units	# of Affordable Units	Location	PDA	Loan Amount	Loan Product	Originating CDFI
Closed									
1	TNDC	Eddy & Taylor	153	152	San Francisco	City & County of San Francisco, Downtown Neighborhoods & Transit Rich Corridors	\$ 7,055,000	Acquisition	LIIF
2	First Community Housing	Leigh Avenue Senior Apartments	64	63	San Jose	City of San Jose, Consolidated Area	\$ 2,992,000	Acquisition	Opportunity Fund
3	East Bay Asian Local Development Corporation	West Grand Development	146	128	Oakland	City of Oakland: West Oakland	\$ 1,800,000	Acquisition	NCCLF
Subtotal			363	343			\$ 11,847,000		
Approved									
1	TNDC	5th & Howard	172	59	San Francisco	City of San Francisco: Downtown Neighborhoods & Transit Rich Corridors	\$ 4,000,000	Acquisition	ECLF
2	Mercy Housing California	Laguna Senior Housing	110	108	San Francisco	City & County of San Francisco: Better Neighborhoods - Balboa Park/Market & Octavia	\$ 4,460,000	Acquisition	NCCLF
Subtotal			282	167			\$ 8,460,000		
Pipeline									
							<i>(Estimated)</i>		
1	AMCAL	West Dublin BART	160	71	Dublin	City of Dublin: West Dublin BART Station	\$ 4,685,625	Acquisition	LIIF
2	AMG/Pacific	Hayward Mission	181	181	Hayward	City of Hayward: South Hayward BART	\$ 5,000,000	Acquisition	LIIF
3	Satellite Housing	Harper Street	42	42	Berkeley	City of Berkeley: Adeline Street	\$ 500,000	Predevelopment	LISC
4	EAH	San Leandro Senior	40	40	San Leandro	TBD	\$ 1,500,000	Acquisition - Predev	LISC
5	Resources for Community Development	Ohlone Gardens	57	47	El Cerrito	City of El Cerrito: San Pablo Avenue	\$ 550,000	Predevelopment	LISC
6	Resources for Community Development	Berellessa Palms	50	25	Martinez	TBD	\$ 250,000	Predevelopment	LISC
7	Resources for Community Development	1701 Martin Luther King	26	TBD	Oakland	City of Oakland: Downtown & Jack London Square	\$ 1,050,000	Acquisition - Predev	LISC or CSH
8	First Community Housing	Second Street Studios	134	87	San Jose	TBD	\$ 2,000,000	Acquisition	Enterprise
9	Charities Housing	Monterey Road	99	99	San Jose	TBD	TBD	Construction Bridge	Opportunity Fund
10	CORE Development	Sunol Court	90	90	San Jose	TBD	\$ 4,500,000	Acquisition - Predev	Opportunity Fund
11	CORE Development	Fremont Family Apartments	40	60	Fremont	TBD	\$ 3,000,000	Acquisition - Predev	Opportunity Fund
12	Satellite Housing	Salvation Army Downtown Oakland	60	0	Oakland	City of Oakland: Downtown & Jack London Square	\$ 1,000,000	Acquisition - Predev	CSH
13	Bayview Hunters Point Multipurpose Senior Services	Third Street San Francisco	121	120	San Francisco	TBD	TBD	Acquisition - Predev	CSH
14	Resources for Community Development	CCIH - Second Project Site	40	40	TBD	TBD	\$ 1,000,000	Acquisition - Predev	CSH
15	Allied Housing/Mid-Pen	Laguna Commons	53	53	Fremont	TBD	TBD	Acquisition - Predev	CSH or Opportunity Fund
Subtotal			1193	955			\$ 25,035,625		
TOTAL			1838	1465			\$ 45,342,625		

