

**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  
DIANE BURGIS  
KAREN MITCHOFF  
FEDERAL D. GLOVER  
FAY NATHANIEL  
JANNEL GEORGE-ODEN

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 TWO (2) 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.

Staff reports related to open session items on the agenda are also accessible on line at [www.co.contra-costa.ca.us](http://www.co.contra-costa.ca.us).

**ANNOTATED AGENDA & MINUTES  
May 21, 2019**

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

**CONSIDER CONSENT ITEMS: (Items listed as C.1 through C.4 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.**

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE

**DISCUSSION ITEMS**

D. 1 CONSIDER Consent Items previously removed.

**No items removed for discussion.**

D. 2 PUBLIC COMMENT (2 Minutes/Speaker)

**No public speakers.**

D.3 CONSIDER accepting report concerning the rapid rise of Housing Choice Voucher costs.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE

D.4 CONSIDER accepting report on the status of the voluntary transfer of the Richmond Housing Authority's housing choice voucher and project-based voucher programs to the Housing Authority of the County of Contra Costa.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE

D.5 CONSIDER approving and authorizing the Executive Director of the Housing Authority of the County of Contra Costa to submit a Section 18 application to the U.S. Department of Housing and Urban Development for the partial demolition and total disposition of Las Deltas and Las Deltas Annex I.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE

**ADJOURN**

**Adjourn at 2:10 p.m.**

**CONSENT ITEMS:**

C.1 ACCEPT the 3rd Quarter (Unaudited) Budget Report for the period ending December 31, 2018.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE

C.2 DENY claim filed by Carla Hammer.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE

C.3 ADOPT Resolution No. 5223 certifying the Housing Authority of the County of Contra Costa as a High Performer under the Section 8 Management Assessment Program, subject to the U.S. Department of Housing and Urban Development confirmatory review, for the period of April 1, 2018 to March 31, 2019.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE

C.4 ACCEPT report on the relocation status of the families at the Las Deltas public housing development in North Richmond.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE

### **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](http://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](http://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: May 21, 2019



Contra  
Costa  
County

Subject: PRESENTATION ON SUBSIDY COSTS (HAP) VERSUS VOUCHER COUNT

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**RECOMMENDATIONS**

RECEIVE oral report discussing the rapid rise of Housing Choice Voucher costs.

**BACKGROUND**

Staff will discuss the rapid rise of Housing Choice Voucher costs with the Board of Directors.

**FISCAL IMPACT**

None. Informational item only.

**CONSEQUENCE OF NEGATIVE ACTION**

None. Informational item only.

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Action of Board On: 05/21/2019  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF COMMISSIONERS**

AYE: John Gioia, Commissioner  
Candace Andersen,  
Commissioner  
Diane Burgis, Commissioner  
Karen Mitchoff,  
Commissioner  
Federal D. Glover,  
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: May 21, 2019  
Joseph Villarreal, Executive Director

By: Jami Napier, Deputy

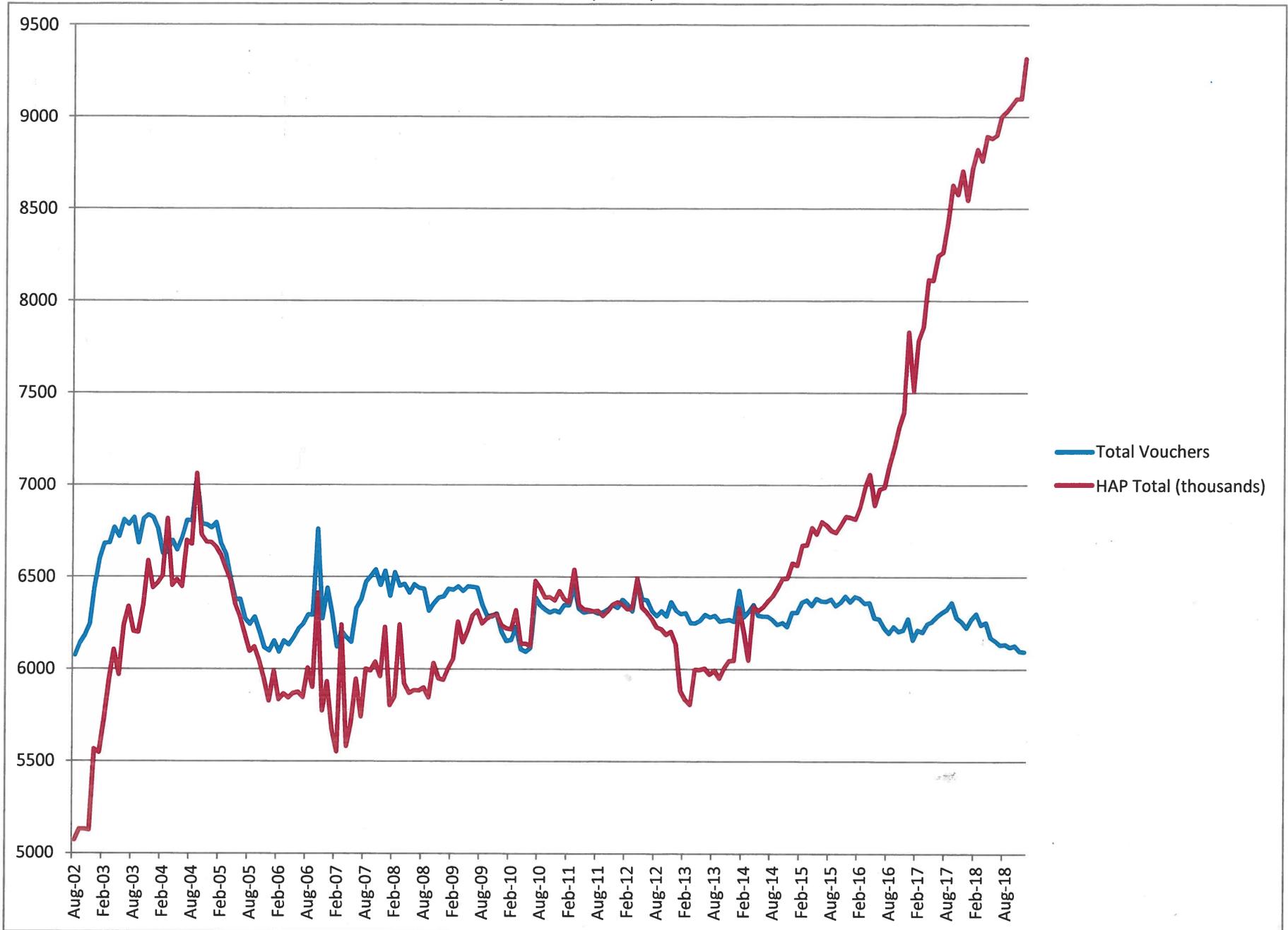
Contact: 925-957-8028

cc:

ATTACHMENTS

Contra Costa HAP Increases

# Contra Costa County HA Subsidy Costs (HAP) vs. Voucher Count





Contra  
Costa  
County

To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: May 21, 2019

Subject: STATUS OF THE VOLUNTARY TRANSFER OF THE RICHMOND HOUSING AUTHORITY'S HOUSING CHOICE VOUCHER AND PROJECT-BASED VOUCHER PROGRAMS

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### **RECOMMENDATIONS**

ACCEPT an oral report on the status of the voluntary transfer of the Richmond Housing Authority's housing choice voucher and project-based voucher programs to the Housing Authority of the County of Contra Costa.

### **BACKGROUND**

Staff will provide an oral update on the status of the proposed transfer.

### **FISCAL IMPACT**

The transfer of the Richmond Housing Authority's Voucher programs would increase the Housing Authority of the County of Contra Costa's (HACCC) current contract with HUD from 6,996 vouchers to 9,000 vouchers. Should the transfer occur, it is anticipated that HACCC's projected voucher budget for FYE 2020 would increase from \$117 million to between \$142 million and \$150 million.

### **CONSEQUENCE OF NEGATIVE ACTION**

None. Information item only.

