

HOUSING AUTHORITY of the COUNTY OF CONTRA COSTA

CALENDAR FOR THE BOARD OF COMMISSIONERS

BOARD CHAMBERS ROOM 107, COUNTY ADMINISTRATION BUILDING
651 PINE STREET
MARTINEZ, CALIFORNIA 94553-1229

JOHN GIOIA, CHAIR

CANDACE ANDERSEN, VICE CHAIR

MARY N. PIEPHO

KAREN MITCHOFF

FEDERAL D. GLOVER

FAY NATHANIEL

AQUEELA BOWIE

JOSEPH VILLARREAL, EXECUTIVE DIRECTOR, (925) 957-8000

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA, WILL BE LIMITED TO THREE (3) MINUTES.

The Board Chair may reduce the amount of time allotted per speaker at the beginning of each item or public comment period depending on the number of speakers and the business of the day.
Your patience is appreciated.

A closed session may be called at the discretion of the Board Chair.

SPECIAL MEETING ANNOTATED AGENDA and MINUTES April 14, 2015

1:00 P.M. Convene and call to order.

CONSIDER CONSENT ITEMS: (Item listed as C.1 on the following agenda) - Items are subject to removal from the Consent Calendar by request from any Commissioner or on request for discussion by a member of the public. Items removed from the Consent Calendar will be considered with the Discussion Items.

DISCUSSION ITEMS

D. 1 CONSIDER Consent Items previously removed.

There were no items removed from consent.

D. 2 PUBLIC COMMENT (3 Minutes/Speaker)

There were no requests to speak at public comment.

D.3 CONSIDER report on the proposed strategies to improve the physical condition of the Housing Authority's public housing units in response to chronic federal funding shortfalls and provide direction to staff as necessary.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Mary N. Piepho	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	ABSENT
Commissioner Fay Nathaniel	ABSENT
Commissioner Aqueela Bowie	ABSENT

ADJOURN

Director Villarreal informed the Board that Commissioner Nathaniel will be resigning shortly and that Commissioner Bowie has successfully completed the Family Sufficiency Program and will be leaving. Efforts to fill the Tenant Commissioner seats have already commenced.

Adjourned today's meeting at 2:20 p.m.

CONSENT ITEMS:

C. 1 DENY claim filed by Michael Redondo.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Mary N. Piepho	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	ABSENT
Commissioner Fay Nathaniel	ABSENT
Commissioner Aqueela Bowie	ABSENT

GENERAL INFORMATION

Persons who wish to address the Board of Commissioners should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.

All matters listed under CONSENT ITEMS are considered by the Board of Commissioners to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Commission votes on the motion to adopt.

Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board.

Comments on matters listed on the agenda or otherwise within the purview of the Board of Commissioners can be submitted to the office of the Clerk of the Board via mail: Board of Commissioners, 651 Pine Street Room 106, Martinez, CA 94553; by fax: 925-335-1913; or via the County's web page: www.co.contracosta.ca.us, by clicking "Submit Public Comment" (the last bullet point in the left column under the title "Board of Commissioners.")

The County will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 335-1900; TDD (925) 335-1915. An assistive listening device is available from the Clerk, Room 106. Copies of taped recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 335-1900, to make the necessary arrangements.

Applications for personal subscriptions to the monthly Board Agenda may be obtained by calling the Office of the Clerk of the Board, (925) 335-1900. The monthly agenda may also be viewed on the County's internet Web Page: www.co.contra-costa.ca.us

The Closed session agenda is available each month upon request from the Office of the Clerk of the Board, 651 Pine Street, Room 106, Martinez, California, and may also be viewed on the County's Web Page.

AGENDA DEADLINE: Thursday, 12 noon, 12 days before the Tuesday Board meetings.

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: April 14, 2015



Contra
Costa
County

Subject: Report on the Proposed Strategies to Improve the Physical Condition of the Housing Authority's Public Housing Units

RECOMMENDATIONS

CONSIDER report on the proposed strategies to improve the physical condition of the Housing Authority's public housing units in response to chronic federal funding shortfalls and provide direction to staff as necessary.

BACKGROUND

This item continues the Board's discussion at the February 10, 2015 meeting. The presentation has been updated to include information on HUD's disposition and Rental Assistance Demonstration options as well as selected State funding sources. Additionally, attachments have been added for each of HACCC's properties. These sheets give an overview for each property that includes location, number and type of units and current modernization needs based on HACCC's 2011 physical needs assessment.

As presented at the May 2014 Board of Commissioners meeting, HACCC has spent over \$7 million (including ARRA funds) during the past five years to rehabilitate vacant public housing units and bring them back online. This effort has paid off as occupancy rates at all properties except North Richmond have climbed from 75% - 80% in some cases, to rates that are consistently between 97% - 100%. Now that there are few vacant units due to physical conditions and occupancy rates have improved, HACCC must shift its focus to the viability and long term physical health of its properties.

Staff have been working on a long-term plan to rehabilitate and preserve as many of HACCC's 1,177 public housing units as possible. HACCC's portfolio of 13 public housing properties is aging; 132 units were developed in 1942

Action of Board On: **04/14/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Mary N. Piepho,
 Commissioner
 Karen Mitchoff,
 Commissioner

ABSENT: Federal D. Glover,
 Commissioner
 Fay Nathaniel,
 Commissioner
 Aqueela Bowie,
 Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: April 14, 2015

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

Contact: 925-957-8028

cc:

BACKGROUND (CONTD)

and 1943, 352 units in 1952, another 593 throughout the 1960s and 100 units in 1982. The outstanding physical needs of these properties reflect their age. A 2011 physical needs assessment showed that HACCC's properties had \$8 million in immediate capital needs at that time, with an average annual growth rate of \$2.5 million. To address these needs, HACCC received just \$1.7 million in capital funds from the U.S. Department of Housing and Urban Development (HUD) this year, only about half of which will be used to directly address capital needs.

CSG Advisors assisted HACCC in developing the proposed strategies. CSG is an independent financial advisor to state and local governments, public agencies, non-profit corporations, financial institutions and development firms. CSG specializes in bond financing, development negotiations and financial strategies and programs. CSG consistently ranks among the top financial advisors in the nation in terms of volume and number of transactions and has completed more than \$50 billion of financings. CSG has become a national leader in advising public housing authorities over the past fifteen years. Their work with public housing authorities has included innovative and nationally recognized approaches to strategic planning and portfolio review, public housing redevelopment and finance, affordable housing development finance, and Capital Fund borrowings. Their public housing clients have included the housing authorities of New York, San Francisco, Puerto Rico, New Orleans, Dallas, Seattle, Los Angeles, Washington, D.C., Indianapolis, Portland, Oakland and Sacramento among many others.

The purpose of CSG's work with HACCC has been to determine for each public housing property whether a financing option(s) exists that would permit HACCC to fully fund all needed capital repairs and generate enough revenue going forward to operate successfully.

The presentation today is designed to give the Board an overview of the scale of the underfunding challenge faced by HACCC and the proposed solutions to these challenges. The presentation is also designed to solicit feedback from the Board on these proposed solutions.

Attached are the presentation slides that will be used at the meeting and the property profiles.

FISCAL IMPACT

No immediate impact. However, the strategies chosen will largely dictate the use of the Housing Authority's (HACCC) capital fund for the next 15-20 years and will also ultimately impact the ownership structure and future viability of the existing public housing portfolio.

CONSEQUENCE OF NEGATIVE ACTION

None; information item only.

