

Mayor's Office of Housing and Community Development
City and County of San Francisco

Update for the Laguna Honda Hospital and Rehabilitation Center Joint Conference Committee

December 8, 2025

Affordable Senior Housing
at Laguna Honda Hospital Campus

Agenda

- **Design Update**
 - Revised Program
 - Updated Site Plan & Ground Floor Plan
- **Addressing LHH Comments**
 - Site Circulation and Boundaries
 - The Space Between the Housing & the Hospital
 - Building Heights and Distances Between Buildings
 - Exterior Expression
 - Shadows
- **Financing Update**
- **Future JCC Meetings**

DRAFT

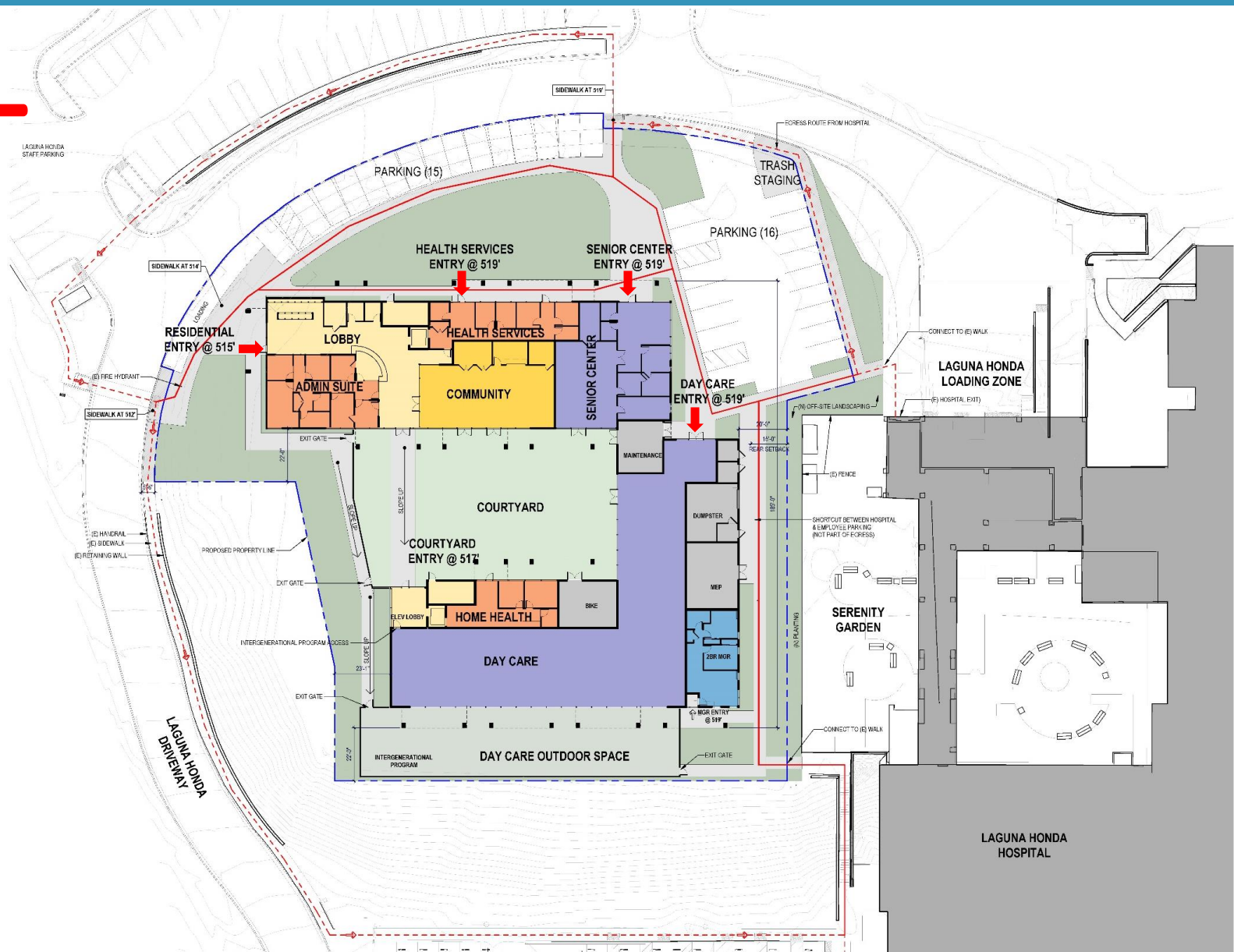


Updated Program

- One phase - rectilinear building complex
 - 6 Stories
 - 159 units
 - 158 1-bedroom
 - 1 2-bedroom (staff unit)
 - 31 parking spaces
- Services
 - Early Childhood Education Center
 - Senior Center
 - Space for Health Services