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Action of Board On: **05/21/2019**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

### **VOTE OF COMMISSIONERS**

AYE: John Gioia, Commissioner  
Candace Andersen,  
Commissioner  
Diane Burgis, Commissioner  
Karen Mitchoff,  
Commissioner  
Federal D. Glover,  
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: May 21, 2019

Joseph Villarreal, Executive Director

By: Jami Napier, Deputy

Contact: 925-957-8028

cc:

To: Contra Costa County Housing Authority Board of Commissioners  
 From: Joseph Villarreal, Housing Authority  
 Date: May 21, 2019



Contra  
 Costa  
 County

Subject: Application to HUD for the Partial Demolition and Total Disposition of Las Deltas and Las Deltas Annex I

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### **RECOMMENDATIONS**

APPROVE and AUTHORIZE the Executive Director of the Housing Authority of the County of Contra Costa (HACCC) to submit an application to the U.S. Department of Housing and Urban Development (HUD) for the partial demolition and total disposition of Las Deltas and Las Deltas Annex I (the Property).

### **BACKGROUND**

On December 17, 2013, the Board approved submission of two Rental Assistance Demonstration (RAD) applications for the conversion of 90 vacant public housing units at Las Deltas in North Richmond to RAD project-based voucher (PBV) units that could be used to fund development of affordable housing throughout the County. On March 30, 2015, HUD approved these two applications.

When staff submitted HACCC's RAD application in December 2013, the intention was to also submit a Section 18 Demolition/Disposition (Section 18) application to HUD for the remaining, occupied units at Las Deltas. The primary advantage of a Section 18 application was that it provided a better long-term subsidy stream than the RAD program did. The disadvantages were that HUD had made it very difficult to get a Section 18 application approved, the funding for replacement vouchers under such an application were shrinking (meaning we may not have gotten any) and HUD did not provide replacement funding for vacant units under a Section 18 application.

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Action of Board On: **05/21/2019**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

### **VOTE OF COMMISSIONERS**

AYE: John Gioia, Commissioner  
 Candace Andersen,  
 Commissioner  
 Diane Burgis, Commissioner  
 Karen Mitchoff,  
 Commissioner  
 Federal D. Glover,  
 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: May 21, 2019

Joseph Villarreal, Executive Director

By: Jami Napier, Deputy

Contact: 925-957-8028

cc:

## BACKGROUND (CONT'D)

In discussions with HUD and others it became clear that it would be difficult to get a Section 18 application approved for Las Deltas and HACCC's best option was to submit a RAD application for the remaining 124 units at Las Deltas in order to maximize the chances that the entire property can be converted to project-based assistance that can be used to develop replacement housing elsewhere. As a result, on August 18, 2015, the Board authorized submission of two more RAD applications to HUD that would increase HACCC's previously approved applications for 90 vacant units to include all 214 units at Las Deltas in North Richmond.

On August 16, 2016, HUD approved the additional two applications for the remaining units to be converted under the RAD program. In an effort to replace the units that would be lost at the Property, HACCC committed 214 units of RAD PBV funding to non-profit housing developers in October of 2015 to 14 properties across Contra Costa County. Unfortunately, the rents associated with the RAD assistance would not be sufficient to support the debt service these properties would incur as part of the RAD rehabilitation process and HACCC had to commit additional regular project-based vouchers to these projects.

Three of the 14 projects withdrew from consideration leaving 107 units of RAD assistance unallocated to replacement projects. HACCC has been exploring other projects that may be able to utilize these 107 RAD vouchers but, to date, no entity has shown interest in the assistance. Per HUD regulations there are two methods whereby a housing authority may dispose of public housing units - RAD or Demolition and Disposition. HACCC approached HUD with the possibility of pursuing Section 18 Demolition and Disposition for the remaining 107 unassigned units. HUD indicated that they were amenable to re-visiting such an application for this property.

205 of the original 214 units are currently vacant at the Property. Many of the units are in advanced stages of destruction from break-ins and vandalism. HACCC continues to incur annual costs of over \$300,000 to board up and secure the units that are in need of millions of dollars in rehabilitation and/or are total losses. In addition, HACCC continues to incur utility costs for power and water at these vacant and vandalized units. Once vacant, HUD ceases to provide funding for the units. Thus, while we continue to explore development and replacement options for the Property, HACCC continues to incur costs for which no funding is being provided. Demolition of the properties is critical to fiscal solvency at the Property.

Partial demolition of the contiguous section of the property will not only eliminate the need for incurring continued costs on these units, but would make the site more attractive for prospective developers. In addition, by securing HUD approval to dispose of the entire property, it will enable HACCC to sell off the 80 scattered-site units that pepper the surrounding neighborhood. The proceeds of the sale of these units and sites are required to be re-allocated to other public housing purposes. It is HACCC's intent to use these proceeds as pre-development funding for addressing the needs of other public housing developments in its portfolio.

HACCC has met with the residents of the Property to discuss the possibility of a partial demolition and total disposition application and has had several meetings with the Resident Advisory Board to discuss its plans to pursue such an application as well. In addition, HACCC has discussed plans to demolish and dispose of the Property with the local Municipal Action Committee (MAC), the Las Deltas Steering Committee and this Board in the past. Moreover, HACCC has been actively working with the North Richmond Planning Committee (NRPC). NRPC, led by Healthy Richmond, the Richmond Neighborhood Housing Services and Local Initiatives Support Corporation (LISC), has been working

with numerous community leaders and residents to develop a comprehensive strategy that addresses housing, safety, business opportunity and youth and education concerns in the neighborhood in an effort to transform the neighborhood and community into the vibrant and desirable area that it once was. These groups have contributed to HACCC's conceptualization of the demolition and disposition process and have been amenable and supportive of HACCC's efforts to bring change to the Property.

#### FISCAL IMPACT

Funding for the relocation of the families who reside(d) at the Property and partial demolition of the Property are being paid from HACCC's approved annual Capital Fund Program (CFP) budget.

#### CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners not authorize the Executive Director of the Housing Authority of the County of Contra Costa to submit an application to HUD for the partial demolition and total disposition of Las Deltas and Las Deltas Annex I, HACCC will continue to incur costs for door and window enclosures and paying for utilities at a predominantly vacant property that will continue to attract squatters and criminal elements.

#### ATTACHMENTS

Board order- C139

Las Deltas Demo Dispo Application Cover Letter

Las Deltas Demo Dispo App. - 52860 - 4 Unexecuted

Las Deltas Demo Dispo App. - 52860-A Unexecuted

Las Deltas Demo Dispo Application Addendum Narrative

Las Deltas Demo Dispo Application Narrative  
as Deltas Site Map - HUD 52860 - Section 5.3.

Las Deltas DOTs - HUD 52860 - Section 5.4

Las Deltas - Environmental Clearance RROF - Las Deltas Demolition  
Demo Dispo Letter of Support - County Supervisors - Executed

HUD PIH Letter of Support for TPVs - Executed.

Las Deltas - Restricted Appraisal Report - All Properties

Las Deltas - Summary Appraisal Report - All Properties

HACCC - Las Deltas Relo Plan - June 2016

Email - Las Deltas Early Relocation

Email - RE\_ (RAD) CHAP Awards - HACCC

Email - RE\_ Early relocation 1

Email - RE\_ Early relocation

FHEO A & R Checklist - CA0116 - 52 Units

FHEO A & R Checklist - CA0116B-86 Units

FHEO A & R Checklist - CA0117 - 38 Units

FHEO A & R Checklist - CA0117B - 38 Units

FHEO TOA Antioch A&R Checklist approval

Las Deltas Pictures

RAD Early Relocation Memorandum to HUD

RAD Early Relocation Request to HUD 6-22-17

RAD Memo Summarizing Monthly Call  
Resident Demos - Summ of 95 on CHAP Approval  
Resident Relocation Meeting Agenda - 7.21.2016  
Las Deltas PNA - Obsolescence 12.14.2018  
RAD Relo resident meeting Sign-In Sheet



To: Board of Supervisors  
 From: David Twa, County Administrator  
 Date: May 7, 2019

Subject: Letter of Support on the Partial Demolition and Total Disposition of Las Deltas and Las Deltas Annex I

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## **RECOMMENDATIONS**

APPROVE and AUTHORIZE the Board of Supervisors of Contra Costa County to provide the Housing Authority of the County of Contra Costa (HACCC) with a letter of support to submit an application to HUD for the partial demolition and total disposition of Las Deltas and Las Deltas Annex I (the Property).

