

Attachment 1A: Board Approval Form

Housing Authority of the County Contra Costa RAD Application for LAS DELTAS

AMP No:	CA011700000
Units	76

Type of Conversion

PBV (Project Based Vouchers)

Proposed Units for Conversion and De Minimis

Summary	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold
	38	38	5
Explanation for de minimis reduction	Unit Count		
Partial conversion	38		

Pro Forma Sources and Uses

Sources of Funds	Amount	Per Unit
New First Mortgage Loan	\$0	\$0
Public Housing Operating Reserves	\$0	\$0
Public Housing Capital Funds	\$341,000	\$8,974
Replacement Housing Factor	\$0	\$0
Low Income Housing Tax Credit Equity - 4%	\$0	\$0
Low Income Housing Tax Credit Equity - 9%	\$0	\$0
Public Housing operating reserves	\$8,498	\$224
Other	\$0	\$0
Other	\$0	\$0
Total Sources of Funds	\$349,498	\$9,197
Uses of Funds	Amount	Per Unit
Acquisition Costs	\$8,498	\$224
Construction Costs	\$0	\$0
Relocation Costs	\$341,000	\$8,974
Professional Fees	\$0	\$0
Loan Fees and Costs	\$0	\$0
Reserves	\$0	\$0
Developer Fees	\$0	\$0
Total Uses of Funds	\$349,498	\$9,197

Stabilized Cash Flow Pro Forma

	Total	PUPA
Gross Potential Rents for RAD Units	\$373,980	\$9,842
Gross Potential Rents for Other Apartment Units	\$0	\$0
Gross Potential Rents for Commercial	\$0	N/A
Vacancy Loss and Bad Debt Loss	(\$18,699)	-\$492
Other Income	\$0	\$0
Effective Gross Income	\$355,281	\$9,350
Total Operating Expenses	(\$300,235)	(\$7,901)
Annual Deposit to Replacement Reserve	(\$19,000)	(\$500)
Net Operating Income	\$36,046	\$949
First Mortgage Debt Service	\$0	\$0
Operating Cash Flow	\$36,046	\$949

PHA's Explanation of Any Relocation of Tenants (Estimated Relocation Cost is \$341,000)

A relocation plan has been drafted to permanently relocate the 14 households remaining in the Las Deltas property. Tenant-based vouchers shall be issued to these households as needed. The residents of Las Deltas have a right to go to the replacement RAD PBV units if they so choose. In addition, priority will be provided to them for the site-based waiting list created for all RAD PBV replacement unit properties.

PHA's Explanation of Capacity and Experience to Carry Out the RAD Conversion

The Executive Director and staff have provided nearly 500 units of PBVs to nonprofit developers in Contra Costa County. HACCC also has experience in converting public housing units into an increased number of tax credit units. Due to HACCC's ongoing work with PBV and tax credit units, staff are in regular contact with developers who could successfully utilize RAD units. Furthermore, HACCC's consultants, Hawkins, Delafeld & Wood, LLP and CSG Advisors have extensive experience with RAD and similar HUD conversion actions.

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PHA's Explanation of the Proposed Total Operating Cost being less than 85% of the 3 Year Historical Operating Expenses

3 Year Historical Average Comparison	2009	2010	2011	Average	Proposed
	\$903,961	\$747,970	\$689,750	\$780,560	\$300,235

The proposed operating expenses were derived by applying an inflation escalation ratio of 5% (2.8 % in 2014 and 2.2% in 2015) to the Per Unit Per Annum amount approved in HACCC's 2013 RAD application (\$7,525) for the same property. The new PUPA was applied to the 38 units in this application to arrive at the proposed conversion operating expenses. Four of the 38 units at this site are non-dwelling units proposed for conversion.

PHA's Explanation of the Capital Needs and Replacement Reserves Estimates

The proposal is to expand the initial CHAP from 38 to 76 units. The proposal is to replace all units, of which 47 units are vacant - some (27) have been vacant for over two years, with off site project based vouchers units that need no capital work.

Discussion of QAP timing

N/A

Demonstration of recent success obtaining 9% LIHTCs

N/A

Likelihood of obtaining 9% LIHTCs

N/A

I hereby certify to the following: (1) that I have the requisite authority to execute this application on behalf of the owner; (2) that HUD can rely upon this certification in evaluating the Application, (3) that I acknowledge that I have read and understand PIH Notice 2012-32 (the "Notice"), which describes the Rental Assistance Demonstration (RAD) (the "Program"), and agree to comply with all requirements of the Program or Notice; (4) that all materials submitted in association with the application are accurate, complete and not misleading; (5) that the application meets all applicable eligibility requirements for the Program set forth in the Notice; (6) that the owner approves the creation of a single-asset entity of the affected project if required by the lender to facilitate financing; (7) that, if selected for award, the owner will comply with the fair housing and civil rights requirements at 24 CFR 5.105(a) (general requirements) and will affirmatively further fair housing; (8) that there are no debarments, suspensions, or Limited Denials of Participation in Federal programs lodged against the applicant, PHA Executive Director, Board members, or affiliates; (9) that this Board Approval Form has been approved by the Board of Commissioners on the date noted below; and (10) that, if selected for an award, the PHA will comply with all provisions of HUD's Commitment to Enter into a HAP (CHAP), which shall indicate the HUD-approved terms and conditions for conversion of assistance, or will indicate to HUD within 15 days that it is refusing the terms of the CHAP and withdrawing from RAD participation.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 USC Sections 1001, 1010, 1012; 31 USC Sections 3729, 3802)

PHA Certification: By Joseph Villarreal (Executive Director)

Signature: _____

October 13, 2015
Date: _____