Updated Site Plan

DRAFT



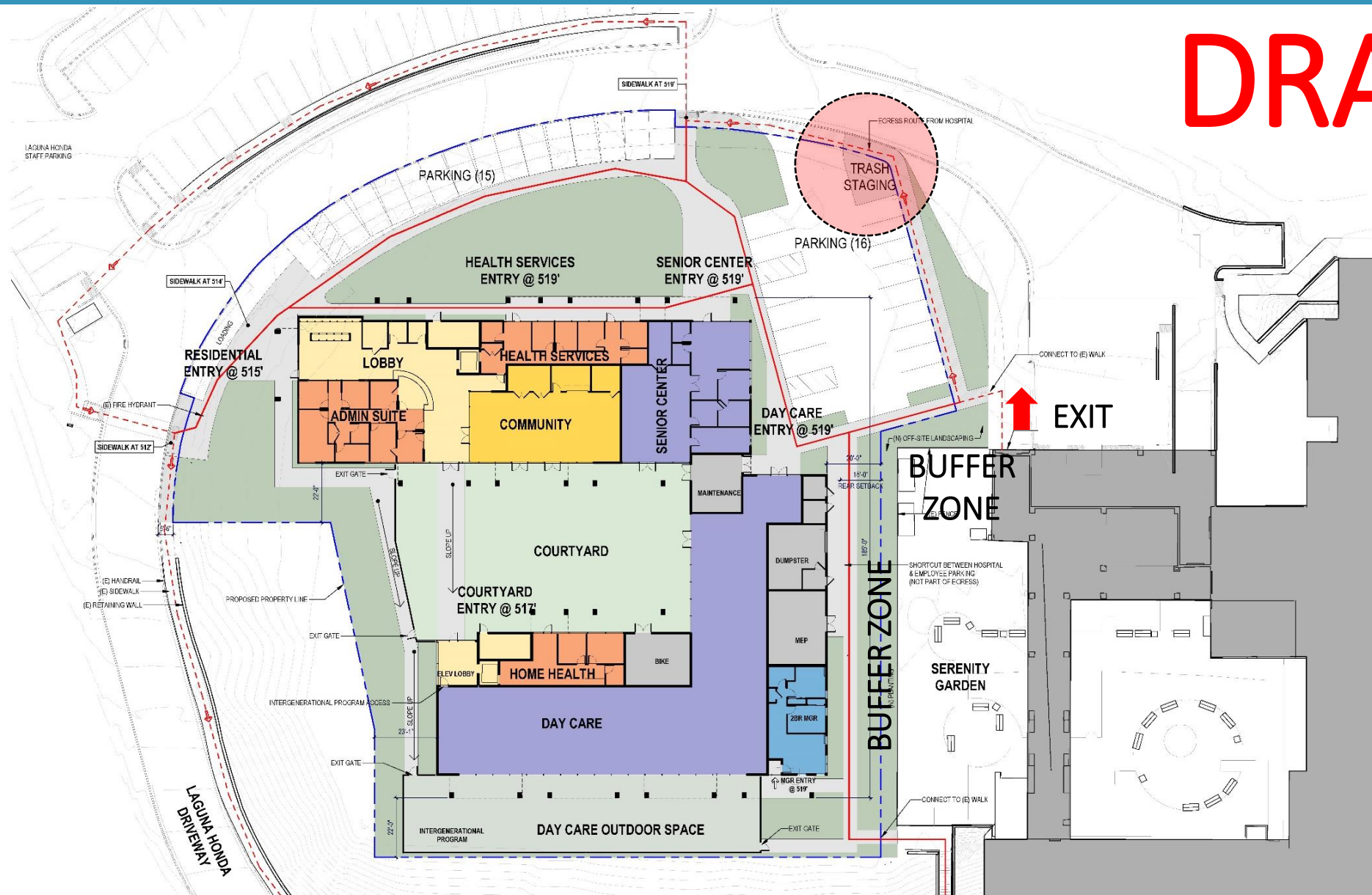
Laguna Honda Comments on Site Plan

Laguna Honda leadership reviewed the site plan and provided constructive comments, which have been incorporated into the project plan:

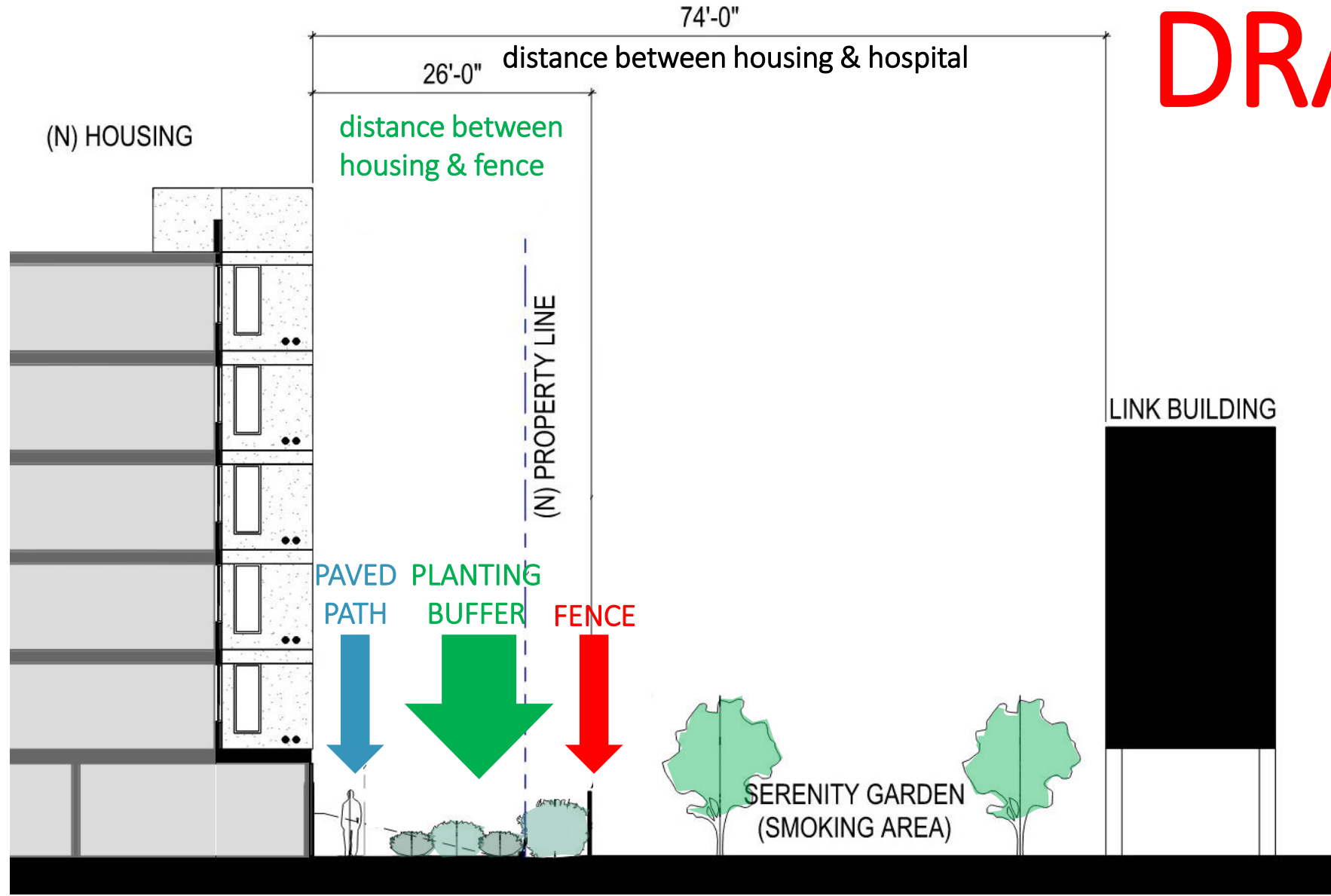
- provide north exit from East Tower connected to new sidewalk
- revise parcel property line to allow north exit to remain on LHH property
- retain and improve staff access path adjacent to Serenity Garden
- include landscape buffer between Serenity Garden and Housing
- locate trash staging closer to road
- provide landscape buffer between new parking lot and Serenity Garden