## **BACKGROUND**

On December 17, 2013, the Housing Authority Board of Commissioners approved submission of two Rental Assistance Demonstration (RAD) applications for the conversion of 90 vacant public housing units at Las Deltas in North Richmond to RAD project-based voucher (PBV) units that could be used to fund development of affordable housing throughout the County. On March 30, 2015, HUD approved these two applications.

When staff submitted HACCC's RAD application in December 2013, the intention was to also submit a Section 18 Demolition/Disposition (Section 18) application to HUD for the remaining, occupied units at Las Deltas. The primary advantage of a Section 18 application was that it provided a better long-term subsidy stream than the RAD program did. The disadvantages were that HUD had made it very difficult to get a Section 18 application

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Action of Board On: **05/07/2019**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

### **VOTE OF COMMISSIONERS**

AYE: John Gioia, District I  
 Supervisor  
 Candace Andersen,  
 District II Supervisor  
 Diane Burgis, District III  
 Supervisor  
 Karen Mitchoff, District  
 IV Supervisor  
 Federal D. Glover,  
 District V Supervisor

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: May 7, 2019

Joseph Villarreal, Executive Director

By: Stephanie Mello, Deputy

Contact: 925-957-8028

cc:

approved, the funding available for replacement vouchers under such an application was shrinking (meaning there was a high probability that HACCC would not have received any

## BACKGROUND (CONT'D)

replacement vouchers) and HUD did not provide replacement funding for vacant units under a Section 18 application (many of the remaining unit at Las Deltas were vacant at the time).

In discussions with HUD and others in 2013, it became clear that it would be very difficult to get a Section 18 application approved for Las Deltas and that HACCC's best option to receive funding was to submit a RAD application for the remaining 124 units at Las Deltas in order to maximize the chances that funding for the entire property could be converted to project-based assistance that could then be used to fund the development of replacement affordable housing onsite or elsewhere. As a result, on August 18, 2015, HACCC's Board of Commissioners authorized submission of two additional RAD applications to HUD that would increase HACCC's previously approved applications for 90 vacant units to include all 214 units at Las Deltas in North Richmond.

On August 16, 2016, HUD approved the additional two applications for the remaining units to be converted under the RAD program. In an effort to replace the units that would be lost at Las Deltas, HACCC committed 214 units of RAD project-based voucher funding to non-profit housing developers in October of 2015 to fourteen properties across Contra Costa County. Because the rents associated with the RAD assistance would not be sufficient to support the debt service these properties would incur as part of their development/rehabilitation, HACCC had to commit additional, regular project-based vouchers to these projects.

Three of the fourteen projects withdrew from consideration leaving 107 units of RAD assistance unallocated to replacement projects. HACCC has been exploring other projects that may be able to utilize these 107 RAD vouchers but, to date, no entity has shown interest in the assistance. HACCC approached HUD with the possibility to pursue Demolition and Disposition for the unassigned units and HUD indicated that they were amenable to re-visiting such an application for this property.

Of the original 214 units at Las Deltas, 208 are currently vacant. Many of the units are in advanced stages of destruction from break-ins and vandalism and HACCC continues to incur annual costs of over \$300,000 on window and door enclosures to secure the units, which need of tens of millions of dollars in rehabilitation to bring back to a livable condition. Many units are beyond repair and would have to be completely reconstructed. In addition, HACCC continues to incur utility costs for power and water at these vacant and vandalized units. Once vacant, HUD ceases to provide funding for the units. Thus, while we continue to explore development and replacement options for Las Deltas, HACCC continues to incur costs for which no funding is being provided. Demolition of the remaining buildings at Las Deltas is critical to HACCC's fiscal solvency.

Partial demolition of the contiguous section of the property will not only eliminate the need for incurring continued costs on these units, but would make the site more attractive

for prospective developers. In addition, by securing HUD approval to dispose of the entire property, it will enable HACCC to sell off the 80 scattered-site units that pepper the surrounding neighborhood. The proceeds of the sale of these units and sites are required to be re-allocated to other public housing purposes. It is HACCC's intent to use these proceeds as pre-development funding for addressing the needs of other public housing developments in its portfolio.

HACCC staff have met with Las Deltas residents to discuss a partial demolition and total disposition application and have also held several meetings with the Resident Advisory Board to discuss the plans to pursue such an application. Additionally, HACCC has discussed plans to demolish and dispose of Las Deltas with the local Municipal Advisory Council (MAC), the Las Deltas Steering Committee and its own Board of Commissioners in the past. Moreover, HACCC has been actively working with the North Richmond Planning Committee (NRPC). NRPC, led by Healthy Richmond, the Richmond Neighborhood Housing Services and Local Initiatives Support Corporation (LISC), has been working with numerous community leaders and residents to develop a comprehensive strategy that addresses housing, safety, business opportunity and youth and education concerns in North Richmond in an effort to transform the neighborhood and community into the vibrant and desirable area that it once was. These groups have contributed to HACCC's conceptualization of the demolition and disposition process and have been supportive of HACCC's efforts to bring change to Las Deltas.

HUD's application for demolition and disposition requires that a letter of support from the sitting Mayor be submitted with its application. Since Las Deltas property is in a non-incorporated section of Contra Costa County, its jurisdiction falls within the purview of the Board of Supervisors and its Chairperson. Thus, this request from HACCC for a letter of support from the Chair of the Board of Supervisors.

### FISCAL IMPACT

There is no Fiscal Impact for providing HACCC with a letter of support for its application for demolition and disposition of the Las Deltas and Las Deltas Annex I public housing development in North Richmond, CA.

### CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Supervisors not provide a letter of support to HACCC authorizing the agency's Executive Director to submit an application to HUD for the partial demolition and total disposition of Las Deltas and Las Deltas Annex I, HACCC's application will be deficient and likely rejected. As a result, HACCC will continue to incur costs for door and window enclosures and paying for utilities at a predominantly vacant and unfunded property. In such a case, it can be expected that Las Deltas will continue to deteriorate and attract squatters and crime.

### ATTACHMENTS

BOS Letter of Support for Las Deltas Final

# HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA



May 21, 2019

Jane Hornstein, Director  
Special Applications Center  
US Department of Housing and Urban Development  
Ralph H. Metcalf Federal Building  
77 West Jackson Boulevard, Room 2401  
Chicago, IL 60604-3507

RE: Application for Demolition and Disposition  
Las Deltas and Las Deltas Annex I - CA011600000 and CA011700000

Dear Ms. Hornstein:

This letter serves to update the application submitted on July 16, 2018.

The Housing Authority of the County of Contra Costa (HACCC) applied to demolish and/or dispose of 214 units at Las Deltas and Las Deltas Annex I - CA011600000 and CA011700000. CA0116 prior to any RAD conversions was comprised of two properties in AMP 6, property 9A with 58 units in a contiguous series of parcels and property 9B with 80 scattered sites throughout a forty square-block area. CA0117 prior to any RAD conversions was comprised of one property in AMP 7 containing 76 units in a contiguous parcels. Both AMPs are located in unincorporated North Richmond, CA.

Based on discussions with you regarding the application, it is revised to include only the remaining units on these sites that have not been converted to RAD. The application is attached.

HACCC twice pursued HOPE VI funding for this project and pursued a demolition/ disposition application in 2014, only to have HUD advise against Las Deltas' suitability for eligibility. At that time, crime analyses found the area to be one of the most crime-ridden neighborhoods in California. It had been featured in a number of documentaries since 2012 on its suitability for living due to the crime rates, the environmental conditions from the nearby refineries, the dilapidated condition of the units and the isolated geographic location of the property.