CLERK'S ADDENDUM

ATTACHMENTS

Long Term Planning Presentation

Alhambra Terrace

Bridgemont, Antioch

Los Nogales, Brentwood

El Pueblo, Pittsburg

Las Deltas, North Richmond

Las Deltas North Richmond

Las Deltas, North Richmond

Los Arboles, Oakley

Bayo Vista, Rodeo



**HOUSING AUTHORITY of the
COUNTY OF CONTRA COSTA**

Long Term Planning for Public Housing Portfolio

January 30, 2015 with revisions April 8, 2015

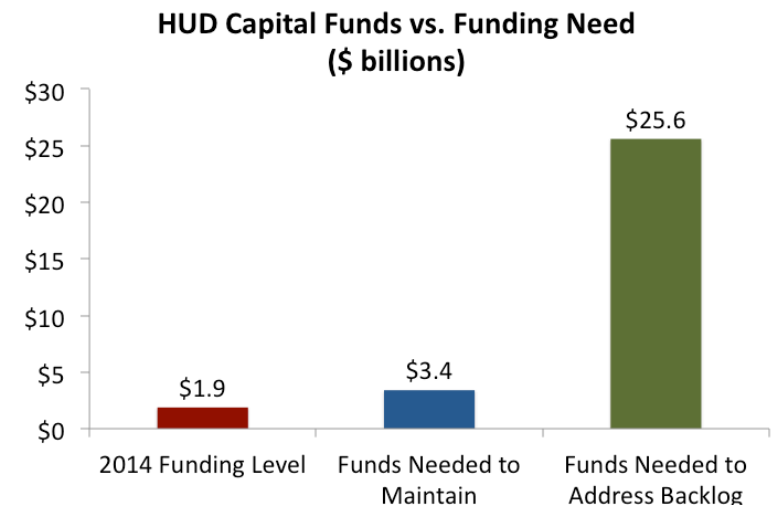
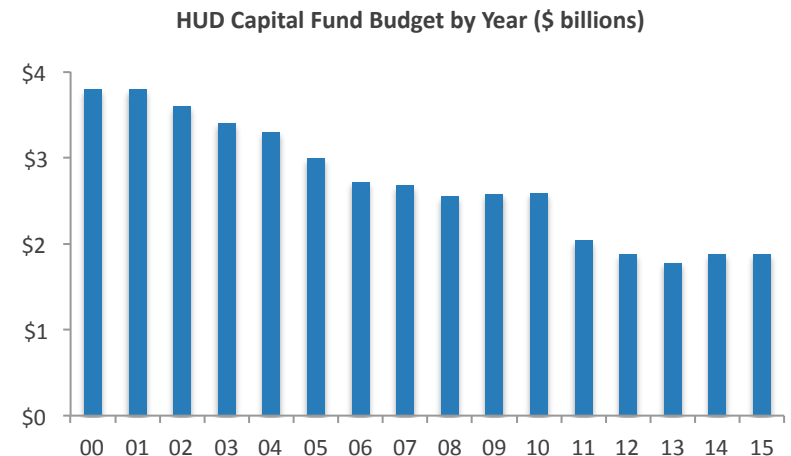
CSG | advisors

Agenda

- **Underfunding Challenge**
- Potential Solutions to Address Portfolio Needs
- Recommendations
- Next Steps

Underfunding Challenge: National View

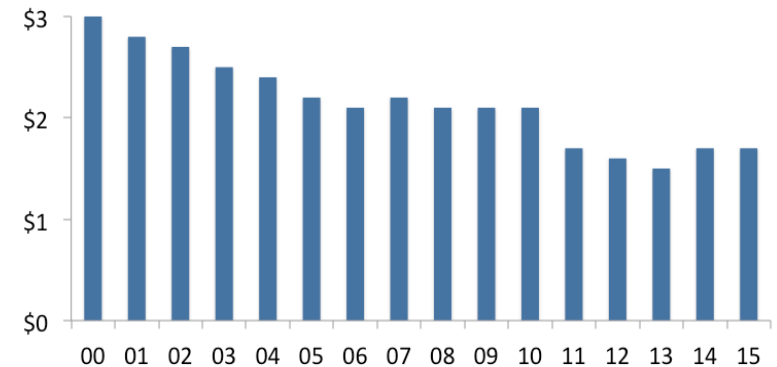
- For the past 15 years, Congress has been chronically underfunding the capital needs of public housing
 - Total HUD capital funding has dropped from approximately \$3.8 billion per year in 2000 to \$1.9 billion in 2015
- The backlog of capital needs in public housing is large and growing
 - HUD estimated a capital needs backlog of \$25.6 billion in 2010, plus \$3.4 billion of annual needs
 - Recent funding levels of less than \$2 billion per year are insufficient to maintain the portfolio or address the backlog



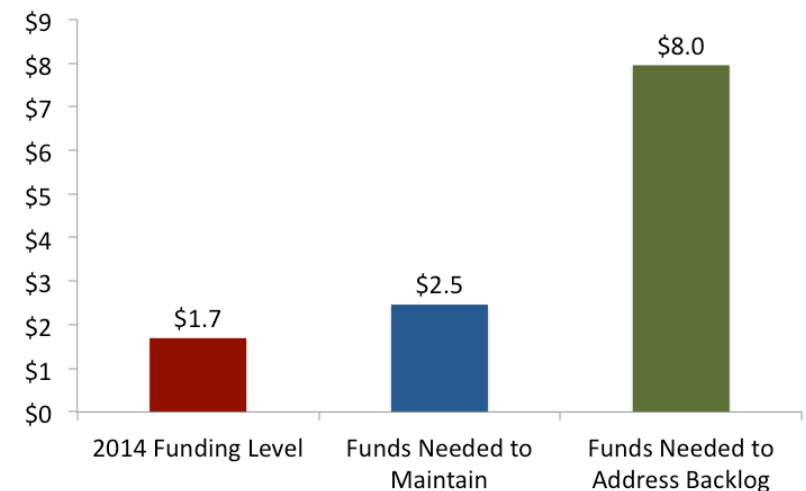
Underfunding Challenge: HACCC View

- HUD's underfunding of Contra Costa's public housing mirrors the national trend
 - 2014 Capital Fund grant was \$1.7 million, down 44% from the \$3.0 million received in 2000
- Contra Costa's public housing has large and growing capital needs
 - \$8 million of immediate capital needs estimated in 2011 (part of \$55 million total over 20 years)
 - \$2.5 million in new capital needs every year, on average
- Even the best management of capital spending can't keep pace with the needs of an aging housing stock given persistently meager federal funding

HACCC Capital Fund Grants by Year (\$millions)



HACCC Capital Funds vs. Funding Need (\$ millions)

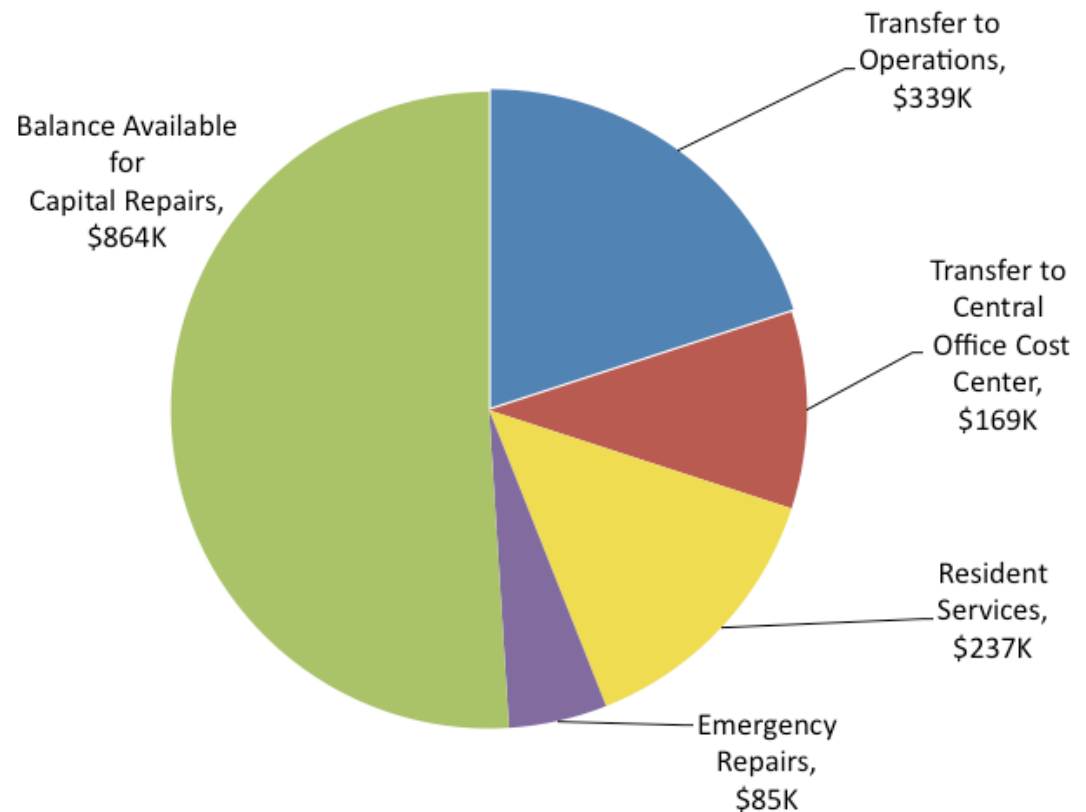


Many Demands on HACCC's Scarce Capital Funds

Of \$1.7 million in HUD Capital Funds received for 2014:

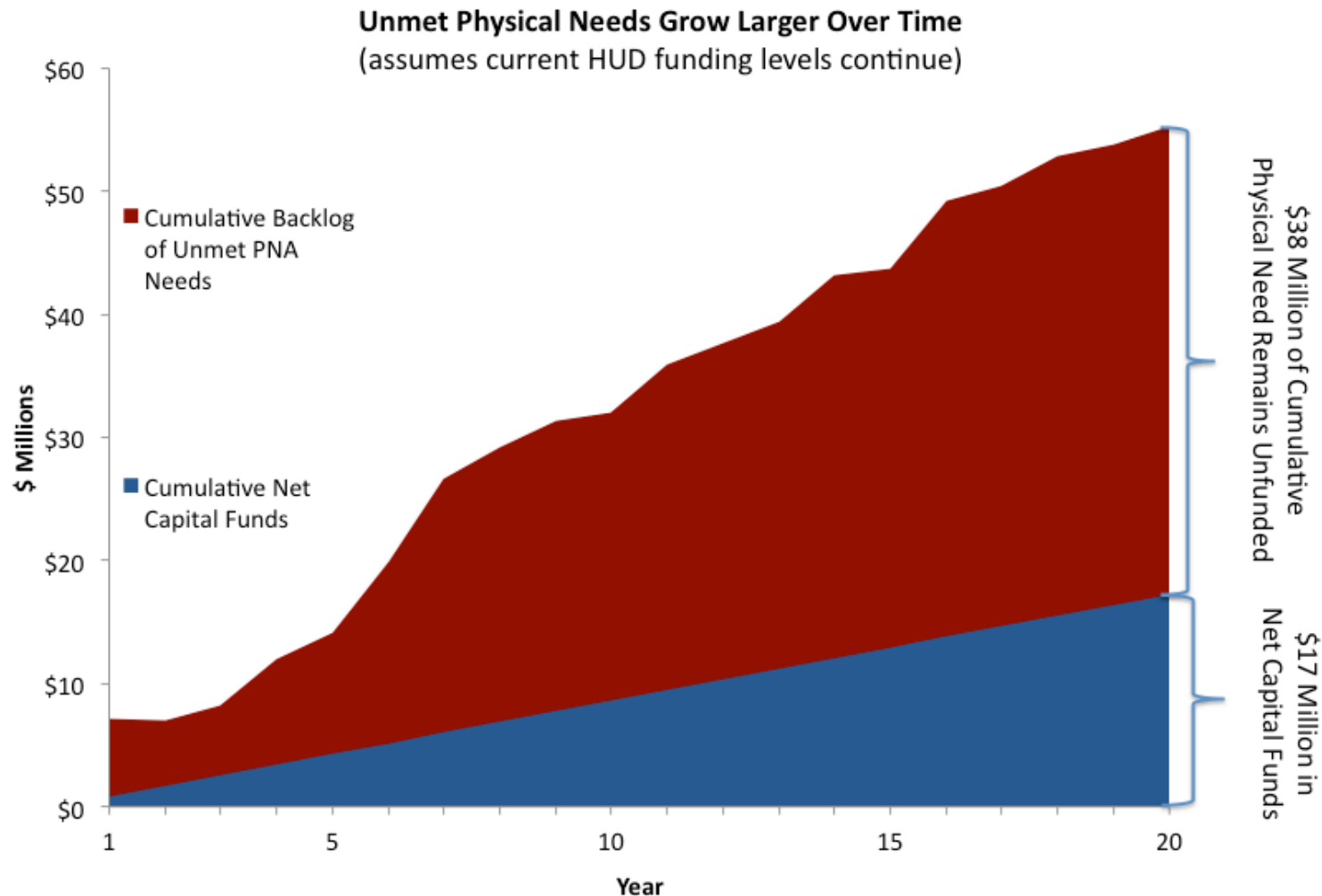
- – \$339,000 (20%) transferred to Operations
- – \$169,000 (10%) transferred to Central Office Cost Center
- – \$237,000 (15%) transferred to Resident Services
- – \$85,000 (5%) needed for emergency repairs
- – **Approximately \$864,000 available to fund \$2.5 million in average annual capital needs**

2014 Capital Funds of \$1.7 Million
Expected Transfers and Uses



Unmet Capital Needs Grow as the HACCC Portfolio Ages

\$55 million of projected capital needs for 1,177 public housing units over the next 20 years vs. \$17 million of projected net capital funds at \$864,000 per year



Agenda

- Underfunding Challenge
- **Potential Solutions to Address Portfolio Needs**
- Recommendations
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Potential Solutions to Address Portfolio Needs: What Are the Options?

Various options exist; a combination of approaches is often required

- **Continue rehab with existing funds using “triage” approach**
 - Not able to address all needs
 - Negative impacts on residents and neighborhoods
- **Dispose of non-viable properties**
 - Must meet restrictive HUD criteria
 - Potential loss of subsidized units
 - Might generate sales proceeds
 - Could help HACCC focus efforts on preserving remaining properties
- **Redevelop/rebuild properties**
 - High construction and other costs, including tenant relocation
 - Typically very large financing gaps
- **Convert operating subsidy from public housing to Section 8**
 - Potentially larger HUD subsidies
 - Could help facilitate borrowing
 - Existing tenants can usually stay
 - HUD is encouraging conversions through new Rental Assistance Demonstration “RAD” program, but it gives no additional subsidy
- **Find external funding**
 - Local governments (less likely now that redevelopment agencies are gone)
 - State programs
 - Federal low income housing tax credits

Disposition of Non-Viable Properties by Section 18

- HUD generally tries to prohibit the loss of public housing units
- For housing authorities seeking to dispose of or demolish public housing, there are strict requirements and a formal application process
 - Process is governed under Section 18 of the Housing Act of 1937
 - HUD occasionally updates the regulations, and a revision is pending
 - Specific criteria must be met
 - Obsolescence is one possibility, but it requires a specific financial threshold that is typically hard to meet
 - Local conditions adversely affecting the health and safety of residents is another possibility
 - Operating shortfalls and capital needs are generally ***not*** acceptable justifications
 - Resident consultation is required, as are relocation benefits
 - Timeline for HUD review is highly uncertain; 6+ month is not uncommon
- A major benefit of Section 18 HUD approval is that it usually triggers eligibility for new Tenant Protection Vouchers from HUD, although this is not guaranteed
- HUD wants housing authorities to use RAD rather than Section 18

HUD's Rental Assistance Demonstration Program

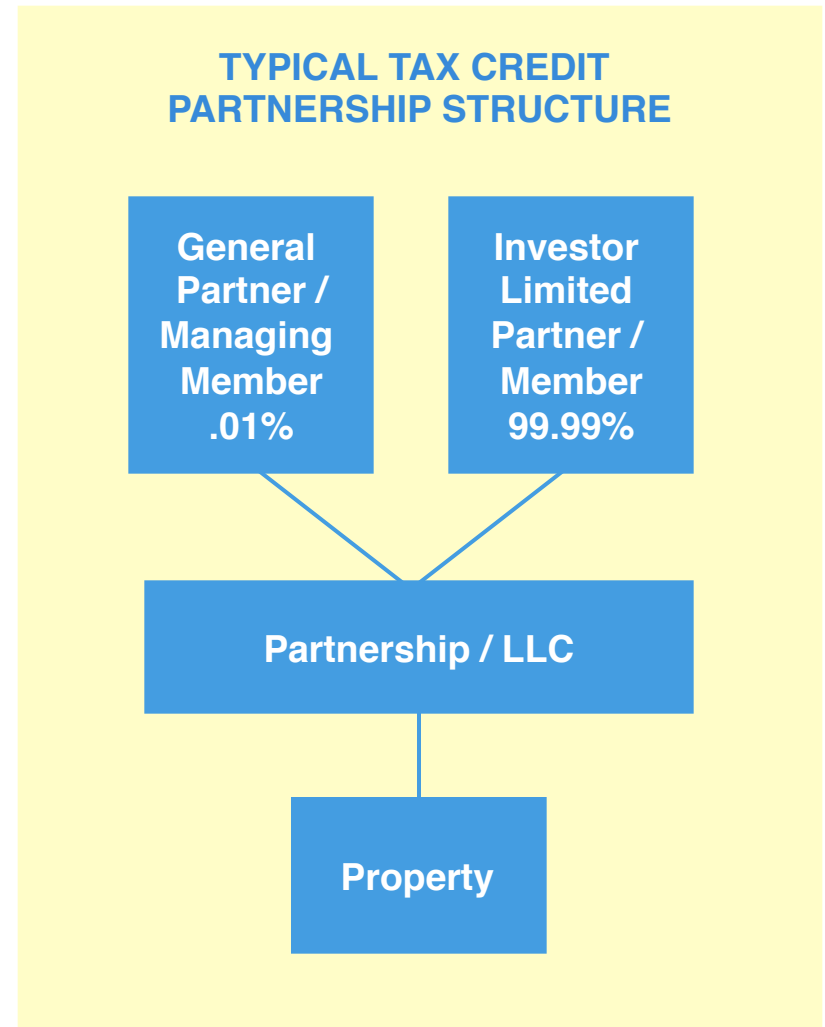
- New HUD program to help preserve public housing stock
 - Launched in 2012 with first conversions starting about a year ago
 - “Demonstration” status – refinements likely
 - HUD recently got authorization to expand from 60,000 to 185,000 units (of approximately 1.1 million total public housing units)
- Switches the federal funding platform from public housing to Section 8
 - No change in subsidy level for a project – same amount, different label
 - But future funding levels are expected to be more stable – congressional budgets have been favoring Section 8 over public housing
 - Change makes it easier to raise private financing to address repair needs
- Protections for residents
 - Residents continue to pay 30% of income towards rent and they maintain the same basic rights as they possess in the public housing program
 - If temporary relocation needed for rehab, right of return and URA benefits
 - “Choice mobility” after 1-2 years with tenants eligible for portable vouchers
- Approved application for a portion of Las Deltas / North Richmond allows Contra Costa to sell long-term vacant units and move the subsidies elsewhere rather than giving those funds back to HUD