Bay Area Transit Oriented Affordable Housing Fund Project Loan Profile



Architect: David Baker + Partners Architects

Project Description	
<p>Tenderloin Neighborhood Development Corporation (TNDC), through an affiliate, borrowed \$7.0MM for a site located in the Tenderloin neighborhood of San Francisco, two blocks from the Powell Street BART station. The site currently operates as a parking lot but TNDC plans to develop the land into a 14-story, 157,000 square foot affordable family housing building with an estimated 153 units, and 8,000 to 13,000 square feet of commercial space on the ground floor. TNDC is targeting the ground floor to be a full-service grocery store, the first of its kind in a community considered a “food desert”. The site is also located in a transit-rich neighborhood, less than two blocks from the Powel Street BART station and the Market Street transit corridor.</p>	
Originating CDFI Lender:	Low Income Investment Fund
Project Name/Location:	Eddy & Taylor Family Housing, 168-186 Eddy Street & 238 Taylor Street, San Francisco, California 94102
Sponsor:	TNDC, a 501(c)3 nonprofit housing developer based in San Francisco
Loan Term Summary	
Loan Amount:	\$7,055,000
Type:	Acquisition – Affordable Housing for Families, 8,000-13,000 square feet of commercial space for grocery store
Term:	7-year term

Affordability:	Borrower plans on developing a project with rents that are affordable to persons at 15-60% AMI, including some units for formerly homeless individuals and families.
Notable Features:	Plan for first full service grocery store in the Tenderloin

Unit Mix

AMI <30%	46
AMI 30-40%	59
AMI 40-50%	47
AMI 50-60%	0
AMI 60-80%	0
Total Affordable Units	152
Total Market Rate Units	1
Total Units	153
Total Supportive Units	31 (20% of total units)

Rental Comparisons

A market study has not been conducted for the subject property due to the lengthy time period between acquisition and development. In addition, the appraisal only considered the value of the undeveloped land. However, the developer provided some insight into comparable market rents in its development pro forma. In the third quarter of 2009 (the most recent data available at closing in summer 2011), the average rental rate for 2--bedrooms units in the San Francisco sub-market ranged between \$2,178 and \$2,544 per month. 2-bedrooms were analyzed because they are the largest part of the proposed unit mix at Eddy & Taylor. For comparison, proposed monthly 2-bedroom unit rents at Eddy & Taylor range from as low as \$337 for the formally homeless units up to \$1,227 for families at 50% of AMI.

Quality of Transit

The site is located in the City & County of San Francisco, Downtown Neighborhoods & Transit Rich Corridors, Priority Development Area (PDA). The subject site is well served by public transportation. The site is located 2 blocks (less than 0.2 miles) from the Powell Street BART station and the Market Street transit corridor. There are numerous bus lines and transit routes within a 3-block radius. The neighborhood also provides numerous amenities including parks, as well as services including community health clinics, schools and child care centers, and other social support services.

Borrower Capacity and Development Team

TNDC is a seminal nonprofit affordable housing developer that was established in 1981 to provide quality, permanent, affordable housing in the Tenderloin district of San Francisco and its adjacent neighborhoods. An anchor institution in the community, TNDC owns and operates 30

buildings serving 3,000 tenants. The vast majority of tenants have monthly incomes below \$1,000. These include seniors on fixed incomes, emancipated youth from the foster care system, families on tight budgets, people with HIV/AIDS, and formerly homeless individuals recovering from substance abuse or mental illness.

Supportive Services

The developer plans on setting aside 31 units for formally homeless individuals and families, including five studio, three 1-bedroom, eighteen 2-bedroom, and five 3-bedroom units. TNDC typically provides other support services at its development but the support services to be provided at the Eddy & Taylor Family Housing project have yet to be determined.

Neighborhood Impact

The project site is located on two parcels in the Tenderloin neighborhood in the northeast corner of Eddy Street and Taylor Street. The properties within the immediate vicinity of the property are primarily multi-story residential buildings with ground floor retail, a predominant amount of which are liquor stores. The surrounding blocks also contain commercial office, tourist hotels, and retail uses. In the neighborhood across Taylor Street to the west of the site is the Ritz Hotel (NOT related to the Ritz-Carlton), a five-story single-room occupancy (SRO) owned by TNDC, as well as a smaller apartment building and a senior community facility. Adjacent and to the east of the site is the William Penn Hotel, a four-story building owned by Chinatown CDC and a theater occupying ground floor retail space. Further eastward on Eddy Street are three more affordable hotels. Catty-corner from the site is TNDC's Franciscan Towers, which houses part of TNDC's offices and adjacent to it is TNDC's Curran House development. The Eddy & Taylor project will complement the existing housing stock in the neighborhood and will add much needed fresh food choices to the food desert that currently exists.

