

Mercy Housing California

Presentation to Cal-HFA

June 11, 2020



Who is Mercy Housing California?

- Founded in 1981, Mercy develops, owns, and operates service-enriched housing for families, seniors, veterans, and people with special needs.
- Currently own and manage over 8,000 homes serving over 16,000 lower income residents.
- One of the largest supportive housing provider in the State with over 1,200 units for formerly homeless people



El Monte Veteran's Village



Roseville

623 Vernon St. Roseville CA
95678

New Construction

65 units



Natalie Gubb Commons –San Francisco



McAuley Meadows



1100 Ocean



Colma Veterans Village



Land Acquisition/Entitlement

Site acquisition

- Public agency RFP/RFO
- Public Agency NOFA
- Developer purchase
- Inclusionary Land Donation

Entitlement

- SB 35
- Other CEQA Exemptions
- Single Site CEQA process
- Master EIR/EIS

Timeline:

- 6 -9 months on the fastest side (SB 35, funds immediately available)
- 2-3 years if the project has an EIR or a lawsuit is filed

Project Financing

- Most projects have 4-7 sources of capital funding:
- Acquisition/Predevelopment funding from local government(s)
- Construction loan
- LIHTC Equity
- Permanent mortgage/Tax-exempt Bond
- HCD Loan (MHP, NPLH, AHSC, IIG)
- AHP grant
- Supportive Housing developments have 2-4 additional sources :
- Section 8 or local operating subsidies
- MHSA or NPLH (sometimes in the form of a COSR)
- Range of 18-36 months to assemble these sources

Los Angeles PSH (in development)

Permanent Sources of Funds	
Tax Exempt Bond	712,057
Tranche B Loan	416,023
Tax Credit Equity	8,967,567
AHP	756,000
NPLH	7,567,067
HHH	6,125,000
LACDA	2,000,000
Deferred Dev. Fee	50,000
GP Equity	582,090
Total Permanent Sources	\$27,175,804

Uses of Funds	
Land Acquisition	1,950,000
Other Acq.(holding,envir,reloc)	481,620
Interest and financing fees	1,285,588
Developer Fee	3,023,373
Other Owner Costs (insurance, etc)	740,300
Design & Engineering	1,033,074
Permits & Gov. Fees	593,835
Construction costs	15,526,239
Hard/soft Cost Contingency	1,738,124
Reserves & Start-up costs	803,651
Total Development Costs	27,175,804

Pico/Robertson

8862 W Pico Blvd, Los Angeles, CA 90035

New Construction

Construction start:
Feb 2018

Est. Construction end:
July 2020

Senior

48 units



Pico Roberts Development Timeline

- 10/7/2015 – Joint Development Agreement Signed
- 05/2016 – Submit entitlements application
- 12/07/16 – Subdivisions Hearing
- 01/12/17 – City Planning Hearing
- 02/09/17 – Entitlements Approval
- 03/2017 – Submitted TCAC 9% application
- 07/2017 – Awarded Tax Credits
- 12/2017 – Closed Construction Loans
- 02/2018 – Began Construction
- 07/2020 – Targeted TCO; begin move ins
- 08/30/20 – Complete lease up
- 03/21 – Perm conversion

Comparison of Project Timelines