Potential Solutions to Address Portfolio Needs: Overview of Low Income Housing Tax Credits

- Since its start in 1987, the low income housing tax credit program has been the nation's primary source of funding for affordable housing production
- Tax credits can be used to help fund new construction or rehabilitation
- Funding is provided by private investors seeking tax credits, and their funding does not need to be repaid
- Two main types of tax credits
 - “9% credits” can typically fund 60-90% of project costs, but it is very hard to win an allocation in the highly competitive process run by the state
 - “4% credits” are less valuable, typically funding just 20-50% of project costs, but unlike 9% credits it is easy to get an allocation
- Tax credit financing is complex and has relatively high transaction costs

Potential Solutions to Address Portfolio Needs: Tax Credit Structuring

- Property needs to be owned by a partnership or limited liability company rather than HACCC directly
 - HACCC, an affiliate, or a third-party developer it hires can serve as general partner
 - Investor serves as limited partner
- HACCC can retain a right to buy out the investor limited partner in approximately 15 years
- HACCC can continue owning the land and ground lease it to partnership
- Property can continue to receive HUD operating subsidies



Potential Solutions to Address Portfolio Needs: Sample Budget for Redevelopment Using Tax Credits

Approach	Affordable Housing Redevelopment		
	with 9% Tax Credits	with 4% Tax Credits	without Tax Credits
Project Budget	<i>Amount Per Unit</i>	<i>Amount Per Unit</i>	<i>Amount Per Unit</i>
Demolition & Relocation	\$10,000	\$10,000	\$10,000
Infrastructure	\$20,000	\$20,000	\$20,000
Hard Costs + Design	\$250,000	\$250,000	\$250,000
Other Costs	\$55,000	\$55,000	\$25,000
Developer Fee	\$25,000	\$25,000	\$15,000
Reserves	\$5,000	\$5,000	\$5,000
Total	\$365,000	\$365,000	\$325,000
Funding Sources	<i>Amount Per Unit</i>	<i>Amount Per Unit</i>	<i>Amount Per Unit</i>
LIHTC Equity	\$300,000	\$130,000	\$0
Supportable Debt	\$20,000	\$20,000	\$20,000
Total	\$320,000	\$150,000	\$20,000
Funding Gap	\$45,000	\$215,000	\$305,000

Selected California State Funding Sources

Key California Funding Sources	Summary	Eligible Project Types	Total Funding Available	Maximum Project Funding	Recent Funding Apps. Due
Affordable Housing and Sustainable Communities Program (Cap and Trade)	Program invests in projects that reduce GHG emissions by supporting more compact, infill development patterns, encouraging active transportation and transit usage, and protecting agricultural land from sprawl development.	a) either new construction, acqu/rehab or conversion of nonresidential structure, b) located within 1/2 mile from transit stop, c) include at least 20 percent of total residential units; d) have minimum net density	\$120M	\$500K- \$15M	15-Apr-15
Veterans Housing and Homelessness Prevention Program (Cal- Vet)	Funds will be provided in collaboration with California Housing Finance Agency and California Department of Veterans Affairs as post-construction permanent loans. All funds shall be used for Development Costs.	Affordable rental housing development or transitional housing with deeply affordable units at 30% of AMI and 45% of AMI and below.	\$75M	\$10M	20-Apr-15
Multi-family Housing Program, Supportive Housing Component	Provides funding for the development of rental housing containing permanent supportive housing units under the Multifamily Housing Program.	a) 40% of the units for homeless residents; b) projects must show programs that provide series for supportive housing residents; and c) project must focus on measureable outcomes.	\$47.5M	\$7M	23-Dec-14
Infill Infrastructure Grant Program	Program's primary objective is to promote infill housing development. The program provides financial assistance for infrastructure improvements necessary to facilitate new infill housing development.	a) located in a urbanized area and locality; b) include at least 15% of total residential units; and c) at least 75 % of the area within the qualifying infill project or infill area.	\$40M	\$500K- \$4M	10-Dec-14

Agenda

- Underfunding Challenge
- Potential Solutions to Address Portfolio Needs
- **Recommendations**
- Next Steps

Recommendations:

Summary of Proposed Approaches by Property

Rehabilitation. HACCC would comprehensively rehabilitate the existing properties over the next 10-15 years, financing the work with 4% tax credits, supportable debt, and other sources as necessary

Alhambra Terrace (*Martinez*)
Bridgemont (*Antioch*)
Casa de Mañana (*Oakley*)
Casa de Serena (*Bay Point*)
Elder Winds (*Antioch*)
Hacienda (*Martinez*)

Kidd Manor (*San Pablo*)
Los Arboles (*Oakley*)
Los Nogales (*Brentwood*)
Vista del Camino (*San Pablo*)
El Pueblo (*Pittsburg*)
(if can't win 9% credit awards)

Redevelopment. HACCC would demolish the existing buildings and rebuild new affordable units on the original property, financing the work with 9% tax credits and other sources

El Pueblo (*Pittsburg*), potentially *(to extent it can win 9% credit awards)*
Portions of Las Deltas (*North Richmond*), potentially *(depending on developer interest and financial feasibility)*

Disposition with Offsite Replacement or Relocation without Replacement. HACCC would seek HUD approval to dispose of these properties and would relocate the existing residents by acquiring off-site replacement units or by using Section 8 vouchers

Portions of Las Deltas (*North Richmond*)
Bayo Vista (*Rodeo*)

Recommendations:

Prioritize Rehab Based on Financing Potential and Need

- **Phase 1 - Initial Portfolio.** Plan an initial 4% tax credit transaction for rehab of Casa de Mañana, Elder Winds, Hacienda and Kidd Manor
 - These properties have the best potential to raise external financing and may not require significant HACCC funds up front
 - Combining multiple properties into a single financing could provide economies of scale to limit transaction costs
 - Transaction could generate developer fees to HACCC to help pay for staff and potentially allow reinvestment in future phases
- **Phase 2 – Years 5-9.** Rehab Bridgemont, Casa de Serena, El Pueblo (to the extent it can't be redeveloped using 9% credits), and Los Nogales as a second phase after the first phase is completed
 - These properties are considered high priority for capital improvements
 - Waiting until first phase is complete could allow HACCC to reinvest proceeds from the initial phase, boosting financial feasibility
- **Phase 3 – Years 10-13.** Begin rehab for Alhambra Terrace, Los Arboles, and Vista del Camino as additional funding becomes available
 - These properties have less urgent capital needs than phases 1 and 2

Recommendations:

Potential Schedule of Rehabilitation Properties

Begin in Year	Sites	Cost	Funding Gap	Net Gap / (Surplus)
1	Casa de Mañana (Oakley) Elder Winds (Antioch) Hacienda (Martinez) Kidd Manor (San Pablo)	\$18.2 Million, including \$9.5M acquisition	\$800 K	(\$1.1 M)
5	El Pueblo (Pittsburg)	\$25.1 Million, including \$8.2M acquisition	\$4.6 M	\$2.3 M
7	Los Nogales (Brentwood)	\$5.6 Million, including \$2.1M acquisition	\$800 K	\$300 K
9	Bridgemont (Antioch) Casa de Serena (Bay Point)	\$10.8 Million, including \$4.5M acquisition	\$1.4 M	\$300 K
10	Alhambra Terrace (Martinez) Los Arboles (Oakley)	\$9.3 Million, including \$4.3M acquisition	\$2.0 M	\$1.0 M
13	Vista del Camino (San Pablo)	\$15.6 Million, including \$5.9M acquisition	\$3.3 M	\$1.8 M

Recommendations:

El Pueblo (*Pittsburg, 171 units*)

- Good candidate for redevelopment
 - Existing buildings are over 60 years old and have high projected 20-year capital needs of \$8.8 million (over \$50,000 per unit)
 - Strong neighborhood characteristics mean good potential for developer interest and external funding
 - Low density of existing property may provide opportunity to rebuild with additional units and serve a wider range of income levels
- Financial feasibility of redevelopment hinges on availability of 9% tax credits
 - Would require 2-3 allocations, stretching over multiple years
 - Highly competitive statewide allocation process, and the state can change its rules and funding priorities from year to year
 - Without 9% tax credits, funding gap for redevelopment would be too large and HACCC would need to revert to a rehabilitation strategy
- Recommendation:
 - Seek input from multiple developers to refine plan
 - Anticipate a long-term process with multiple phases
 - Identify an initial phase and competitively select a developer
 - Retain flexibility to adjust future phases depending on funding availability and other factors

Recommendations:

Las Deltas (*North Richmond, 211 units*)