"But" For Analysis

The land was acquired by TNDC in late 2007 with financing support from the City of San Francisco and a commercial bank. The developer applied for but did not receive State HCD TOD financing in 2008 and was prepared to resubmit an application in 2009. However, the City notified the developer that it was unable to provide additional financial support at that time so development was put on pause. When the initial acquisition loan matured in early 2011, the commercial lender chose not to extend the loan. LIIF and the TOAH Fund stepped in to allow TNDC to maintain control of the property, giving TNDC and the City time to put together a financing and development package that makes sense for all parties involved. The City is extremely committed to the project and understands how important it is for TNDC to hold onto the property as an important community asset. The site is one of the last developable pieces of land in the Tenderloin. Without the TOAH Fund, the property would have had to been sold, potentially to a market rate developer and the community would have lost the opportunity to develop much needed housing to the homeless and working families as well as a neighborhood grocery store.

**Bay Area Transit Oriented Affordable Housing Fund
Project Loan Profile**



Architect: OJK Architects and Partners

Project Description	
<p>First Community Housing (FCH), one of the pioneers in green building and sustainable development in the Bay Area, received a \$2,992,000 four-year loan to pay for the acquisition of a vacant parcel located at 1030 Leigh Avenue in San Jose. The project will be a mixed-use development with 64 one-bedroom units for seniors age 55 and over, affordable to households that earn at or below 35-60% of AMI. Thirty-five percent of the units are set aside for residents who receive in home services. There will also be 7,000 square feet of dental offices on the ground floor. In addition, the development will be LEED Gold certified, and includes several green features, including a green roof and photovoltaic panels.</p>	
Originating CDFI Lender:	Opportunity Fund
Project Name/Location:	Leigh Avenue Senior Apartments, 1030 Leigh Avenue, San Jose, California 95113
Sponsor:	First Community Housing, a 501(c)3 nonprofit housing developer based in San Jose
Loan Term Summary	
Loan Amount:	\$2,992,000
Type:	Acquisition – Affordable Housing for Seniors, 7,000 square feet of health/medical space
Term:	4-year term with a 1-year extension option.
Affordability:	Borrower plans on developing a project with rents that

	are affordable to persons at 35-60% AMI.
Notable Features:	LEED Gold Certified Free Transit Passes for all Residents
Unit Mix	
AMI 30-40%	32
AMI 40-50%	32
AMI 50-60%	0
AMI 60-80%	0
Total Affordable Units	63
Total Market Rate Units	1
Total Units	64
Total Supportive Units	23 (35% of total units)
Rental Comparisons	
<p>A market study has not been conducted for the subject property. However, the appraisal provided several insights as to comparable rents. In the fourth quarter of 2010 (the most recent data available at closing in fall 2011), the average rental rate for one-bedroom/one-bathroom units at apartment complexes with less than 99-units, in the Santa Clara submarket, was \$1,228. The proposed rents for Leigh Avenue are as follows, with the percentage of market rent given in parenthesis after, 30% AMI units are \$550 (44% of market), 40% AMI units are \$750 (61% of market) and 60% AMI units are \$1,150 (89% of market). The supportive housing units will be restricted to 30% of AMI, but the developer is choosing to leave the affordability of the remaining units flexible, but under 60% of AMI. The Fruitdale Station apartment complex currently charges \$1,500 for rent for a one-bedroom/one-bathroom unit. This market-rate development is located across the street from the proposed Leigh Avenue site and has many of the same amenities.</p>	
Quality of Transit	
<p>The site is located in the City of San Jose, Consolidated Area Priority Development Area (PDA) on the southeast corner of Southwest Expressway and Leigh Avenue in San Jose. The subject property is located 0.4 miles from the Fruitdale/Southwest Expressway station of the Santa Clara Valley Transportation Authority (VTA) light rail system. The proposed tenants are only a five minute light rail ride from the San Jose Diridon transportation hub, servicing Caltrain, Amtrak, ACE and Santa Clara VTA. The Borrower plans to provide all residents with a free, annual VTA Eco-Pass providing bus and light rail transportation throughout Santa Clara County.</p>	
Borrower Capacity and Development Team	
<p>FCH is located in San Jose, and is organized and staffed to develop and construct multi-family affordable housing. Since 1986, FCH has created housing for more than 3,000 low-income residents in 15 affordable rental housing developments (over 1,200 units) throughout the San Francisco Bay region. FCH has become a pioneer in the affordable housing industry, by incorporating innovative, green features into their housing developments. The non-profit developer focuses on sustainable, affordable developments by incorporating green elements and</p>	