## **RAD Status**

Commitments to convert the units under the HUD Rental Assistance Demonstration (RAD) program were issued for all 214 units. Rather than attempting on-site replacement, the RAD strategy was to place RAD units off-site in combination with non-RAD project-based vouchers (PBVs) offered as inducement for developers to take RAD units. HACCC worked hard for three years to convert all 214 units to RAD, but the low rents on the RAD units dissuaded developers



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(925) 372-0236 TDD (925) 957-1685

[www.contracostahousing.org](http://www.contracostahousing.org)



3113628.4037386 FILE

and committing units to replacement projects was a challenge. Accordingly, the revised application covers 107 units that will not be completed under RAD, including 87 in AMP 6 and 20 in AMP 7. Of these units, HACCC requests demolition and disposition for 75 contiguous units and disposition only for 32 scattered-site units.

### **Urgent Relocation Efforts**

Historically, HACCC has had great difficulty in leasing units at this property and has had to endure vacancies in some cases that lasted over two years. Due to the severely distressed condition of the property and the lack of adequate funding to repair the units for habitability, units remain boarded up and families are subjected to deplorable living conditions. For these reasons, HACCC was forced to pursue a plan of early relocation using the emergency provisions in its Admissions and Continued Occupancy Policy to ensure the safety of the 95 residents that remained in occupancy on the date of Commitments to Enter Into Housing Assistance Payments (CHAPs) approval. The advanced dilapidated nature of the units required HACCC to expedite its relocation of the families for health and safety reasons.

### **Tenant Protection Voucher (TPV) Request**

Given the challenges of committing the RAD units to other PBV-assisted projects, HACCC instead seeks TPVs for the 95 units for which HACCC started relocation. *While only 8 units remain occupied since our initial application submission in August of 2018 when 34 households were in occupancy, HACCC's efforts to remove families from dilapidated and unsafe housing conditions forced earlier relocation and we request 95 TPVs to represent all households initially eligible for relocation. This will mitigate the loss of deeply-subsidized units to the County.*

### **Demolition and Disposition Urgency**

The property is currently 3.7% occupied. The cost of maintaining the property is approximately \$1 million per year regardless of the number of households in place since the nature of the neighborhood requires that all vacated units be secured with metal window and door covers that HACCC is renting at a significant cost to the agency. In addition, HACCC has had to continue to pay for local sheriff patrols of the property to disperse homeless and criminal elements from squatting on the vacated property. The site is clearly a safety hazard.

HACCC has received a bid to demolish the contiguous units. Demolishing these units will save costs and will alleviate serious safety concerns. In addition, a vacant series of contiguous parcels will be easier to draw interest from potential development groups than a series of dilapidated, boarded up and vandalized units.

HACCC's plan is to demolish 75 of the 107 units. The scattered-site units in Property 9B are not projected to be demolished but, rather, sold to interested buyers. HACCC seeks disposition approval for these units so that it can proceed with the process of selling the properties.

The remainder of the units have been or will be demolished or disposed of under RAD.



## **Potential Gains Going Forward**

HACCC has leveraged the RAD assistance, coupled with regular PBV committed from its voucher resources, to create new affordable housing throughout the County. 107 RAD units have been committed to PBV transactions that have added 286 assisted units to the community for low income families and enabled developers to add a total of 502 units of housing in Contra Costa County. HACCC has been instrumental in making this happen through the use of replacement RAD and regular PBV assistance and hopes to facilitate the creation of several hundred more units through the use of tenant protection vouchers.

For these reasons and as further discussed in the revised application, HACCC requests prompt approval of the revised demolition and disposition application and commitment of tenant protection vouchers. Thank you for your continuing assistance,

Sincerely,

Joseph Villarreal  
Executive Director



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HUD-52860

The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0075. There is no personal information contained in this application. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when disclosure is not required. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

This general information is required to request HUD approval to remove public housing property (residential or non-residential) from public housing requirements, including use restrictions imposed under the Annual Contributions Contract (ACC) and the Declaration of Trust (DOT)/Declaration of Restrictive Covenants (DoRC). PHAs may request such HUD approval under the following laws: demolition and disposition (Section 18 of the 1937 Act and 24 CFR part 970); voluntary conversion (Section 22 of the 1937 Act and 24 CFR part 972); required conversion (Section 33 of the 1937 Act and 24 CFR part 972); homeownership (Section 33 of the 1937 Act and 24 CFR part 906); retentions under 2 CFR 200.311 (PIH Notice 2016-20 or subsequent notice); and eminent domain (PIH Notice 2012-8, or subsequent notice).

**Note:** This form requests general information only and PHAs are required to submit an additional addendum for the specific type of proposed removal. This form in addition to the applicable addendum are collectively known as the SAC application since these applications are processed by HUD's Special Applications Center (SAC). HUD will use this information to review PHA requests, as well as to track removals for other record keeping requirements. Responses to this collection of information are statutory and regulatory to obtain a benefit. The information requested does not lend itself to confidentiality. PHAs are required to submit this information electronically to HUD through the Inventory Removals Submodule of the Inventory Management System/PIH Information Center (IMS/PIC) system (or a later electronic system prescribed by HUD). IMS/PIC will assign each SAC application a "DDA" number.

This form does not apply to proposed removals (conversions) under HUD's Rental Assistance Demonstration (RAD) program; and the instructions for RAD application submissions via IMS/PIC is provided and governed by a separate OMB-approved HUD form.

<b>Section 1: General Information</b>	
1. Date of Application:	
2. Name of Public Housing Agency (PHA):	
3. PHA Identification Number:	
4. PHA Address:	
5. Contact Person Name at PHA:	
6. Contact Person Phone No.:	
7. Contact Person Email:	
8. Is the PHA operating under any remedial order, compliance agreement, final judgment, consent decree, settlement agreement or other court order or agreement, including but not limited to those related to a fair housing or other civil rights finding of noncompliance? <i>If yes, attach a narrative description of explaining how the proposed removal is consistent with such order, agreement or other document</i>	<input type="checkbox"/> Yes  <input type="checkbox"/> No

<b>Section 2: N/A</b>
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<b>Section 3: PHA Plan, Board Resolution, Environmental Review and Local Government Consultation</b>	
1. <b>PHA Plan:</b> Year of PHA Plan that includes the removal action and approval date:	Year:      Approval Date:
<i>Attach evidence that the removal action is included in the approved PHA Plan and approval date</i>	
2. <b>Board Resolution</b> that approves the removal action; and PHA's submission of removal application to HUD: Board Resolution Number:                      Board Resolution Date:	
<i>Attach a copy of signed PHA Board Resolution</i>	

<b>3. Environmental Review:</b> Check the box for the entity that conducted the Environmental Review (ER):	<input type="checkbox"/> HUD under 24 CFR part 50 <input type="checkbox"/> Responsible Entity (RE) under 24 CFR part 58 Name of RE: Date ER was conducted:
<i>Attach a copy of HUD's approval of the Environmental Review (i.e. HUD-7015.16). See instructions.</i>	
<b>4. Local Government Consultation:</b> The PHA covers the following jurisdiction(s):	
<b>5. Date(s) of letter(s) of support from (local) government officials:</b>	
<i>Attach copies of all letters of support from local government officials, along with a narrative description of the PHA's consultation (if applicable)</i>	