Updated Site Plan

DRAFT



Pedestrian Circulation Between Housing and Serenity Garden



DRAFT

View of Housing from Hospital's Main Entrance



DRAFT

Proposed Building Height and Distances from Laguna Honda Hospital



Exterior Expression and Suggested Color *Inspired by Campus Context*



Financing update

The proposed smaller, single-phase project has significantly reduced construction and soft costs

Mercy has provided to MOHCD an updated financing plan and development budget where total costs are supported with the following financing:

- Non-competitive 4% tax credits
- MOHCD bond funds (set aside for this project previously)
- MOHCD is working to identify additional funds
- Federal Home Loan Bank Affordable Housing Program (FHLB AHP)

Mercy is applying for a bond placeholder reservation

- Will allow the project to preserve the existing Difficult to Develop Area (DDA) status which allows the project to garner additional tax credit basis

The affordability and rents have not changed since previous presentations:

- It's proposed that 86% of the units will have an operating subsidy to allow extremely low-income residents at 15%, 25% and 30% AMI to pay 30% of their income for rent
- Mercy will apply for the MOHCD AHOF subsidy NOFA that is planned to be released next year
- Mercy and MOHCD continue to work to identify funding for the suggested 25% (40) of units to serve DPH / LHH discharge referrals allowing those resident to pay 30% of income for rent

Preliminary Development Sources

Source	Amount	Notes
Tax Credit Equity (from LIHTC)	\$55,186,347	
MOHCD gap funding loan including \$50M bond loan	\$53,518,596	
MOHCD Predevelopment Funds	\$3,000,000	
MOHCD HOME ARPA funds	\$8,000,000	MOHCD is exploring if these funds can be allocated to this project
Federal Home Loan Bank AHP Loan	\$2,000,000	
Total Sources/Total Costs	\$121,704,943	

Proposed Schedule for Monthly JCC Updates

Proposed Monthly meeting schedule:	<p>JCC Monthly Meeting (December 8th, 2025)</p> <ul style="list-style-type: none">- Site plan update- Financing update <p>JCC Monthly Meeting (January 12, 2026)</p> <ul style="list-style-type: none">- Overview of Draft MOU (between MOHCD, DPH/LHH, Mercy Housing) <p>JCC Monthly Meeting (February 2026)</p> <ul style="list-style-type: none">- Review updated MOU- Pros / Cons of jurisdictional Transfer from DPH to MOHCD
Full Health Commission	<p>Full Health Commission, March 2nd, 2026 Meeting #1</p> <ul style="list-style-type: none">- Project presentation- Discuss MOU and Jurisdictional Transfer <p>Full Health Commission, March 16th, 2026 Meeting #2</p> <ul style="list-style-type: none">- Request for approval MOU and Jurisdictional Transfer
Remainder of 2026	Further follow up and regular schedule for updated TBD

Questions?