- Better candidate for disposition or redevelopment than rehabilitation
 - Existing buildings are at least 55 years old and have high projected 20-year capital needs of \$10.3 million (nearly \$50,000 per unit)
 - Chronic vacancy and turnover issues
- 90 of the 211 units already have contingent HUD approval for Section 8 project-based voucher conversion under Rental Assistance Demonstration
 - Represents a major success in addressing long-term vacant units while preserving access to HUD subsidies
 - HACCC is exploring ways to replace units on-site or off-site
- HACCC expects to refine approaches over next year
 - Input from potential developers is critical
 - Financial feasibility of development options is a key question
 - Disposition proceeds could potentially provide funding for replacement of some existing units
 - Need to be wary of spending disproportionate share of HACCC resources

Recommendations:

Bayo Vista (*Rodeo, 244 units*)

- Advancing age of the property and location next to refinery raise questions of whether the property is suitable for continued residential use
 - 52-year old property with projected 20-year capital needs of \$15.4 million (over \$60,000 per unit)
 - Immediately adjacent to oil refinery
 - Preliminary draft of NEPA study suggests proximity hazards for at least a portion of the property
- HUD may support disposition given environmental considerations
- If HUD would approve a disposition, it would also likely provide new Section 8 Tenant Protection Vouchers to facilitate relocation of existing residents to more suitable residential developments
 - Would represent an increase of HUD subsidy given that tenant protection vouchers would be based on HUD Fair Market Rents rather than existing subsidy level (unlike RAD vouchers)
- Recommendation:
 - Initiate discussions with HUD on potential for disposition approval and tenant protection vouchers

Recommendations: Concerns and Risks Related to Proposed Approaches

- HUD Requirements and Resident Concerns
 - Any approach must meet HUD requirements and be responsive to the needs of existing residents
- Use of Section 8 Project-Basing Capacity
 - HACCC would need to use its limited project-basing capacity on up to 500 Section 8 vouchers to make the proposed approaches financially feasible (HACCC's currently remaining project-basing capacity is approximately 884 units)
- Potential Net Loss of Affordable Units
 - Dispositions without replacement or conversions to Section 8 using HACCC's existing vouchers could result in fewer total affordable housing units available
- Development and Financing Risks
 - Whether HACCC serves as its own developer or hires a third-party developer to implement approaches, there are significant risks associated with real estate development and financing, especially with external lenders and tax credit investors involved
- Time and resource constraints
 - Rehabilitation and redevelopment activities take a long time and require significant staff time and agency resources

Agenda

- Underfunding Challenge
- Potential Solutions to Address Portfolio Needs
- Recommendations
- **Next Steps**

Next Steps

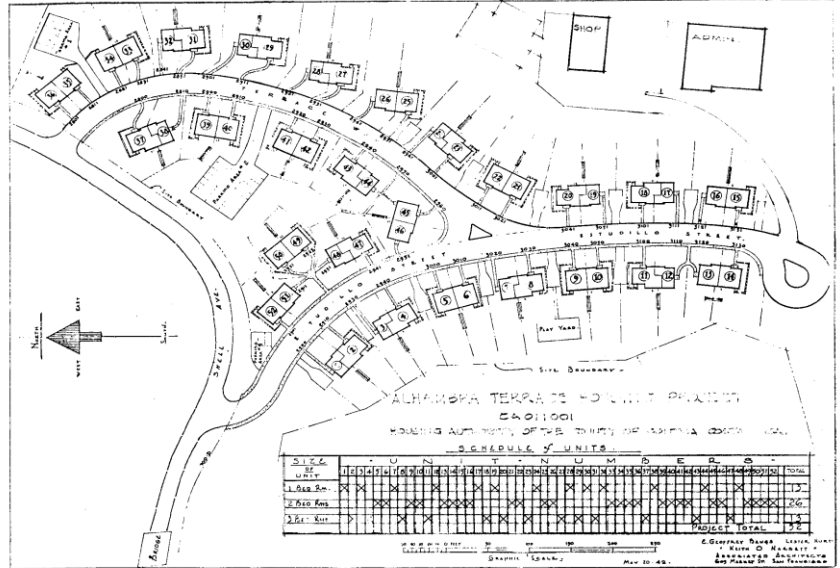
- Refine approach based on input from Board
- Discuss Bayo Vista with HUD to assess likelihood of disposition approval and tenant protection vouchers
- Discuss El Pueblo and Las Deltas with developers to explore options and feasibility
- Consult with other stakeholders, including residents, local agencies, and HUD
- Prepare detailed feasibility analyses and schedules for initial phase(s)
 - Get appraisals and capital needs assessments of initial rehabilitation properties (Casa de Mañana, Elder Winds, Hacienda, and Kidd Manor)
 - Identify all potential external funding sources
 - Determine HACCC resource availability, including funding and staffing
- Present specific transactions to Board for consideration
- Competitively procure any needed assistance for each project, including architects and engineers, legal and financial advisors, developers, tax credit investors, etc.

CA011001 Alhambra Terrace Martinez - Family Development



Built 1942

One Bedroom Units	14	Handicapped Units	3
Two Bedroom Units	24	Units NOT on Demand Rent Schedule	2
Three Bedroom Units	12	TOTAL Amount of Units for Leasing	50



Status

Based on the Replacement Reserves Report of the 2011 Physical Needs Assessment, this property will require \$1,532,588 in repairs and replacements over the next 20 years. As of 2015, the immediate physical needs are valued at \$386,275.

Planned Action

HACCC plans to comprehensively rehabilitate the existing property over the next 10-15 years. The current plan calls for financing the work with 4% tax credits, supportable debt, and other sources as necessary.

Non Dwelling Buildings

Name	Size	Bldg Type
Community Building	1,310 sq. ft.	V - N

HACCC SITE INFORMATION

03/31/15

Alhambra Terrace

CA011001

3133 Estudillo St. Martinez, CA 94553

APN

376-010-010

Site Area

19.65 Acres

Zoning

R - 3.5

Bldgs w/apt.

25

Bldgs for other uses

1

14 One Bedroom Units at 544 SF

7,616 SF

24 Two Bedroom Units at 684 SF

16,416 SF

12 Three Bedroom Units at 891 SF

10,692 SF

50 Units Available

34,724 SF

Walkways

3,120 SF

Parking and Driveways

7,200 SF

Rear Patios

20,300 SF

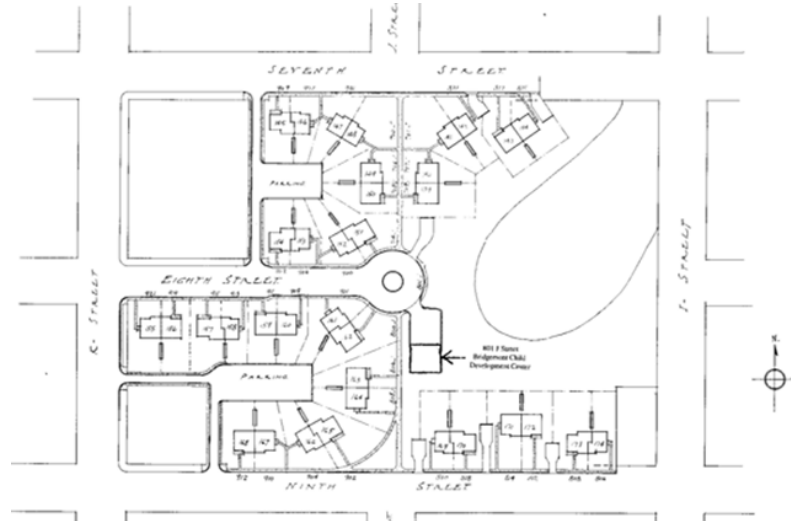
EIOP

09/30/1942

Alhambra Terrace - Dwelling Unit Characteristics

CA011001	Structural composition	Conventional wood framing ; concrete slab foundation; concrete raised foundation
	Roofing	Composition shingle roofing
	Exterior siding	Stucco; brick veneer; wood trim
	Interior finishes	Textured/painted drywall; VCT; sheet vinyl.
	Utilities	Natural gas wall heaters, water heaters, stoves, dryer connections; electrical lighting, refrigerator, outlets
	Windows	Dual glazed aluminum frames
	Other amenities	Rear yard fencing, patios, and storage sheds

CA011003 Bridgemont Antioch - Family Development



Built 1942

One Bedroom Units	12	Handicapped Units	2
Two Bedroom Units	16	Units NOT on Demand Rent Schedule	0
Three Bedroom Units	8	TOTAL Amount of Units for Leasing	36

Status

Based on the Replacement Reserves Report of the 2011 Physical Needs Assessment, this property will require \$1,538,850 in repairs and replacements over the next 20 years. As of 2015, the immediate physical needs are valued at \$325,154.

Planned Action

HACCC plans to comprehensively rehabilitate the existing property over the next 10-15 years. The current plan calls for financing the work with 4% tax credits, supportable debt, and other sources as necessary.