<b>Section 4: Description of Existing Development</b>				
1. Name of Development:				
2. Development Number:				
3. Date of Full Availability (DOFA):				
4. Number of Residential Buildings:				
5. Number of Non-Residential Buildings:				
6. Date Constructed:				
7. Is the Development Scattered Site? <input type="checkbox"/> Yes <input type="checkbox"/> No Except Prop. 9B				
8. Number of Buildings (single family, duplexes, 3-plexes, 4-plexes, other):				
9. Number of Types of Structures (row houses, walk-up units, high-rise unit):				
10. Total Acres in Development:				
11. Existing Unit Distribution	AMP 6 / AMP 7 General Occupancy 6 / 9a & 9B	Elderly/Disabled Designated Units	Total Units Being Used for Non-Dwelling Purposes	Total Units in Development
0 – Bedroom				
1 – Bedroom				
2 – Bedrooms				
3 – Bedrooms				
4 - + Bedrooms				
Total				
<i>Attach a description of the distribution of UFAS accessible units (bedroom size; unit type, e.g., mobility or sensory)</i>				

<b>Section 5: Description of Proposed Removal</b>						
<b>1. Type of Removal Action(s)</b> (e.g., Demolition, Disposition, Disposition to allow for Public Housing Mixed-Finance Modernization, Demolition and Disposition, DeMinimis Exception under Demolition, Voluntary Conversion, Required Conversion, Homeownership, Eminent Domain, Retention under 2 CFR part 200)						
<b>2. Proposed Action by Unit Type (e.g. bedroom size)</b>						
Existing Unit Distribution	General Occupancy 6 / 9A / 9B	Elderly/Disabled Designated Units	UFAS Mobility Units	UFAS Sensory Units	Total Units Being Used for Non-Dwelling Purposes	Total Units in Development
0 – Bedroom						
1 – Bedroom						
2 – Bedrooms						
3 – Bedrooms						
4 - + Bedrooms						
Total						

<b>3. Proposed Action by Building Type</b>	Buildings to be Demolished Only	Buildings to be Disposed of Only
Residential Buildings		
Non-Residential Buildings		
Total Buildings		

If the removal action is for only a portion of property at a contiguous site, attach a site map

**4. Total Acreage Proposed for Removal (if applicable)**

- (a) Attach a description of the land (e.g. survey, copy of the legal description)
- (b) Attach a copy of the recorded Declaration of Trust (DOT)/Deed of Restrictive Covenant (DoRC)
- (c) If the removal action is for only a portion of property at a contiguous site, attach a site map.

**5. Estimated Value of the Proposed Property** \$

(a) Was an independent appraisal conducted to determine the estimated Fair Market Value?  Yes  No

(b) If yes, date of appraisal and name of appraiser: Date: 3/12/19 Name: Watts, Cohn and Partner, INC.

(c) If not, describe other form of valuation used:

Attach an executive summary of the appraisal or other form of valuation

**6. Timetable**

Activity	Estimated Number of Days After HUD Approval:
(a)Begin Relocation of Residents: N/A <input type="checkbox"/> -if vacant or for non-dwelling building	
(b)Complete Relocation of Residents: N/A <input type="checkbox"/> -if vacant or for non-dwelling building	
(c) Execute Contract for Removal	
(d) Removal of the property	

**Section 6: Relocation**

**1.** Number of Units Proposed for Removal that are Occupied as of the Submission Date of this SAC application:  
(Note: These numbers are not editable and automatically populated when application is submitted)

**2.** Number of individual residents that the PHA estimates will be displaced by this removal action:

Attach a summary of the number of individual residents estimated to be displaced by race and national origin and a summary of households estimated to be displaced by who have a member who is a person with a disability

**3.** Who will provide relocation counseling and advisory services to residents?  PHA staff  Another Entity contracted by the PHA Describe:

Attach a description of the relocation counseling and advisory services that the will be provided to residents who will be displaced by this action

**4.** What is the estimated costs of relocation and moving expenses (including advisory services)? \$

**5.** What is the anticipated source of funds for relocation and moving expenses (including advisory services)?  Capital Funds  Operating Funds  Funding Source Year:  Non-1937 Act Funds (describe: )

**6.** What comparable housing resources does the PHA expect to offer to displaced residents?  
 Public Housing. If checked, number: 42  
 Section 8 HCV (existing resources. If checked, number: 32  
 Section 8 HCV (new award of TPVs) (see question #7). If checked, number:  
 PBV Unit. If checked, number: 95  
 Other (attach description). If checked, number:

Attach a summary of the comparable housing resources that the PHA expects to offer to be displaced residents.



VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, title II of the Americans with Disabilities Act of 1990, state or local accessibility requirements, and other applicable civil rights laws. If HUD approves this SAC application, the PHA will carry out and implement this removal action (including relocation, if applicable), in conformity with all applicable civil rights requirements. The requirements for AFFH can be found at 24 CFR §§ 5.150-5.152, 5.154, 5.156, 5.158, 5.160, 5.162, 5.164, 5.166, 5.168, and 5.169-5.180.

4. The removal action proposed in this SAC application does not violate any remedial civil rights order or agreements, conciliation agreements, voluntary compliance agreements, final judgments, consent decrees, settlement agreements or other court orders or agreements to which the PHA is a party. If the PHA is operating under such a document, it must indicate this by uploading a document to the SAC application that provides a citation to the document and explains how the proposed demolition or disposition is consistent with such document.
5. If the PHA is a non-qualified PHA under the Housing and Economic Recovery Act of 2008 (HERA), it has complied with the PHA Plan requirements regarding the proposed removal action at 24 CFR part 903 and the applicable statutory removal authority. For instance, if the removal action is a demolition or disposition, the PHA must describe the demolition or disposition in its PHA Plan or in a Significant Amendment to that PHA Plan and that description must be substantially identical to the description in the SAC application. If the PHA is a qualified PHA, the PHA certifies that it has discussed the removal action at a public hearing.
6. The PHA has conducted all applicable resident consultation and will conduct all relocation activities associated with this SAC application in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 (24 CFR 8.6) and with 49 CFR 24.5, and as applicable, the Americans with Disabilities Act of 1990. The PHA will take reasonable steps to ensure meaningful access to their programs and activities for persons who have limited ability to read, speak, or understand English – i.e., individuals who have limited English proficiency (LEP).
7. The PHA will comply with all applicable Federal statutory and regulatory requirements and other HUD requirements, including applicable PIH Notices, in carrying out the implementation this SAC application, as approved by HUD. The PHA specifically certifies that the property proposed for removal in this SAC application is in compliance with Declaration of Trust (DOT) or Declaration of Restrictive Covenants (DoRC) requirements.
8. The PHA will comply with the terms and conditions of any HUD approval that HUD may issue for this SAC application, including requirements applicable to future use, record-keeping and reporting; and will specifically retain records of the SAC application and its implementing actions of HUD’s approval of this SAC application for a period of not less than 3 years following the last required action of HUD’s approval. The PHA further certifies that it will make such records available for inspection by HUD, the General Accountability Office and the HUD Office of Inspector General. If the PHA wants to make any material changes from what it described in its SAC application and/or HUD’s approval of the SAC application, it will request HUD approval for such changes, in accordance with applicable HUD guidance.
9. The PHA will not take any action to remove or otherwise operate the property proposed for removal outside of public housing requirements until it receives written approval of this SAC application from HUD.
10. If any units proposed for removal by this SAC application are subject to an Energy Performance Contracting (EPC), the PHA agrees to comply with additional instructions provided by HUD regarding the EPC and will not take any steps to implement this SAC application (if approved by HUD), without receiving confirmation from HUD that all applicable EPC requirements are satisfied.
11. If any units proposed for removal by this SAC application are subject to a Capital Fund Financing Plan (CFFP) or other Section 30 debt, the PHA agrees to comply with additional instructions provided by HUD regarding the CFFP or other Section 30 and will not take any steps to implement this application (if approved by HUD), without receiving confirmation from HUD that all applicable CFFP or other Section 30 requirements are satisfied.
12. If the PHA is in the process of removing all of its public housing units from its ACC low-rent inventory through this or other SAC applications and/or other pending removal actions, including the Rental Assistance Demonstration (RAD) program, the PHA agrees to comply with additional instructions provided by HUD regarding the close-out of its public housing portfolio.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

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

Name of Authorized Official	
Official Title:	
Signature:	
Date:	

**Form HUD-52860 Instructions**

**Refer to SAC website at [www.hud.gov/sac](http://www.hud.gov/sac) for more information**

This form request general information from PHAs about proposed removal actions under the following laws: demolition and disposition (Section 18 of the 1937 Act and 24 CFR part 970); voluntary conversion (Section 22 of the 1937 Act and 24 CFR part 972); required conversion (Section 33 of the 1937 Act and 24 CFR part 972); homeownership (Section 32 of the 1937 Act and 24 CFR part 906); retentions (PIH Notice 2016-20 and 2 CFR 200.311); and eminent domain (PIH Notice 2012-8, or replacement notice). This form is the first part of a SAC application that must be submitted via the fields in the Inventory Removal Submodule of IMS/PIC (or replacement system).