provides Santa Clara VTA Eco-Passes to all tenants in their housing developments. FCH has developed over 1,200 units for low-income households, with over 500 units in the pipeline.

Supportive Services

The services to be provided to the special needs occupants will be provided by outside service providers such as IHSS (In Home Supportive Services). These services will be contracted in compliance with the, as yet undetermined, financing sources utilized in the final development budget. IHSS for the 23 chronically ill seniors will include services according to the IHSS recipient's ability to perform daily activities, and can include feeding, bathing, dressing, housekeeping, laundry, shopping, meal preparation and clean up, respiration, bowel & bladder care, moving in and out of bed, rubbing the skin (to prevent skin breakdown), accompaniment to medical appointments, paramedical services, and protective supervision. Please note that the commitment is for 23 units to have this service, but it does not preclude any other senior from obtaining these services.

Neighborhood Impact

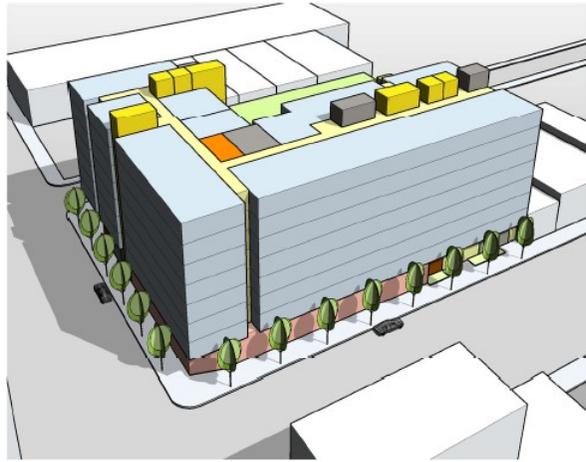
Immediately to the north of the project site is the Fruitdale Station apartment complex. This development was completed three years ago and was the first attempt to revitalize the neighborhood. The Leigh Avenue project will complement the market-rate Fruitdale Station development in this older area of San Jose. The land where this project will be built sits on a corner across the street from one of the city's light rail lines. There is an abandoned gas station across the street and there are several older retail and restaurant uses within a few blocks. The effect of this project will be to begin a process of revitalizing and adding a mixed-income component to the area. New residents who rely on public transit will need goods and services within walking distance which will help support businesses close by. There is a vacant site across the street that is likely to be redeveloped as well. It is reported that the owner is waiting to see what happens with the Leigh Avenue site before they decide where to go with their parcel.

"But" For Analysis

The Borrower entered into a contract to purchase the property on July 1, 2008. Initially, the close of escrow was contingent upon receipt of the appropriate entitlements. The Borrower received the necessary entitlements in July of 2009, but due to the downturn in the economy and the resulting lack of funds available from the City of San Jose, the closing date was extended. The borrower planned to acquire the site by using funds from the City of San Jose Redevelopment Agency ("RDA"). Because of the economic downturn, the RDA cannot fund additional projects. The Borrower made monthly payments to the Seller totaling over \$300,000 to keep escrow open, and was forced to push back the close of escrow several times, at great cost.

The term of the TOAH Fund loan provides a significant hold period for First Community and the City to put together a feasible development project. In addition, the pricing from the TOAH Fund helps keep total development costs down in an environment of limited resources. Without the TOAH Fund, the developer wouldn't have been able to maintain control of the property, especially as the cost of land near transit begins to escalate.