Non Dwelling Buildings

Name	Size	Bldg Type
Section 8 Administration Office	935 sq. ft.	V - N
Section 8 Administration Annex	1,411 sq. ft.	V - N

HACCC SITE INFORMATION

03/31/15

Bridgemont
801 J St. Antioch, CA 94509

CA011003

APN

066-212-014-6

Site Area

3.79 Acres

Zoning

N/A

Buildings with apartments

17

Buildings with other uses

2

36 Units Originally

4 One Bedroom Units at 564 SF	2,256 SF
8 One Bedroom Units at 544 SF	4,352 SF
16 Two Bedroom Units at 684 SF	10,944 SF
8 Three Bedroom Units at 890 SF	7,120 SF

Walkways 11,200 SF

Parking and Driveways 23,500 SF

Rear Patios 18,800 SF

EIOP 09/30/1942

Bridgemont – Dwelling Unit Characteristics

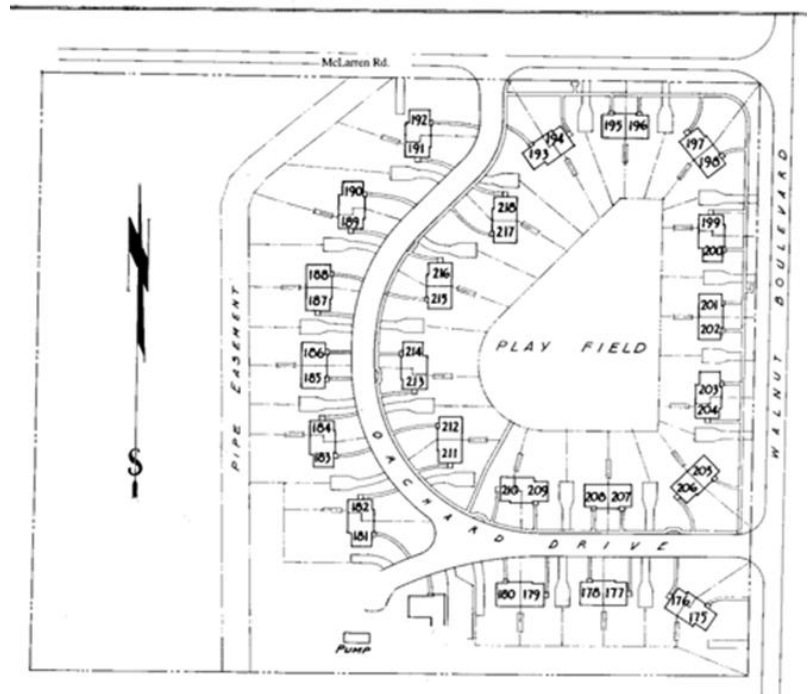
CA011003	Structural composition	Conventional wood framing; concrete slab foundation; concrete raised foundation
	Roofing	Composition shingle roofing
	Exterior siding	Stucco; wood trim
	Interior finishes	Textured/painted drywall; VCT; sheet vinyl.
	Utilities	Natural gas wall heaters, water heaters, stoves, dryer connections; electrical lighting, refrigerator, outlets
	Windows	Dual glazed aluminum frames
	Other amenities	Rear yard fencing, patios, and storage sheds

CA011004 Los Nogales Brentwood - Family Development



Built 1942

One Bedroom Units	10	Handicapped Units	6
Two Bedroom Units	24	Units NOT on Demand Rent Schedule	0
Three Bedroom Units	10	TOTAL Amount of Units for Leasing	44



Status

Based on the Replacement Reserves Report of the 2011 Physical Needs Assessment, this property will require \$1,872,687 in repairs and replacements over the next 20 years. As of 2015, the immediate physical needs are valued at \$431,382.

Planned Action

HACCC plans to comprehensively rehabilitate the existing property over the next 10-15 years. The current plan calls for financing the work with 4% tax credits, supportable debt, and other sources as necessary.

HACCC SITE INFORMATION

03/31/15

Los Nogales CA011004
Walnut Blvd. & McClarren Rd. Brentwood, CA 94513

APN 012-142-017-0

Site Area 7.3 Acres

Zoning N/A

Buildings with apartments 22
Buildings with other uses 4

44 Units Originally

10 One Bedroom Units at 544 SF 5,440 SF
24 Two Bedroom Units at 697 SF 16,728 SF
10 Three Bedroom Units at 880 SF 8,800 SF

Walkways 6,120 SF

Parking and Driveways 26,400 SF

EIOP 12/31/1942

Non Dwelling Buildings

Name	Size	Bldg Type
A Place of Learning	1,178 sq. ft.	V - N
Head Start Building A	960 sq. ft.	Modular
Head Start Building B	1,365 sq. ft.	Modular
Head Start Building C	1,365 sq. ft.	Modular

Los Nogales – Dwelling Unit Characteristics

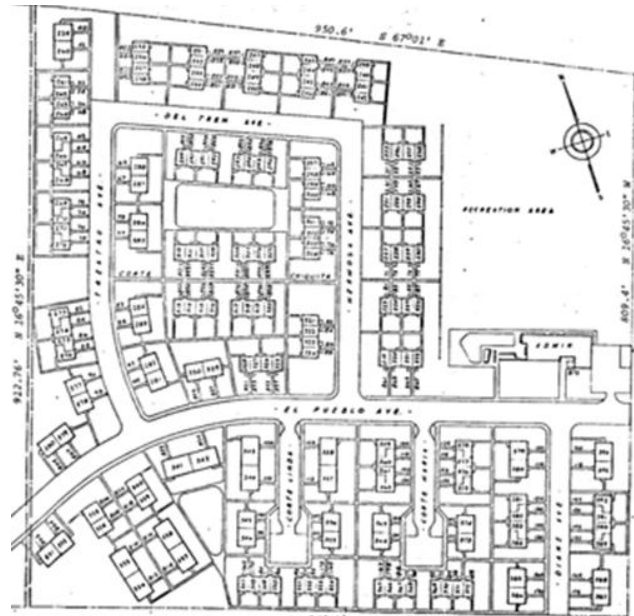
CA011004	Structural composition	Conventional wood framing ; concrete slab foundation; concrete raised foundation
	Roofing	Composition shingle roofing
	Exterior siding	Stucco; wood trim
	Interior finishes	Textured/painted drywall; VCT; sheet vinyl.
	Utilities	Natural gas wall heaters, water heaters, stoves, dryer connections; electrical lighting, refrigerator, outlets
	Windows	Dual glazed aluminum frames
	Other amenities	Rear yard fencing, patios, and storage sheds

CA011005 El Pueblo Pittsburg - Family Development



Built 1952

One Bedroom Units	28	Handicapped Units	8
Two Bedroom Units	89	Units NOT on Demand Rent Schedule	5
Three Bedroom Units	49		
Four Bedroom Units	10	TOTAL Amount of Units for Leasing	171



Status

Based on the Replacement Reserves Report of the 2011 Physical Needs Assessment, this property will require \$8,781,073 in repairs and replacements over the next 20 years. As of 2015, the immediate physical needs are valued at \$3,885,733.

Planned Action

HACCC plans to demolish the existing buildings and rebuild new affordable units on the original property. the current plan calls for financing the work with 9% tax credits and other sources, depending on developer interest and financial feasibility.

Non Dwelling Buildings

Name	Size	Bldg Type
Administration Office & Maint.	3,642 sq. ft.	V - N
Maintenance Storage	3,058 sq. ft.	
Community Building	1,080 sq. ft.	V - N

HACCC SITE INFORMATION

03/31/15

El Pueblo
875 El Pueblo Ave. Pittsburg, CA 94565

CA011005

APN

073-150-003-9

Site Area

16.38 Acres

Zoning

N/A

Buildings with apartments

56

Buildings with other uses

3

28 One Bedroom Units at 550 SF

15,400 SF

38 Two Bedroom Units at 772 SF

29,336 SF

51 Two Bedroom Units at 746 SF

38,046 SF

49 Three Bedroom Units at 850 SF

41,650 SF

10 Four Bedroom Units at 1,152 SF

11,520 SF

176 Originally built units

135,952 SF

Walkways

32,629 SF

Parking and Driveways

24,222 SF

Rear Patios

47,900 SF

EIOP

12/31/1952

El Pueblo – Dwelling Unit Characteristics

CA011005	Structural composition	Conventional wood framing ; concrete slab foundation
	Roofing	Standing seam metal roofing; built-up roofing
	Exterior siding	Stucco; wood shingles; wood trim
	Interior finishes	Textured/painted drywall; VCT; sheet vinyl.
	Utilities	Natural gas wall heaters, water heaters, stoves, dryer connections; electrical lighting, refrigerator, outlets
	Windows	Single glazed aluminum frames
	Other amenities	Rear yard fencing, patios, and storage sheds