PHAs must complete the sections of this form where there is no field in the IMS/PIC SAC application for the requested information. PHAs must then upload this form and other supporting documentation requested by this form to the IMS/PIC SAC application. PHAs must label that supporting documentation by section number of this form and/or by name (e.g. Resident Consultation). PHAs must complete and submit applicable addendums as indicated below as part of a SAC application. PHAs must refer to the applicable regulations, PIH notices and other program guidance noted above for detailed requirements on the submissions required for the specific removal action proposed in the SAC application at SAC web site.

<b>Proposed Removal Action</b>	<b>Additional HUD Form Required</b>
Section 18 Disposition and/or Demolition	HUD-52860-A
Section 18 Demolition Rehab Needs and Cost-Test	HUD-52860-B
Section 32 Homeownership	HUD-52860-C
Section 33 Required Conversion	HUD-52860-D
Section 22 Voluntary Conversion	HUD-52860-E
Eminent Domain	HUD-52860-F
Part 200 Retention	HUD-52860-G

NOTE: The removal of public housing units from the PHA’s inventory through these actions will impact (decrease) the PHA’s Operating and Capital Fund subsidy from HUD. See 24 CFR 990.190 and PIH Notice 2017-22 (or successor notice) for impacts on Operating Fund. Capital Funds for units will terminate at the time the units are removed from ACC via IMS/PIC. However, PHAs may be eligible for Demolition Disposition Transition Funding (DDTF) pursuant to 24 CFR 905.400(j).

**Section 1: General Information**

Some fields will automatically populate from IMS/PIC. If not, complete all fields.

**Section 2: N/A**

**Section 3: PHA Plan, PHA Board Resolution, Environmental Review and Local Government Consultation**

Refer to the regulation, PIH Notice or other HUD guidance document for guidance on these requirements for the specific removal action proposed, but generally the following apply:

PHA Plan: PHAs must include the removal action in their approved PHA plan for all SAC applications.

Board Resolution: PHAs must obtain a board resolution approving the removal action for all SAC applications. For demolitions and dispositions proposed under 24 CFR part 970, the board resolution must be dated after the date of resident and local government consultation.

Environmental Clearance: HUD will not process or approve a SAC application without evidence that the proposed removal action has received Environmental Clearance. This evidence will generally be a copy of a HUD signed Authority to Use Grant Funds (HUD-7015.16 form or subsequent form) for the proposed removal action (including future use, if known) to evidence an environmental review acceptable to HUD was completed under 24 CFR part 58. In some instances, evidence of Environmental Clearance may be a letter from the Responsibly Entity stating the activity was exempt or categorically excluded under 24 CFR part 58. The only exception to obtaining Environmental Clearance under 24 CFR part 58 is if HUD, in its sole discretion, decides to complete the environmental review itself under 24 CFR part 50. In this case, the applicable local HUD Office of Public Housing must have actually completed the environmental review and determined the action has Environmental Clearance before HUD will process or approve a SAC application.

Local Government Consultation: PHAs must consult with their local government officials and obtain a letter of support for all SAC applications (except for eminent domain and homeownership). For demolitions and dispositions proposed under 24 CFR part 970, PHAs must include a narrative description of its consultation with local government officials.

**Sections 4-9 must be completed and submitted separately for each Development covered by this Application**

**Section 4: Description of Existing Development(s)**

Most information should automatically populate from IMS/PIC information, except for Section 4, Line item 10 (Total Acres of the Development) which the PHA must complete. If line 10 is not completed or less than proposed for disposition under Section 5, PHA will not be able to fill in Section 5, line 4. The development number should be the HUD development number. All development numbers are at least 8 characters long (and may be up to 11 characters for AMP developments).

**Section 5: Description of Proposed Removal**

Unlike section 4, this information will not automatically populate. PHAs must complete the fields of this form where there is no field in the IMS/PIC SAC application for the requested information (i.e. UFAS information).

Removal Action Type: PHAs must select removal action type as the first step to creating the electronic SAC application in IMS/PIC.  
Property description (Unit, Building, Acreage): PHAs identify the property by development number(s) and buildings by their IMS/PIC building PHAs provide the total acreage (refer to instructions for Section 4, line 10) and physical address of the property proposed for removal. If the removal action includes land (i.e., not just buildings), PHAs should attach a description of the land (e.g. survey, copy of the legal description), along with a copy of the DOT/DoRC that is recorded against the property, if available. If the proposed removal action (including demolition) is for only a portion of the property at a contiguous site, PHAs must attach a site map.

Estimated Value of Property: Attach an independent appraiser's appraisal summary or other valuation method.

Timetable: PHAs indicates the number of days after HUD approval of a SAC application that they estimate they will complete these activities.

**Section 6: Relocation**

PHAs complete this section for all proposed removal action where relocation will be required. PHAs may be required to complete additional relocation information in the applicable addendums (e.g. right of first refusal for homeownership applications; evidence of compliance with all applicable federal, state, and local laws for eminent domain actions).

For question #3, the summary of the type of counseling and advisory services should include a description of how the services will promote fair housing, including but not limited to how they will assist residents in obtaining housing in opportunity areas.

For question #6, the relocation summary should provide sufficient detail about the comparable housing that the PHA will offer to the displaced residents (i.e. based on available resources and resident preferences) Indicate how the PHA will identify and offer comparable housing to (a) displaced residents who have a family member who is a person with a disability; and (b) displaced residents who are not eligible for Section 8 HCV assistance (e.g. because they are over-income).

Note that a PHA's eligibility to receive TPVs is based on statutory Appropriations laws, and other HUD guidance, including but not limited to PIH Notice 2017-10 and PIH Notice 2018-04 (or any successor or replacement notices).

If the PHA is a public housing only-PHA and will partnering with a PHA that administers an HCV program for the TPVs, the partnering PHA must have jurisdictional authority and administrative capacity to administer the TPVs. PHAs should contact their local HUD Office of Public Housing for more information.

**Section 7: Resident Consultation**

Refer to the regulation, PIH Notice or other HUD guidance document for guidance on resident consultation for the specific removal action proposed.

**Section 8: N/A**

**Section 9: PHA Certification of Compliance**

The Executive Director, Board Chairperson, or other authorized agent of the PHA, should complete, sign and date the Certification and submit it (as a scanned PDF file) as part of its submission of the SAC application.

## De Minimis Demolition

PHAs do not need HUD approval to demolish units under Section 18 de minimis authority. PHAs do need to submit information to HUD described at 970.7(a)(1), (2), (12), (13), and (15), which includes PHA plan, description of the property, board resolution, and environmental requirements. Thus, for purposes of de minimis demolitions, PHAs are submitting information and not a SAC application through this form.