**Bay Area Transit Oriented Affordable Housing Fund
Project Loan Profile**



Architect: David Baker + Partners

Project Description	
<p>Tenderloin Neighborhood Development Corporation (TNDC) has requested a \$4,000,000 acquisition loan to maintain ownership of a site located at 5th & Howard Streets in the south of Market area of San Francisco. The project is currently in the feasibility stage with TNDC assessing several scenarios for the development of the site. The most likely and preferred development option is a joint-venture partnership with a for-profit developer to build a 172 mixed-income rental housing project with 9,000 sq. ft. of ground floor retail space. Thirty-five percent of the total units would be affordable for households up to 55% of area median income. The San Francisco Mayor's Office of Housing (MOH) fully supports the project, having provided \$4.73MM in soft debt for the acquisition which will stay in the project after the TOAH financing is repaid.</p>	
Originating CDFI Lender:	Enterprise Community Loan Fund (ECLF)
Project Name/Location:	5 th & Howard / 206-230 5 th Street and 909-921 Howard Street, San Francisco, CA
Sponsor:	Tenderloin Neighborhood Development Corporation (TNDC), a 501(c)3 nonprofit housing developer based in San Francisco
Loan Term Summary	
Loan Amount:	\$4,000,000
Type:	Acquisition
Term:	5 years (60 months)
Affordability:	Borrower plans on developing a project with 35% of units affordable to individuals and families between 50-55%AMI. The other 65% of units will be at market-rate.

Notable Features:	N/A
Unit Mix	
AMI 30-40%	0
AMI 40-50%	39
AMI 50-60%	20
AMI 60-80%	0
Total Affordable Units	59
Total Market Rate Units	113
Total Units	172
Total Supportive Units	0
Rental Comparisons	
A formal market study has not been completed for the project however TNDC is targeting families and individuals with incomes below 55% AMI for the affordable part of the project.	
Quality of Transit	
The project is located 0.3 miles from the Powell BART station that serves the wider Bay Area. Additionally, there are fifteen different Muni bus lines that are available within one block of the project site.	
Borrower Capacity and Development Team	
Established in 1981, TNDC's mission is to provide safe, affordable housing with support services for low-income people in the Tenderloin neighborhood of San Francisco and to be a leader in making the neighborhood a better place to live. An anchor institution in the community, TNDC owns and operates 30 buildings serving 3,000 tenants. The vast majority of tenants have monthly incomes below \$1,000. These include seniors on fixed incomes, emancipated youth from the foster care system, families on tight budgets, people living with HIV and AIDS, and formerly homeless individuals recovering from substance abuse or mental illness. TNDC is one of the largest and most well-regarded affordable housing developers in San Francisco.	
Supportive Services	
While no specific supportive services have been planned for the project, TNDC has several programs that it offers its tenants and the Tenderloin community as a whole, including the Tenderloin After-School Program (TASP), social work services, tenant activities throughout the year, and the Tenderloin People's Garden. TASP provides a safe drop-in space for children in the neighborhood and serves more than 250 youth ages 5 to 18. The community garden located near city hall has harvested over 2,500 lbs. of food distributed to 400 people since its inception in 2010.	
Neighborhood Impact	
The project is located in the South of Market (SOMA) area one block west of the Yerba Buena Gardens. This portion of SOMA is characterized by smaller light industrial and commercial buildings, large commercial buildings, hotels and residential uses. Over the past couple of years,	

several large tech corporations, such as Zynga, have moved their offices to the area, increasing the gentrification process that happened during the last business cycle. Additionally, because of the increased rental housing demand by high-paid tech company employees, rent prices in the area have increased dramatically over the last year. This project provides affordable housing to existing residents in a neighborhood that is becoming increasingly more expensive.

“But” For Analysis

TNDC acquired the site in 2009 and was in advanced negotiations with a for-profit developer to jointly develop a mixed-income apartment project (half of the units would have been affordable in this scenario). The partnership did not move forward because the for-profit organization’s leadership had a change in focus and also because of the lack of funding availability from the San Francisco Mayor’s Office of Housing (MOH). Around the same time in mid-2011, local government funding for affordable housing became increasingly scarce because the state of California dissolved local redevelopment agencies. This has made the funding environment for new affordable housing even more challenging. TNDC was able to access funds from the TOAH Fund to maintain its acquisition of the property in a highly-desired neighborhood close to several public transportation hubs, shopping, and entertainment centers. Had the TOAH Fund not been available, TNDC would not have been able to keep the land in order to eventually develop much-needed affordable housing in a neighborhood and city where affordable housing is scarce and rental/ownership costs are extraordinary high.

