

HomeRise – The Senator Hotel

Summary of Overview of Transaction

Project History & Overview

The Senator Hotel is an existing Single Room Occupancy (SRO) property located at 519 Ellis St, San Francisco, CA 94109. The Senator Hotel currently provides 89 permanent supportive housing (PSH) units for residents within the Tenderloin neighborhood. The building consists of 71 SROs, 17 one-bedrooms, and a one-bedroom staff unit. All units are restricted to at or below 30% Area Median Income (AMI). The Senator Hotel has an existing HUD Section 8 Housing Assistance Payments Moderate Rehabilitation (Mod Rehab) Program Contract through the San Francisco Housing Authority (SFHA). The property has been owned and operated by HomeRise (formerly Community Housing Partnership), a 501(c)3 non-profit PSH operator, since 1990. HomeRise is proposing to convert the existing Mod Rehab contract into a Section 8 Project-Based Voucher (PBV) contract through a RAD Conversion.

The Senator originally opened in 1924 as a popular tourist hotel, when movie stars such as Clarke Gable stayed at the Senator when in San Francisco. In 1971, the Native Americans who had occupied Alcatraz Island for nearly two years were relocated to the Senator Hotel for one night after being removed from the Island by authorities. They held a press conference in the lobby of the Senator and a commemorative plaque hangs in the lobby today in honor of the movement. In 2012 and 2013, residents of the Senator participated in a multi-dimensional performance piece an installation known as “Skywatcher” that was designed to give the Tenderloin community members a way to share their stories through dance. The Senator Hotel was most recently renovated in 2005 and features a fully restored lobby community space, youth and family center, support service space with confidential meeting rooms, a roof deck, and a conference room for community events and organizational meetings. The Senator won the 2007 MetLife foundation award for excellence in affordable housing.

20 years on, the Senator Hotel is in need of substantial renovation in order to keep the property at a high operational standard. HomeRise intends to rehab the property through a combined 4% tax-credit syndication and RAD conversion of its existing Mod Rehab contract. A renovation will bring much needed physical repairs at the property and substantially increase the rental subsidies supporting the 100% PSH property.

Conversion Goals

The Senator Hotel, as a 100% PSH property, has been faced with ongoing operating cash flow challenges. Rental subsidy increases on the existing Mod Rehab contract has not kept pace with rising operating expenses in San Francisco and the Senator Hotel has experienced an operating deficit for the past three years.

HomeRise, through Community Housing Partnership, the current entity that owns and operates the Senator Hotel, proposes to convert the existing Mod Rehab contract into a Section 8 Project-Based Voucher (PBV) contract through a RAD conversion. HomeRise intends to combine the RAD

conversion with a tax credit syndication. HomeRise plans to submit the Senator Hotel for 4% tax credits and tax-exempt bonds in 2026. If awarded tax credits, the combined proceeds from the RAD conversion and syndication will be able to not only stabilize cash flow at the property long-term but support a more comprehensive capital repair effort of the Senator Hotel.

Unit Mix and Services

The Senator Hotel is located on a 7,700sf lot in the historic Tenderloin Neighborhood within Downtown San Francisco. It is a 7-story concrete-frame apartment building with 89 units. The 50,967sf building was originally constructed in 1924 as a hotel property and was converted to residential units in 1990 and was renovated by HomeRise in 2005. The building consists of 69 SRO units and 18 one-bedroom units. Both SRO and one-bedroom units include individual bathrooms, but the SRO units do not include in-unit kitchens. All units are restricted to 30% AMI. The Senator Hotel is an elevator serviced building with controlled building access, a lobby and mezzanine space, a shared community kitchen and dining area, laundry rooms, basement level mechanical spaces and storage, and on-site property management and resident and intensive case management services.

Capital needs

On April 8, 2025, Basis Architecture and Consulting prepared a capital needs assessment (“CNA”) of the Senator Hotel which reported immediate capital needs of \$1,201,500 for critical repairs and \$760,741 for non-critical deferred maintenance needs. These include foundation repairs, elevator repairs, fence replacement, fire alarm panel repair, light well repairs, security door replacement, trash compactor installation, waterproofing installation in the bathrooms, roof replacement, exterior façade painting, plumbing and HVAC repairs, accessibility upgrades, common area and unit interior finish repairs. The full CNA report is included in the application for reference. HomeRise will complete all capital needs as part of their rehabilitation of the Property.