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<b>Section 1. Demolition</b>	
<p>1. Does the removal action include the demolition of all or a portion of a development (AMP) or other public housing property?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes:</p> <p><input type="checkbox"/> All units at a development site</p> <p><input type="checkbox"/> A portion of units at a development site</p> <p><input type="checkbox"/> Non-dwelling property at a development site</p> <p><input type="checkbox"/> Non-dwelling property not at a development site (e.g. central PHA administrative building)</p>
<p><i>If yes, complete questions 2-6 of this section. If no, move on to section 2.</i></p>	
<p>2. What is the estimated demolition cost?</p>	<p>\$ _____</p>
<p>3. What is the anticipated source of funds for the demolition cost?</p>	<p><input type="checkbox"/> Capital Funds <input type="checkbox"/> CDBG</p> <p><input type="checkbox"/> Operating Funds</p> <p><input type="checkbox"/> Fiscal Year: _____</p> <p><input type="checkbox"/> Non-Public Housing Funds (describe: _____ )</p>
<p>4. What is the justification for the demolition?</p>	<p><input type="checkbox"/> Obsolete - Physical Condition</p> <p><input type="checkbox"/> Obsolete - Location</p> <p><input type="checkbox"/> Obsolete - Other Factors</p> <p><input type="checkbox"/> De Minimis Demolition (the lesser of 5 units or 5 percent of the total public housing units in any 5-year period)</p>
<p><i>Attach a narrative statement describing the justification for demolition, along with other supporting documentation, in accordance with 24 CFR part 970 and PIH Notice 2018-04 (or any successor notice). If the demolition is for a portion of a development, the narrative statement must specifically address how the demolition will help to ensure the viability of the remaining portion of the development.</i></p>	
<p>5. Cost-test:</p>	<p>The PHA must certify and present supporting evidence that no reasonable program of modifications is cost-effective to return the public housing development (or portion thereof) to useful life.</p>
<p><i>Attach a completed HUD-52860-B, narrative statement, and other supporting documentation as described in the instructions</i></p>	

<b>Section 2. Disposition</b>	
1. What is the justification for the disposition?	<input type="checkbox"/> Conditions in Surrounding Area: 24 CFR 970.17(a) <input type="checkbox"/> Health and/or Safety <input type="checkbox"/> Infeasible Operation <input type="checkbox"/> More Efficient/Effective Low-Income Housing: 24 CFR 970.17(b) <input type="checkbox"/> Best Interests of PHA and Residents & Consistent with PHA Plan & 1937 Act: 970.17(c) <input type="checkbox"/> The Non-Dwelling Structure or Land Exceeds the Needs of the Development (after Date of Full Availability "DOFA") <input type="checkbox"/> The Disposition of the Non-Dwelling Property is Incidental to, or does not Interfere with, the Continued Operation of the Remainder of the Development
<i>Attach a narrative statement describing the justification for disposition, along with other supporting documentation, in accordance with 24 CFR part 970 and PIH Notice 2018-04 (or any successor notice).</i> <i>If disposition is based on physical obsolescence under the demolition criteria, complete Section 1 (Demolition) of this form.</i>	
2. Method of Disposition	a. <input type="checkbox"/> Public Bid FMV Sale      TO BE DETERMINED b. <input type="checkbox"/> Negotiated Sale at FMV c. <input type="checkbox"/> Negotiated Lease or other Transfer at FMV d. <input type="checkbox"/> Negotiated Sale or other Transfer at FMV e. <input type="checkbox"/> Negotiated Sale at below FMV f. <input type="checkbox"/> Negotiated Lease or other Transfer at below FMV g. <input type="checkbox"/> Land-Swap
<i>Attach a description of the method of disposition (e.g. sale or ground lease terms; below FMV disposition).</i> <i>If the disposition is proposed via negotiation, attach a Certificate of Good Standing (under applicable State law) of the proposed acquiring entity, or other evidence that the entity is recognized under State law.</i>	
3. Is the proposed acquiring entity the PHA's instrumentality as defined by 24 CFR 905.604(b)(3)?	<input type="checkbox"/> Yes <input type="checkbox"/> No      TBD
4. Commensurate Public Benefit: If the method of disposition is at or below FMV, the PHA must demonstrate a commensurate public benefit <i>Attach a narrative description of commensurate public benefit in accordance with 24 CFR 970.19 and PIH Notice 2018-04 (or any successor notice).</i>	

<b>Section 3. Proceeds</b>			
1. Will the PHA realize proceeds from this disposition?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
2. If PHA answered yes to question #1, indicate the estimated amount of gross and net proceeds	<table style="width:100%; border: none;"> <tr> <td style="width: 40%; border: none;">Gross \$</td> <td style="border: none;">Net \$</td> </tr> </table>	Gross \$	Net \$
Gross \$	Net \$		
3. Is the PHA requesting to use gross proceeds for relocation costs?	<input type="checkbox"/> Yes \$ 1,300,000 (estimated amount) <input type="checkbox"/> No		
4. Is the PHA requesting to use gross proceeds for reasonable costs of disposition?	<input type="checkbox"/> Yes \$ TBD (estimated amount) <input type="checkbox"/> No		
<i>If yes, attach a brief narrative, budget, or other supporting documentation describing the reasonable costs</i>			
5. If the PHA will realize net proceeds from this disposition, how does the PHA propose to use the proceeds?	<input type="checkbox"/> Public Housing Capital Fund (CFP) Uses <input type="checkbox"/> Loan for development of Public Housing Units <input type="checkbox"/> Section 8 PBV Unit Development <input type="checkbox"/> Loan for development of PBV units <input type="checkbox"/> Supportive Services for Residents <input type="checkbox"/> Costs of Converting Public Housing Units to Project-Based Section 8 under the Rental Assistance Demonstration (RAD) Program <input type="checkbox"/> Section 8 HCV Shortfalls <input type="checkbox"/> Operation of Section 8 program <input type="checkbox"/> Operation of Public Housing program <input type="checkbox"/> Modernization of Section 8 Units <input type="checkbox"/> Loan for modernization of PBV Units <input type="checkbox"/> Other Statutorily Eligible Uses:      (describe) <input type="checkbox"/> To Be Determined (TBD) (PHA must request approval from HUD when it determines a proposed use)		
<i>Attach a brief narrative, budget, or other supporting documentation describing the proposed use of proceeds.</i> <i>If loan is checked, include the loan term, interest rate, and type (i.e. permanent, bridge, construction).</i>			

**Section 4. Offer of Sale to Resident Organization (Disposition Only)**

1. If this action is for a disposition, is the PHA exercising any of the exceptions to the offer of sale requirements?

- Yes    No  
 970.9(b)(3)(i): local government requests to acquire vacant land less than 2 acres in order to build or expand public services  
 970.9(b)(3)(ii): PHA seeks disposition to develop a facility to benefit low-income families  
 970.9(b)(3)(iii): the units have been legally vacated (HOPE VI, 24 CFR part 971 or 972)  
 970.9(b)(3)(iv): the units are distressed units subject to Section 33 required conversion  
 970.9(b)(3)(v): property proposed for disposition is non-dwelling  
 Other: PHA requests that HUD consider another exception to 970.9(b)(1)

*If exercising an exception, attach a narrative statement or documentation supporting the exception in accordance with 970.9(b)(4). If not exercising an exception, complete questions #2-6 of this Section 4.*

2. Name(s) of all established eligible organizations as defined by 24 CFR 970.11 (e.g. resident organizations, eligible resident management corporations as defined in 24 CFR part 964, and nonprofit organization acting on behalf of residents at a development.

*Attach a narrative explanation of how the PHA determined the entities identified*

3. Date(s) the PHA sent an initial written notification to each established eligible organization in accordance with 24 CFR 970.11

*Attach a copy of the initial written notification to each established eligible organization*

4. Did the PHA receive a written expression of interest in accordance with 24 CFR 970.11 by an established eligible organization?

Yes    No

*If yes, attach a copy of the expression of interest by any eligible established organization*

5. Did the PHA receive a proposal to purchase from an established eligible organization within 60-days of receiving the established eligible organization's expression of interest?