**Bay Area Transit Oriented Affordable Housing Fund
Project Loan Profile**



Courtesy: Openhouse

Project Description	
<p>Mercy Housing California (MHC) has requested a \$4,460,000 loan to prepay a 99-year lease on a parcel located at 55 Laguna Street on a former University of California Extension Campus in San Francisco. MHC will be developing the site into 110 units of affordable senior housing that is welcoming to Lesbian, Gay, Bisexual, and Transgender (LGBT) seniors aged 55 years or older. Units will be rented to qualified tenants earning less than 50% of area median income (AMI). MHC is partnering with Openhouse, a nonprofit that provides housing and support services to older LGBT adults.</p> <p>The MHC development will be part of a larger development located on the 5.8 acre site owned by the UC Regents. The master development is entitled for up to 110 units of affordable senior housing, up to 330 market-rate units, 12,000 square feet of community facility space (such as a health center), 5,000 square feet of neighborhood serving space, and 42,000 square feet of public open space. Woods Partners out of Atlanta will be the developer of the market-rate units while MHC will develop the affordable units.</p>	
Originating CDFI Lender:	Northern California Community Loan Fund
Project Name/Location:	Mercy Laguna Senior Housing, 55 Laguna Street, San Francisco, CA 94102
Sponsor:	Mercy Housing California (MHC), a 501(c)3 nonprofit housing developer based in San Francisco and Openhouse, a 501(c)3 nonprofit social service organization based in San Francisco.

Loan Term Summary

Loan Amount:	\$4,460,000
Type:	Acquisition
Term:	25 months plus one-year extension option
Affordability:	Borrower plans on developing a project with rents that are affordable to seniors at or below 50% of AMI.
Notable Features:	Activity center for residents and community members

Unit Mix

AMI <30%	0
AMI 30-40%	4
AMI 40-50%	11
AMI 50-60%	24
AMI 60-80%	0
Total Affordable Units	110 (70 new construction units for which the breakdown is not yet available and 2 manager units)
Total Market Rate Units	0
Total Units	110
Total Supportive Units	unknown

Rental Comparisons

A formal market study has not been completed for the project; however, MHC is targeting seniors with incomes at or below 50% AMI.

Quality of Transit

The site is located in the City & County of San Francisco, Better Neighborhoods – Market & Octavia Priority Development Area (PDA). The project site is within 250 feet of a Muni light rail and bus station that services the F, 6 and 71 Muni transit lines along Market Street, a major transit corridor in the city.

Borrower Capacity and Development Team

The borrower is an affiliate of Mercy Housing California (MHC), a 501(c)3 nonprofit public benefit corporation. MHC was incorporated in 1988 as the California affiliate of Mercy Housing, Inc. (MHI), one of the country’s largest nonprofit developers of affordable housing. Since inception, MHC has completed 134 multifamily housing developments in California with 8,182 affordable housing units. In San Francisco alone, MHC has completed 39 developments. In addition, through an affiliate, Mercy Housing Management Group, MHC provides property management

services at 108 sites (7,062) in California.

Supportive Services

The proposed project will be San Francisco's first and the country's largest affordable housing specifically welcoming to LGBT seniors. This project will include Openhouse service offices and an activity center for residents and LGBT seniors from across the city. Founded in 1998, Openhouse is building critically-needed housing, services and community programs to support the health and well-being of lesbian, gay, bisexual and transgender older adults.

Neighborhood Impact

According to the 2010 census, 13.5% of the city of San Francisco's residents are 65 years of age or older (roughly 108,000 individuals). According to a 2006 survey conducted by Openhouse, 60% of LGBT adults aged 60 or older earned less than \$39,000 per year. Current Openhouse client demographics support these findings – in 2011, 83% of the 600 seniors served by the organization had incomes at or below 50% of AMI (\$37,400 per HUD's FY11 income limits). This project will create 110 units of affordable senior housing in an area of San Francisco that is quickly gentrifying. This project will be the first affordable housing development in San Francisco that is welcoming to LGBT seniors, and the creation of the Senior Activity Center will also enable Openhouse to serve the wider LGBT senior community.