HomeRise will select a general contractor through a competitive bid process to perform the repairs. The scope of work in the units and common areas will include cleaning, painting, and fixing any light electrical, mechanical and plumbing issues to meet the minimum housing and safety standards for affordable housing set by HUD and SFHA, the local public housing authority. The unit and building configuration will not change; no walls are anticipated to be moved or built. HomeRise anticipates spending an estimated \$9,110,000 on the capital repairs, at an approximate total of \$104,000/unit. The following is a proposed timeline for completion of the rehabilitation of the Property from the date of Conversion Closing and 4% tax credit funding award announcement:

Milestone	Date
RAD Portal Submission	7/1/2025
1 Year Notice Issued	8/20/2025
HCD MHP Loan Restructuring Request	10/1/2025
RAD Conversion Approval	12/31/2025
4% Tax Credit and Tax-Exempt Bond App	1/20/2026
Permits	4/1/2026
Bidding	4/1/2026

General Contractor Contract Execution	5/1/2026
Construction Loan Closing/Construction Start	7/1/2026
Rehabilitation	7/1/2026-7/1/2027
HQS Inspections	5/1/2027
Permanent Loan Conversion	10/1/2027
Placed In Service	4/1/2028

Funding

HomeRise currently owns and operates the Senator Hotel. HomeRise proposes to fund the substantial renovation of the Senator Hotel by utilizing proceeds from a 4% tax credit resyndication combined with a new permanent debt leveraged from the RAD conversion of the existing Mod Rehab contract.

The property has several existing soft loans with local and State agencies including a \$4,294,690 Multifamily Housing Program (MHP) loan with the State of California Department of Housing & Community Development (HCD), a \$1,347,532 permanent loan through the Redevelopment Agency of the City and County of San Francisco, and a \$239,036 loan through the City and County of San Francisco. HomeRise anticipates all existing soft loans will be assigned, recast, and will remain with the property post-resyndication. The financial proforma for the Senator Hotel project is included with this application.

Proposed Development Team

HomeRise will retain ownership of the Senator Hotel and continue to operate the property post-resyndication. A special purpose tax-credit limited partnership entity (LP), controlled by HomeRise, will be formed to own the project.

Formed in 1990, HomeRise is an outcomes-focused nonprofit that fulfills its mission by developing and managing high quality supportive housing and providing services to individuals, seniors and families experiencing homelessness to help them rise up and rebuild their lives and break the cycle of homelessness. The Senator Hotel will continue to be operated by HomeRise's property management group post-rehab.

Below are the assets owned and operated by HomeRise:

	Name	Address	Type	Role	Units
1	Rachel Townsend Apartments	750 McAllister St, San Francisco, CA 94115	Affordable - PSH	Owner/Operator	97
2	Mission Bay Block 9	410 China Basin St, San Francisco, CA 94158	Affordable - PSH	Owner/Operator	171
3	The Senator Hotel	519 Ellis St, San Francisco, CA 94109	Affordable - PSH	Owner/Operator	89
4	Arenett Watson	650 Eddy St, San Francisco, CA 94109	Affordable - PSH	Owner/Operator	84

5	Hotel Essex	684 Ellis St, San Francisco, CA 94109	Affordable - PSH	Owner/Operator	84
6	666 Ellis	666 Ellis St, San Francisco, CA 94109	Affordable - PSH	Owner/Operator	99
7	Julian Richardson Apartments	365 Fulton St, San Francisco, CA 94102	Affordable - PSH	Owner/Operator	120
8	San Cristina Apartments	1000 Market St, San Francisco, CA 94102	Affordable - PSH	Owner/Operator	58
9	Zygmunt Arendt House	850 Broderick St, San Francisco, CA 94115	Affordable - PSH	Owner/Operator	47
10	Jazzie Collins	53 Colton St, San Francisco, CA 94103	Affordable - PSH	Owner/Operator	96
11	Rene Cazenava Apartments	25 Essex St, San Francisco, CA 94105	Affordable - PSH	Owner/Operator	120
12	Island Bay Homes	1226 Bayside Dr, San Francisco, CA 94130	Affordable - PSH	Owner/Operator	68
13	Cambridge Apartments	473 Ellis St, San Francisco, CA 94102	Affordable - PSH	Owner/Operator	60
14	Iroquois	835 O'Farrell St, San Francisco, CA 94109	Affordable - PSH	Owner/Operator	74
15	Edward II	3155 Scott St, San Francisco, CA 94123	Affordable - PSH	Owner/Operator	25
16	CHP Villages	1252 Exposition Dr; 1117 13th St (Keppler Court); 1408 Sturgeon St; 1410-1412 Flounder CT; 1395-1397 Gateway Ct, San Francisco, CA 94130	Affordable - Family	Owner/Operator	43

If required by a third-party tax-credit investor or construction lender, HomeRise may partner with a separate non-profit affordable housing developer to meet guarantee requirements.