

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
April 8, 2025**

The project, 967 Mission, located at 967 Mission Street in San Francisco on a 0.2 acre site, requested and is being recommended for a reservation of \$4,131,579 in annual federal tax credits and \$41,500,000 of tax-exempt bond cap to finance the new construction of 95 units of housing, consisting of 94 restricted rental units and 1 unrestricted manager's unit. The project will have 63 studio units, 32 one-bedroom units, serving seniors with rents affordable to households earning 30%-50% of area median income (AMI). The construction is expected to begin in October 2025 and be completed in July 2027. The project will be developed by 967 Mission, LP and will be located in Senate District 11 and Assembly District 17.

**Project Number** CA-25-446

**Project Name** 967 Mission  
Site Address: 967 Mission Street  
San Francisco, CA 94103  
County: San Francisco  
Census Tract: 176.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$4,131,579	\$0
Recommended:	\$4,131,579	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$41,500,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: 967 Mission, LP  
Contact: Holly Armstrong  
Address: 1388 Sutter Street, 11th Floor  
San Francisco, CA 94109  
Phone: 415-345-4453  
Email: harmstrong@jsco.net

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: City and County of San Francisco  
Bond Counsel: Jones Hall, A Professional Law Corporation  
Private Placement Purchaser: JP Morgan Chase Bank, N. A.

**Development Team**  
General Partners / Principal Owners: BHPMSS 967 Mission LLC  
JSCo 967 Mission, LLC  
General Partner Type: Joint Venture  
Parent Companies: Bayview Hunters Point Multipurpose Senior Center  
John Stewart Company  
Developer: 967 Mission, LP  
Investor/Consultant: Enterprise Community Capital  
Management Agent: The John Stewart Company

**Project Information**

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	95
No. / % of Low Income Units:	94 100.00%
Average Targeted Affordability:	40.64%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	Tax-Exempt

**Information**

Housing Type:	Seniors
Geographic Area:	Bay Area Region
State Ceiling Pool:	New Construction
Set Aside:	Homeless Set Aside
Homeless Set Aside Units:	24
CDLAC Project Analyst:	Charity Guimont
CTCAC Project Analyst:	Nick White

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	44	47%
50% AMI:	50	53%

**Unit Mix**

63	SRO/Studio Units
32	1-Bedroom Units
95	Total Units

<b>Unit Type &amp; Number</b>	<b>2024 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
16 SRO/Studio	30%	\$333
13 SRO/Studio	30%	\$347
14 SRO/Studio	50%	\$609
2 SRO/Studio	50%	\$1,265
18 SRO/Studio	50%	\$1,265
8 1 Bedroom	30%	\$416
7 1 Bedroom	30%	\$384
6 1 Bedroom	50%	\$684
3 1 Bedroom	50%	\$1,432
7 1 Bedroom	50%	\$1,432
1 1 Bedroom	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$79,365
Construction Costs	\$58,295,127
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$2,915,793
Soft Cost Contingency	\$1,040,000
Relocation	\$0
Architectural/Engineering	\$3,328,697
Const. Interest, Perm. Financing	\$8,671,372
Legal Fees	\$430,000
Reserves	\$778,555
Other Costs	\$3,495,394
Developer Fee	\$4,736,000
Commercial Costs	\$0
<b>Total</b>	<b>\$83,770,303</b>

**Residential**

Construction Cost Per Square Foot:	\$1,229
Per Unit Cost:	\$881,793
Estimated Hard Per Unit Cost:	\$545,842
True Cash Per Unit Cost*:	\$871,266
Bond Allocation Per Unit:	\$436,842
Bond Allocation Per Restricted Rental Unit:	\$441,489

**Construction Financing**

Source	Amount
JP Morgan Chase: Tax-Exempt	\$41,500,000
SF MOHCD <sup>1</sup>	\$36,795,135
Deferred Developer Fee	\$1,000,000
General Partner Equity	\$700,000
Tax Credit Equity	\$3,775,168

**Permanent Financing**

Source	Amount
SF MOHCD <sup>1</sup>	\$44,318,000
Deferred Developer Fee	\$1,000,000
General Partner Equity	\$700,000
Tax Credit Equity	\$37,752,303
<b>TOTAL</b>	<b>\$83,770,303</b>

\*Less Donated Land, Seller Carryback Loans, Waived Fees, and Deferred Developer Fee

<sup>1</sup>San Francisco Mayor's Office of Housing and Community Development

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$79,455,161
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$103,291,709
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$4,131,579
Approved Developer Fee (in Project Cost & Eligible Basis):	\$4,736,000
Federal Tax Credit Factor:	\$0.91375

Except as allowed for projects basing cost on assumed third party debt, the "as if vacant" land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

**CTCAC Significant Information / Additional Conditions**

Staff noted a per unit development cost of \$871,266. The applicant noted that the per unit cost is attributed to market conditions, prevailing wages, mobility units, and insurance.

This project is receiving a Senior Operating Subsidy that will pay for 13 studio units at 15% AMI, 7 one-bedroom units at 15% AMI, 14 studio units at 25% AMI and 6 one-bedroom units at 60% AMI.

**CDLAC Analyst Comments:** None.

**Resyndication and Resyndication Transfer Event:** None.

### **Standard Conditions**

The applicant shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

CTCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of CTCAC.

The applicant must pay CTCAC a reservation fee calculated in accordance with regulation. Additionally, CTCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within CTCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, CTCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from CTCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by CTCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis, and tax credit amount determined by CTCAC in its final feasibility analysis.

### **CDLAC Additional Conditions**

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

If points were awarded by CDLAC for housing type, the project shall comply with the housing type requirements at the time of CTCAC's Placed In Service review. The housing type requirement shall be conditioned in the CTCAC Regulatory Agreement and CTCAC Compliance staff shall verify the project is meeting those housing type requirements, consistent with California Code of Regulations, title 4, section 10322(i).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 159.565%