"But" For Analysis

In 2008, the affordable senior development project and market-rate housing received approval from the San Francisco Planning Commission. The original entitlement for the market-rate development included 330 units with no less than 50 below-market-rate (BMR) units. In August 2011, the San Francisco Planning Commission approved an agreement through which Wood Partners (WP) would pay the Mayor's Office of Housing \$6.3 million of in-lieu fees in exchange for a reduction in the BMR requirement to 32 units. MOH intended to use the in-lieu fees to finance the ground lease pre-payment for the Senior Development, however, it had until July 15, 2012 to find alternative financing sources.

MHC was able to secure a commitment from the TOAH Fund prior to July 15 and provide MOH with alternative financing, thereby preserving 18 BMR units in the market-rate development. Had the TOAH Fund not been available as an alternative source of financing, there would be fewer below-market rate units in this development and it might not have been able to secure the land lease from the UC Regents, leaving MHC and Openhouse without the opportunity to secure the parcel for 100% affordable senior housing for the senior LGBT community in San Francisco.

Bay Area Transit Oriented Affordable Housing Fund Project Loan Profile



Architect: McLarand Vasquez Emsiek & Partners Inc. (MVE Studio)

Project Description	
<p>East Bay Asian Local Development Corporation (EBALDC), one of the seminal affordable housing developers in the East Bay, received a \$1,800,000 four-year loan to pay for the acquisition of three parcels of land located near the San Pablo Corridor in West Oakland. The West Grand project is envisioned as a three-phase development, corresponding to the three parcels to be purchased (A-C). The improvements of at least two of the three parcels will include affordable housing—up to 65 units each on Parcels A and C and up to 52 units on Parcel B (with Parcel B housing over ground floor commercial/retail or community facilities). The targeted affordability for Parcels A and C will be at or below 60% AMI. The tentative development program includes collaboration with the YMCA, currently a tenant on Parcel B, for a ground-floor community center with a childcare center. Uses for Parcel C present a wider range of options, from substantially all housing, with ground floor retail/commercial, to all commercial/retail.</p>	
Originating CDFI Lender:	Northern California Community Loan Fund (NCCLF)
Project Name/Location:	West Grand Development / 2101, 2116 and 2201 Brush Street, Oakland, California 94612
Sponsor:	East Bay Asian Local Development Corporation, a 501(c)3 nonprofit housing developer based in Oakland
Loan Term Summary	
Loan Amount:	\$1,800,000
Type:	Acquisition/Mini-Permanent – Affordable Family Housing
Term:	4-year term

Affordability:	Borrower plans on developing a project with rents that are affordable to families at or below 60% AMI.
Notable Features:	Child care center
Unit Mix	
AMI 30-40%	0
AMI 40-50%	0
AMI 50-60%	128
AMI 60-80%	0
Total Affordable Units	128
Total Market Rate Units	18
Total Units	146
Total Supportive Units	0 (% of total units)
Rental Comparisons	
A formal market study has not been completed for the project however EBALDC is targeting families with incomes at or below 60% AMI. More information from EBALDC is forthcoming.	
Quality of Transit	
The site is located in the City of Oakland: West Oakland Priority Development Area (PDA). The location is within a block of San Pablo Avenue, a major rapid transit corridor. AC Transit runs multiple bus lines down San Pablo Avenue, including a fixed Rapid bus stop at the corner of San Pablo and West Grand Avenue. The 19th Street BART station is within 0.5 miles from the subject property and the Greyhound Bus station is within walking distance of the three sites.	
Borrower Capacity and Development Team	
Established in 1975, EBALDC is a community development organization serving the East Bay community, particularly the low income and Asian and Pacific Islander population, through development of physical, human and economic assets for individuals and community organizations. The organization's primary geographic boundaries are Alameda and Contra Costa counties, although some of its programs also serve the residents of San Francisco County. Ninety-four percent of EBALDC's clients fall below 80% AMI, and 90% are people of color. To date, EBALDC has developed over 1,400 units of affordable rental housing in 17 developments (of which 5 are historic structures), over 125 first-time home-buyer units and over 250,000sf of commercial space for community organizations. In addition to development, EBALDC overseas property management for most of its housing properties as well as for over 200,000sf of commercial and nonprofit space.	
Supportive Services	
While the West Grand development won't target specific supportive services, EBALDC sponsors programs and activities that foster economic development for individuals, families, small businesses and neighborhoods across all of its properties. Program areas include: <ul style="list-style-type: none"> - <u>Individual Development Accounts (IDA)</u>: This program assists adults and youth in building individual assets to invest in education, business or homeownership. 	

