



July 7, 2021

City of South San Francisco
c/o Julie Barnard, Economic Development Coordinator
PO Box 711
South San Francisco, CA 94083-0711

22645 Grand Street
Hayward, CA 94541

510.582.1460 Phone
510.582.6523 Fax

Dear Mayor, Vice Mayor, and Council Members,

Thank you for the opportunity to provide a proposal to partner with you on an affordable housing development at the Firehouse site at 201 Baden Avenue in South San Francisco, CA. Eden Housing has developed over 135 projects and 11,000 units in California and has deep experience and expertise with affordable housing development. We are extremely interested in participating in this project, and we have put together the following preliminary development proposal for consideration.

Proposed Project

The following is preliminary proposal based on our knowledge of the site and current understanding of available financing. We can adjust the project after further discussions with the City, completing the entitlement approval process, and continued exploration of available financing sources.

Eden proposes to develop the site with approximately 82 units of senior housing. The majority of the units would be one-bedroom with one two-bedroom manager unit and would be affordable to households earning between 30 percent and 60 percent of area median income (AMI). The final unit count will depend on the entitlement process and feedback from stakeholders and the availability of funding.

Eden anticipates developing a seven-story, elevator-served community designed to accommodate the unique needs of seniors. The project will be podium typology and will include amenities common to Eden's high-quality projects – a community room, a computer center, and well-appointed outdoor spaces such as community gardens and BBQ areas. Eden will also have its service coordination staff provide programming that helps build community and support the residents, including health and wellness programming, financial literacy, and fraud prevention training.

Project Financing

The proposed project is expected to cost approximately \$68.8 million or roughly \$839,000 per unit to build. This estimate is based on recent pricing for similar Eden projects. This amount is inclusive of project design, construction, indirect costs, and finance and carrying costs. We have made conservative but well-informed financing assumptions as a place to start our discussion and expect to refine these assumptions as necessary and practicable.

In addition to the \$2,362,500 grant application that the City intends to submit through the Local Housing Trust Fund Program and the City's proposed matching funds of \$1,890,000 (which includes a 5% administrative cost) as well as a land donation to the value of \$1,440,000. The project site is near several neighborhood amenities and, therefore, qualifies for the competitive nine percent Low Income Housing Tax Credit (LIHTC) program. Of the two LIHTC programs, nine percent LIHTC garners the largest



amount of equity and, therefore, reduces the need for local subsidy. That being said, it is a very competitive resource and can take multiple rounds to secure an award.

In addition to these tax credits, the development will score well for the State's Infill Infrastructure Grant Program (IIG). Eden has secured this funding for multiple projects, including four of our five most recently completed developments: [Alta Mira](#) in South Hayward, [Miraflores Apartments](#) in Richmond, [Hana Gardens](#) in El Cerrito, and [Valor Crossing](#) in Dublin. We are highly accustomed to working with the State and have developed strategies to best position our projects for competitiveness during the application process.

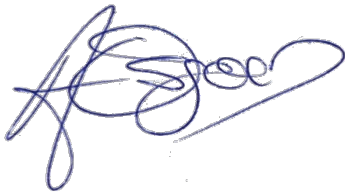
Finally, the project also supports a small traditional permanent loan and will score well on the Federal Home Loan Bank (FHLB) Affordable Housing Program. We have excellent relationships with banks within the FHLB network that can sponsor our application for these funds.

Community Outreach & Messaging

We know that all development projects require extensive community engagement and we are prepared to develop and implement an extensive outreach plan that will engage the community both early and often. We will coordinate and facilitate a number of meetings with neighbors and key stakeholders to gather feedback on the project design and approach. A senior-level Eden staff member will attend all community meetings and these meetings can be held virtually if required.

Eden is pleased to be considered for this project and welcomes the opportunity to partner with the City on this site. Please contact me at (415) 846-2823 with any questions on the proposal above or if you require additional information.

Sincerely,



Andrea Osgood
Vice President of Real Estate Development