CA011006 Las Deltas North Richmond - Family Development



Built 1952

One Bedroom Units	13	Handicapped Units	5
Two Bedroom Units	42	Units NOT on Demand Rent Schedule	5
Three Bedroom Units	13		
Four Bedroom Units	8	TOTAL Amount of Units for Leasing	71

Status

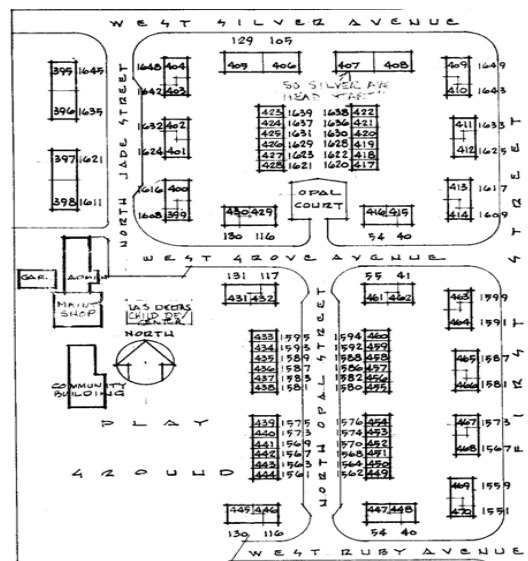
Based on the Replacement Reserves Report of the 2011 Physical Needs Assessment, this property will require \$3,716,640 in repairs and replacements over the next 20 years. As of 2015, the immediate physical needs are valued at \$1,385,203.

Planned Action

HACCC plans to demolish the existing buildings and rebuild new affordable units on portions of the original property. The current plan calls for financing the work with 9% tax credits and other sources, depending on developer interest and financial feasibility.

Non Dwelling Buildings

Name	Size	Bldg Type
Administration Office & Maint.	3,735 sq. ft.	V - N
Maintenance Storage	1,025 sq. ft.	
Project Pride	3,182 sq. ft.	V - N
Head Start	3,950 sq. ft.	V - N
Y.E.A.C.	2,160 sq. ft.	V - N



HACCC SITE INFORMATION

03/31/15

Las Deltas
1601 N Jade St. Richmond, CA 94801

CA011006

APN 409-210-022-3
409-210-023-1
409-210-024-9

Site Area 7.273 Acres

Zoning N/A
Buildings with apartments 26
Buildings with other uses 5

16 One Bedroom Units at 571 SF 9,136 SF
36 Two Bedroom Units at 774 SF 27,864 SF
16 Three Bedroom Units at 860 SF 13,760 SF
8 Four Bedroom Units at 1,080 SF 8,640 SF

76 Originally built units 59,400 SF

Walkways 51,700 SF

Parking and Driveways 69,300 SF
Rear Patios 26,600 SF

EIOP 12/31/1952

Las Deltas - Dwelling Unit Characteristics

CA011006	Structural composition	Conventional wood framing; concrete slab foundation
	Roofing	Standing seam metal roofing
	Exterior siding	Stucco; brick veneer; wood trim
	Interior finishes	Textured/painted drywall; VCT; sheet vinyl.
	Utilities	Natural gas wall heaters, water heaters, stoves, electrical lighting, refrigerator, outlets
	Windows	Single glazed aluminum frames
	Other amenities	Rear yard fencing, patios, and storage sheds

CA011009A Las Deltas N. Richmond - Family Development



Built 1961

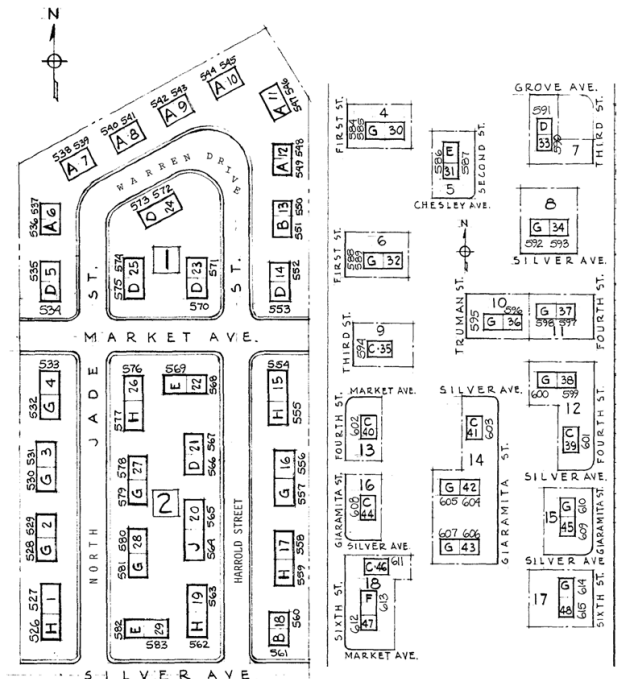
One Bedroom Units	18	Handicapped Units	8
Two Bedroom Units	18		
Three Bedroom Units	36		
Four Bedroom Units	12	TOTAL Amount of Units for Leasing	84

Status

Based on the Replacement Reserves Report of the 2011 Physical Needs Assessment, this property will require \$3,635,440 in repairs and replacements over the next 20 years. As of 2015, the immediate physical needs are valued at \$1,607,956.

Planned Action

HACCC plans to demolish the existing buildings and rebuild new affordable units on a portion of the original property. The current plan calls for financing the work with 9% tax credits and other sources, depending on developer interest and financial feasibility.



HACCC SITE INFORMATION

03/31/15

Las Deltas
1601 N Jade St. Richmond, CA 94801

CA011009A

APN 409-052-003-4 409-070-002-4 409-142-005-1
409-151-005-9 409-151-011-7 409-152-007-4
409-161-001-6 409-162-006-4 409-191-009-3
409-191-013-5 409-200-016-7 409-210-002-5
409-210-011-6 409-210-020-7 409-210-021-5
409-210-025-6 409-251-007-4 409-291-009-2
409-052-009-1

Site Area	Varies per parcel
Zoning	N/A
Buildings with apartments	48
18 One Bedroom Units at 578 SF	10,404 SF
18 Two Bedroom Units at 770 SF	13,860 SF
36 Three Bedroom Units at 935 SF	33,660 SF
12 Four Bedroom Units at 1,155 SF	13,860 SF
84 Current Units Total	71,784 SF
Walkways	12,040 SF
Parking and Driveways	52,460 SF
EIOP	12/31/1960

Las Deltas – Dwelling Unit Characteristics

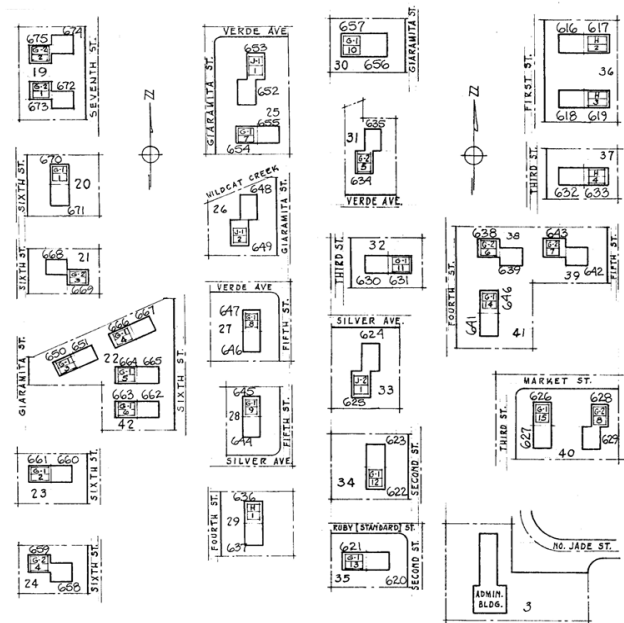
CA011009A	Structural composition	Conventional wood framing; concrete slab foundation
	Roofing	Built-up roofing
	Exterior siding	Stucco; wood trim
	Interior finishes	Textured/painted drywall; VCT; sheet vinyl.
	Utilities	Natural gas wall heaters, water heaters, stoves, dryer connections; electrical lighting, refrigerator, outlets
	Windows	Single glazed aluminum frames
	Other amenities	Rear yard fencing, patios, and storage sheds

CA011009B Las Deltas N. Richmond - Family Development



Built 1961

One Bedroom Units	0	Handicapped Units	0
Two Bedroom Units	0		
Three Bedroom Units	46		
Four Bedroom Units	10	TOTAL Amount of Units for Leasing	56



Status

Based on the Replacement Reserves Report of the 2011 Physical Needs Assessment, this property will require \$2,913,843 in repairs and replacements over the next 20 years. As of 2015, the immediate physical needs are valued at \$1,268,876.

Planned Action

HACCC plans to demolish the existing buildings and rebuild new affordable units in another location. The current plan calls for financing the work with 9% tax credits and other sources, depending on developer interest and financial feasibility.