- Neighborhood Revitalization and Commercial Services: This program is focused on business development, merchant organizing, façade and streetscape improvements, job creation, community festivals, and technical assistance for businesses and residents of the East Lake/Lower San Antonio neighborhoods in Oakland.
- Social and Community Services: This program develops strategies to bridge gaps in local supportive service delivery for EBALDC residents and impacted communities. Activities include community and resident service planning engagement and organizing, particularly in relation to EBALDC housing development projects

In addition, a YMCA child care center is currently on the site and EBALDC hopes to incorporate the center into the development project.

Neighborhood Impact

West Oakland remains an inner-city neighborhood and one of the poorest in Oakland and in Alameda County. A declining quality of life is evidenced in nearly every indicator over the past decade, including income, employment, housing, environment, health and education.

The San Pablo Corridor has long been a “pass-through” between downtown and points further north along San Pablo. As such, it has not been a focus for redevelopment or revitalization like downtown Oakland. Commercial vacancy is estimated to be 15-20% since the economic downturn. ‘Bad behavior’ as characterized by a local social service agency, is openly exhibited in some spots.

The West Grand project is part of EBALDC’s long-term plan for the revitalization of the San Pablo Avenue Corridor, in collaboration with efforts being undertaken by the City of Oakland and a group of community groups. The San Pablo Avenue Corridor reaches from just north of downtown Oakland to and into Emeryville. EBALDC is a founding member of the San Pablo Corridor Coalition. EBALDC’s affordable housing partners in the Corridor include Christian Church Homes and Satellite Housing, each an owner of affordable senior housing on San Pablo Avenue, and the Oakland Housing Authority, which owns 11 scattered site properties (subsidized through the Project Based Section 8 Program) as well as two HOPE VI sites in the Corridor. In addition, other collaborators with EBALDC in revitalizing the Corridor include St. Vincent de Paul, St. Mary’s Center, East Bay recovery Center, Mary Ann Wright Foundation, Attitudinal Healing Connection, the M. Robinson YMCA Center, Keep Oakland Beautiful and the Oakland Public Works Department.

EBALDC owns and operates Avalon senior housing (67 units), the anchor at the north end of the Corridor. It will be joined by the Hotel California (EBALDC acquired in 2010 and currently renovating to create 130 units). At the southern end of the Corridor, EBALDC owns and operates the San Pablo Hotel, with 144 rooms (1955 San Pablo Avenue, just south of I-980). It will be joined in 2013 by EBALDC’s new headquarters at 1825 San Pablo Avenue. The three parcels that comprise the subject property represent a critical part of EBALDC’s long-term plan because this will be the next step in moving up the Corridor to establish a critically important affordable housing and community development presence north of Interstate 980.

“But” For Analysis

The subject property is close to the burgeoning Uptown neighborhood in downtown Oakland, which has seen market-rate rents increase significantly over the last two years, thereby increasing its attractiveness for a market-rate developer. Without the TOAH Fund, EBALDC might not have been able to hold onto the property for future development as part of its San Pablo Corridor plan and they stand to lose a fair amount of equity put into the acquisition.

The TOAH Fund provides very important patient capital that gives EBALDC and the City of Oakland a significant period of time to put together a feasible development plan for the three parcels. In addition, the low-cost financing from TOAH will help EBALDC keep total development costs as low as possible in a current economic environment that isn’t supportive of affordable housing development.