

July 28, 2021

Andrea Osgood, Vice-President of Real Estate Development
Eden Housing
22645 Grand Street
Hayward, CA 94541

Re: Letter of Intent to Commit Funding for an Affordable Senior Housing Project at 201 Baden Avenue

Dear Ms. Osgood:

This Letter of Intent is provided to Eden Housing (Eden) as evidence of the City of South San Francisco's (City) commitment to provide funding for the development of an affordable rental housing project at 201 Baden Avenue. Eden has prepared a preliminary proposal to develop up to 82 senior housing units in a 7-story building with a retail condo of approximately 1,800 square feet on the ground floor on a City-owned property and a neighboring privately-owned property. You have informed us that the projected total development cost is approximately \$68 million dollars. One hundred percent of the project units will be affordable to households earning an average of no more than 60 percent of area median income (AMI), with 30 percent of the project units affordable to households earning no more than 30 percent of AMI.

The City intends to submit an application for grant funding in the amount of \$2,362,500 from the State of California Local Housing Trust Fund Program. To ensure competitiveness of the application, the City is proposing matching funds of \$1,890,000 from the City's Affordable Housing Trust Fund and a land donation valued at \$1,440,000.

Through this Letter of Intent, the City is committing to providing \$1,890,000 for the development contingent upon the City securing the Local Housing Trust Fund grant, with the remaining funding being provided when all other permanent financing sources have been secured. Final provision of the matching funds and land donation are further contingent upon certain legal requirements for the City, including without limitation, compliance with the California Environmental Quality Act; final approval by the City Council of the sale of the property to Eden and completion of the sale on mutually agreeable terms; approval by the City and other necessary government agencies of the proposed residential development project; and final City Council authorization to use funds in the City's Affordable Housing Trust Fund for the proposed project. We look forward to working with you on this project.

Sincerely,

Mike Futrell
City Manager

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