

# PRESIDIO BAY VENTURES CLOSES \$120M IN UNION-BACKED FINANCING AND BREAKS GROUND ON LARGEST HOME-SF PROJECT IN SAN FRANCISCO

January 25, 2021

San Francisco – January 25, 2021 – Presidio Bay Ventures, a leading Bay Area commercial real estate development firm, has closed on \$120 million in construction financing to develop the Ventana Residences located at 99 Ocean Avenue in San Francisco’s Outer Mission and Excelsior District. The project is a joint venture between Presidio Bay and American Realty Advisors (ARA). TDA Investment Group (TDA) and the AFL-CIO Housing Investment Trust (AFL-CIO HIT) provided the construction financing. The development recently broke ground during a socially-distanced ceremonial event on January 21, 2021 in accordance with local health orders and CDC guidelines.

Ventana Residences is a testament to Presidio Bay's ongoing commitment to develop high-quality, affordable, and accessible urban infill multifamily housing in San Francisco. The construction of Ventana Residences is the culmination of years of partnership with city planning agencies and community organizations since Presidio Bay’s acquisition of the site in early 2016. The project will utilize 100% union labor, create more than 500 prevailing wage jobs, and provide 25% on-site affordable housing, making it the largest San Francisco project to be built under the city’s innovative HOME-SF affordable housing development program. The project will feature family-friendly residences, state-of-the art fitness and co-working amenities in addition to a two-level roof deck, community-serving on-site childcare facilities and a large format public-facing art program. Ventana Residences will also implement sustainable design elements such as rooftop solar photovoltaic (PV) panels, all-electric appliances and individual utility sub-metering.

“We were originally hoping to pursue Opportunity Zone financing, but the COVID-19 environment posed significant challenges to that process,” said K. Cyrus Sanandaji, Managing Director at Presidio Bay Ventures. “Not wanting to be setback, we were inspired to pivot and leverage our firm’s deep relationships with organized labor, ultimately avoiding the need for any public financing or delays in breaking ground. The development was already going to be

built wall to wall union and now we're proud to reinforce our commitment to local labor through our new financial relationship with the AFL-CIO HIT and our continued association with TDA, a firm with which we have financed multiple projects."

"This is a wonderful project and a wonderful addition to our community," added District 11 Supervisor Ahsha Safai. "This project will bring much needed onsite affordable housing and affordable childcare to the neighborhood. I'm also proud that it will be 100% union built so that working families in need of employment can get to work. I can't wait to see all that this project will offer the community when it's completed."

Ventana Residences will offer 193 new rental residences including 48 onsite Below Market Rate units, tripling the number of new affordable units created in the Excelsior district in over 10 years. With a mix of studio, one-, two-, and three-bedroom floor plans, the development will serve the area's diverse community of families, students, and working professionals.

"At a time in which new construction is severely challenged due to the pandemic, we cannot forget that California is still experiencing a severe housing crisis. It is imperative to not lose sight of this, and to continue to seek out projects and build housing options that serve the needs of our diverse city," Sanandaji continued. "We're proud to be doing our part in addressing the housing shortage with Ventana Residences, which is the largest HOME-SF project under construction in the city, providing much needed jobs and new homes in today's recessionary environment."

Albert Pura, Senior Investment Manager of American Realty Advisors, added, "American is excited about the opportunity to partner with Presidio Bay on the development of Ventana Residences. It's a chance to work with a best-in-class developer to bring much needed housing to an under-served submarket of San Francisco, while providing new high-quality, obtainable housing to groups that have largely been ignored in the recent development cycle. We also appreciate Presidio Bay's work with the City to bring this opportunity to fruition and its commitment to a project that will create over 500 prevailing wage jobs."

"It is our great pleasure to engage in construction financing for another residential project in San Francisco, especially with the team at Presidio Bay Ventures," Rob Perkins, EVP at TDA commented. "We have known Mr. Sanandaji for nearly a decade, and applaud him, and the city, for applying the HOME-SF standards to help satisfy the overwhelming housing needs that exist in San Francisco."

"Our investment in Ventana Residences is part of the AFL-CIO HIT's \$1 billion Bay Area Investment Initiative," said Ted Chandler, the HIT's Managing Director/Regional Operations.

“Over the next five years, we will generate good-paying jobs by creating housing that is affordable to San Francisco’s essential workers, including union members.”

In addition to its long-standing support of local union labor, Presidio Bay made community needs central to the development of Ventana Residences since its inception. From working with Mission Hiring Hall to hosting seminars for Balboa High School seniors about the impact of housing, Presidio Bay is proud of its commitment to serve the needs of the Excelsior and Outer Mission neighborhoods. Over the past three years the company has forged partnerships with community organizations, listened, learned and ultimately designed a property that could be economically viable while fitting the community's needs now and into the future.

For more information about Ventana Residences, please visit [www.PresidioBay.com](http://www.PresidioBay.com).