HACCC SITE INFORMATION

03/31/15

Las Deltas
1601 N Jade St. Richmond, CA 94801

CA011009B

APN 409-052-001-8 409-060-009-1 409-060-018-2
409-080-015-4 409-100-004-4 409-110-007-5
409-120-005-7 409-131-003-9 409-141-006-0
409-161-008-1 409-171-015-4 409-191-001-0
409-191-012-7 409-182-002-9 409-252-003-2
409-261-002-3 409-272-001-2 409-281-001-1
409-282-005-1 409-282-009-3 409-292-001-8
409-160-016-7

Site Area	Varies per parcel
Zoning	N/A
No One Bedroom Units	
No Two Bedroom Units	
46 Three Bedroom Units at 935 SF	43,010 SF
10 Four Bedroom Units at 1,155 SF	11,550 SF
56 Current Units Total	54,560 SF
Walkways	8,400 SF
Parking and Driveways	36,600 SF
Rear Walks	9,400 SF
EIOP	12/31/1961

Las Deltas – Dwelling Unit Characteristics

CA011009B	Structural composition	Conventional wood framing; concrete slab foundation
	Roofing	Built-up roofing
	Exterior siding	Stucco; wood trim
	Interior finishes	Textured/painted drywall; VCT; sheet vinyl.
	Utilities	Natural gas wall heaters, water htrs., stoves, dryer connections; electrical lighting, refrigerator, outlets
	Windows	Single glazed aluminum frames
	Other amenities	Rear yard fencing, patios, and storage sheds

CA011008 Los Arboles Oakley - Family Development



Built 1961

One Bedroom Units	0	Handicapped Units	2
Two Bedroom Units	14	Units NOT on Demand Rent Schedule	0
Three Bedroom Units	12		
Four Bedroom Units	4	TOTAL Amount of Units for Leasing	30

Status

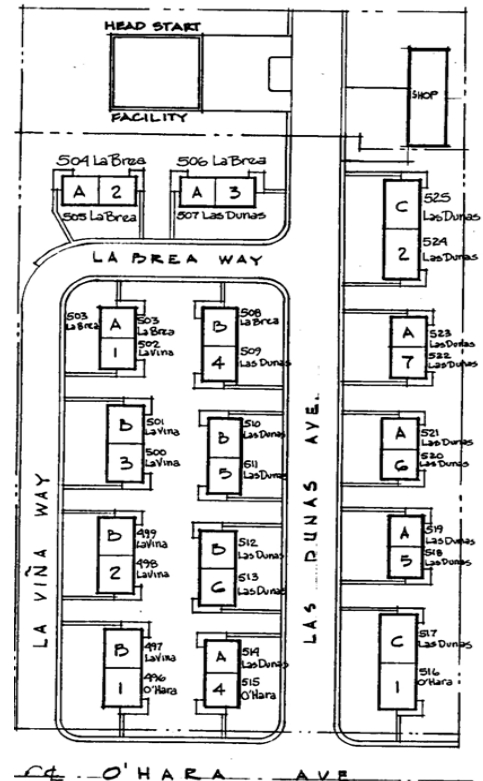
Based on the Replacement Reserves Report of the 2011 Physical Needs Assessment, this property will require \$874,427 in repairs and replacements over the next 20 years. As of 2015, the immediate physical needs are valued at \$375,529.

Planned Action

HACCC plans to comprehensively rehabilitate the existing property over the next 10-15 years. The current plan calls for financing the work with 4%

Non Dwelling Buildings

Name	Size	Bldg Type
Head Start	3,635 sq. ft.	V - N
Maintenance	2,525 sq. ft.	V - N



HACCC SITE INFORMATION

03/31/15

Los Arboles

CA011008

240 Las Dunas Ave. Oakley, CA 94561

APN

035-300-016-9

Site Area

2.75 Acres

Zoning

N/A

Buildings with apartments

15

Buildings with other uses

2

No One Bedroom Units

14 Two Bedroom Units at 770 SF

10,780 SF

12 Three Bedroom Units at 935 SF

11,220 SF

4 Four Bedroom Units at 1,155 SF

4,620 SF

30 Originally built units

26,6200 SF

Walkways

13,200 SF

Parking and Driveways

9,700 SF

Rear Patios

9,800 SF

EIOP

06/30/1961

Los Arboles – Dwelling Unit Characteristics

CA011008	Structural composition	Conventional wood framing ; concrete slab foundation
	Roofing	Composition shingle roofing
	Exterior siding	Stucco; wood trim
	Interior finishes	Textured/painted drywall; VCT; sheet vinyl.
	Utilities	Natural gas wall heaters, water heaters, stoves, dryer connections; electrical lighting, refrigerator, outlets
	Windows	Dual glazed aluminum frames
	Other amenities	Rear yard fencing, patios, and storage sheds

CA011010 Bayo Vista Rodeo - Family Development



Built 1963

One Bedroom Units	30	Handicapped Units	8
Two Bedroom Units	63	Units NOT on Demand Rent Schedule	2
Three Bedroom Units	115		
Four Bedroom Units	30		
Five Bedroom Units	6	TOTAL Amount of Units for Leasing	244

Status

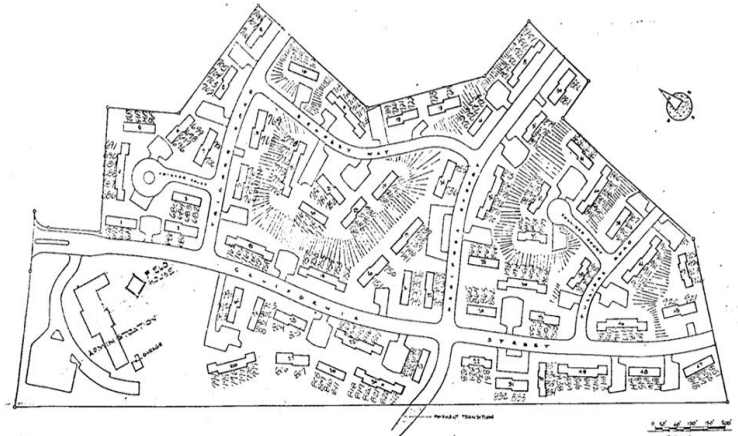
Based on the Replacement Reserves Report of the 2011 Physical Needs Assessment, this property will require \$15,353,514 in repairs and replacements over the next 20 years. As of 2015, the immediate physical needs are valued at \$5,633,281.

Planned Action

HACCC plans to seek HUD approval to dispose of this property. The current plan calls for the relocation of existing residents by acquiring off-site replacement units or by using Section 8 vouchers.

Non Dwelling Buildings

Name	Size	Bldg Type
Administration Office Maintenance & Head Start	11,181 sq. ft.	V - N
YMCA	756 sq. ft.	V - N
Maintenance Storage	758 sq. ft.	V - N



HACCC SITE INFORMATION

08/04/09

Bayo Vista
2 California St. Rodeo, CA 94572

CA011010

APN 357-352-001-6 357-353-001-5 357-361-001-5
357-362-001-4 357-363-001-3 357-340-001-1
357-351-001-7

Site Area 32.5 Acres

Zoning
N/A

Buildings with apartments 61
Buildings with other uses 3

30 One Bedroom Units at 576 SF 17,280 SF
63 Two Bedroom Units at 868 SF 54,684 SF
115 Three Bedroom Units at 1,084 SF 124,660 SF
30 Four Bedroom Units at 1,176 SF 35,280 SF
6 Five Bedroom Units at 1,736 SF 10,416 SF

244 Originally built units 242,320 SF

Walkways 3,500 SF
Parking and Driveways 139,700 SF
Rear Patios 35,900 SF

EIOP 09/30/1963

Bayo Vista – Dwelling Unit Characteristics

CA011010	Structural composition	Conventional wood framing; reinforced CMU/wood framing; concrete slab foundations
	Roofing	Built-up roofing
	Exterior siding	Stucco; T-111 plywood; CMU; painted wood trim
	Interior finishes	Textured/painted drywall; VCT; sheet vinyl.
	Utilities	Natural gas wall heaters, water heaters, stoves, dryer connections; electrical lighting, refrigerator, outlets
	Windows	Single glazed aluminum frames; dual glazed aluminum frames
	Other amenities	Rear yard fencing, patios, and storage sheds

To: Contra Costa County Housing Authority Board of Commissioners
From: Joseph Villarreal, Housing Authority
Date: April 14, 2015



Contra
Costa
County

Subject: CLAIMS

RECOMMENDATIONS

DENY claim filed by Michael Redondo.

BACKGROUND

*

FISCAL IMPACT

none.

Action of Board On: **04/14/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
Candace Andersen,
Commissioner
Mary N. Piepho,
Commissioner
Karen Mitchoff,
Commissioner

ABSENT: Federal D. Glover,
Commissioner
Fay Nathaniel,
Commissioner
Aqueela Bowie,
Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: April 14, 2015

Joseph Villarreal, Executive Director

By: Stacey M. Boyd, Deputy

Contact: Joellen Balbas
925.335.1906

cc:

CLERK'S ADDENDUM