Yes    No

*If yes, attach a copy of the proposal to purchase from an established eligible organization*

6. Did the PHA accept the proposal to purchase?

Yes    No  
 N/A (PHA did not receive a proposal to purchase)

*Attach a narrative explanation of why the PHA accepted or rejected the proposal to purchase*

**Section 5. PHA Certification**

**For SAC applications submitted under 24 CFR part 970:**

- 1) If this SAC application includes a demolition action, I certify that the proposed development (units or other property) meets the obsolescence criteria of 24 CFR 970.15 as specifically described in this SAC application. I further certify that such obsolescence makes any units proposed for demolition unsuitable for housing purposes and that no reasonable program of modification is cost-effective to return the development to its useful life;
- 2) If this SAC application includes a demolition for only a portion of the buildings/units at a development on a contiguous site, the PHA certifies that the partial demolition will help to ensure the viability of the remaining portion of the development;
- 3) If this SAC application includes a disposition action for public housing units, the PHA is justified in disposing of the development or other public housing property in accordance with the specific criteria of 24 CFR 970.17, as specifically described in this SAC application;
- 4) The PHA will comply with all applicable relocation requirements of 24 CFR 970.21; and
- 5) The PHA will use gross and net proceeds it receives from the disposition in accordance with the requirements of 24 CFR 970.19 and the HUD approval.

**For De Minimis Demolitions:**

- 1) The units proposed for demolition meet the criteria of Section 18 because they are beyond repair or the space occupied by the units will be used for meeting the service or other needs of public housing residents; and
- 2) The units proposed for demolition do not exceed the statutory maximums of five percent of my PHA's total housing stock, or five dwelling units, whichever is less, in any 5-year period.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

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

Name of Authorized Official	
Title	
Signature	
Date	

## **Form HUD-52860-A Instructions**

This form is required when a PHA proposes a demolition or disposition under 24 CFR part 970 and when a PHA proposes a de minimis demolition under Section 18 of the 1937 Act. This information is required as a supplement to the HUD-52860 form. PHAs must complete this form and upload it as an attachment to the IMS/PIC SAC application. Also, PHAs must upload the supporting documentation requested by this form as part of the IMS/PIC SAC application. PHAs must label that supporting documentation by section number of this form and/or by name (e.g. use of proceeds). PHAs refer to 24 CFR part 970 and all applicable PIH Notices in completing this form, including PIH Notice 2018-04 (or any successor notice). PHAs must label All defined terms not defined in this form have the meaning in those regulations and notices.

### **Section 1: Demolition**

Justification (Question 4). In completing their narrative statements describing the justification for demolition, PHAs should refer to the guidance at 24 CFR part 970 and PIH Notice 2012-7 (or any successor notice). In the case of a SAC application for demolition of portion of a development (e.g. SAC application is for less than all units on a contiguous site) the PHA's narrative must describe how the demolition will help to ensure the viability of the remaining portion of the development. This requirement shall not apply for demolitions of units on scattered non-contiguous sites.

Obsolete-Physical Condition: 24 CFR 970.15(b)(1)(i). A PHA must demonstrate serious and substantial physical deterioration of the buildings/units at the development. HUD strongly encourages PHAs to submit a physical needs assessment (PNA), government inspection, or independent architect or engineer's report as supporting documentation.

Obsolete-Location: 24 CFR 970.15(b)(1)(ii). A PHA must demonstrate that the location of the units causes obsolescence. HUD may consider the physical deterioration of the neighborhood; change in neighborhood from residential to industrial or commercial development; or environmental conditions which jeopardize the suitability of the site or a portion of the site and its housing structures for residential use.

Obsolete-Other Factors: 24 CFR 970.15(b)(1)(iii). A PHA must generally demonstrate that factors at the development have impacted the marketability, usefulness, or management of the units so seriously that, notwithstanding due diligence and its best efforts in marketing and leasing the units, the PHA is unable to operate the development for residential purposes for an extended period of time (generally more than 5 years). HUD may consider factors such as turnover rate, historic vacancy rate, access to transportation, crime rates, site plan and density issues, neighborhood infrastructure, and unit size. HUD strongly encourages PHAs to submit third party documentation.

De Minimis Demolition: 24 CFR 970.27. In any 5-year period, a PHA may demolish not more than the lesser of 5 dwelling units or 5 percent of the total public housing dwelling units owned by the PHA without the need to obtain HUD approval under 24 CFR part 970 provided the PHA can meet one of the following criteria: (a) The PHA will use the space occupied by the unit(s) for meeting the service or other needs of the residents (e.g. laundry facility; community center; child care center); or (b) the PHA has determined the unit(s) are beyond repair.

Cost-Test (Question 5). HUD generally shall not consider a program of modifications to be cost-effective if the costs of such program exceed 62.5 percent of total development cost (TDC) for elevator structures and 57.14 percent of TDC for all other types of structures in effect at the time the SAC application is submitted to HUD.

Obsolete-Physical Condition: 24 CFR 970.15(b)(1)(i). PHAs must complete and submit the HUD-52860-B form.

Obsolete-Location: 24 CFR 970.15(b)(1)(ii). HUD will consider the PHA's cost of curing the cause of the obsolescence (e.g. nearby industrial or commercial development, environmental conditions).

Obsolete-Other Factors: 24 CFR 970.15(b)(1)(iii). HUD will consider the PHA's cost of curing the cause of the obsolescence (e.g. site plan, crime, turnover).

De Minimis Demolition. Cost-test requirements are not applicable.

### **Section 2: Disposition**

Justification (Question 1). In completing their narrative statements describing the justification for disposition, PHAs should refer to the guidance at 24 CFR part 970 and PIH Notice 2018-04 (or any successor notice).

Conditions in Surrounding Area: 24 CFR 970.17(a). A PHA must demonstrate the location of the units (e.g. industrial or commercial development) jeopardizes the health and/or safety of the residents and/or the feasible operation of the units by the PHA based on external conditions outside the control of the PHA; and the condition is beyond the scope of the PHA to mitigate or cure in a cost-effective manner. To support a SAC application based on health and/or safety, PHAs must generally provide relevant third-party documentation that evidences the external conditions that present serious obstacles to the PHA maintaining the units as healthy and/or safe housing.

More Efficient/Effective Low-Income Housing: 24 CFR 970.17(b). A PHA must demonstrate the retention of the units is not in the best interests of the residents or the PHA because the disposition allows the acquisition, development, or rehabilitation of units that will be more efficiently or effectively operated as other low-income housing units. PHAs must generally demonstrate why other low-income units are preferable (e.g., more energy efficient, better unit configuration, better location for resident in terms of transportation, jobs, schools or racial or economic concentration). See PIH Notice 2012-7 (or any successor notice).

Best Interests of PHA and Residents & Consistent with PHA Plan & 1937 Act: 970.17(c). See PIH Notice 2018-04 (or any successor notice).

Third-Party Agreement. Certain third-party agreements may require HUD review and approval under 24 CFR part 970. In this case, the PHA must submit a SAC disposition application under this form to obtain HUD approval for the third-party agreement (including completing and attaching justification narrative of the agreement under 970.17(c) or other applicable section of 24 CFR 970). In the SAC application, the PHA must clearly indicate it is requesting HUD approval of a third-party agreement and attach the draft form of third-party agreement to the application. If the PHA is not requesting that HUD release the ACC or Declaration of Trust (DOT) or DORC from the property, it should put "0" in all fields for units, buildings and acreage. See PIH Notice 2018-04 (or any successor notice).

Non-Dwelling Property: 970.17(d). A PHA must demonstrate that the non-dwelling structure or land exceeds the needs of the development (after DOFA); or the disposition is incidental to, or does not interfere with, the continued operation of the remainder of the development.

Method of Disposition (Question 2). In completing this section, PHAs should refer to the guidance at 24 CFR part 970 and PIH Notice 2018-04 (or any successor notice). PHAs may propose different methods of disposition in their SAC applications, including:

- (a) Public Bid Fair Market Value (FMV) Sale (Cash). The PHA lists the public housing property on the open and competitive market and solicits bids. Actual FMV may be more or less than the appraised value, depending on the market and may reflect negotiations during the due diligence period.
- (b) Negotiated Sale at FMV (Cash). The PHA negotiates a sale with an identified buyer based on the appraised value of the public housing property. The PHA receives cash for the sale.
- (c) Negotiated Lease or other Transfer at FMV (Cash). The PHA negotiates a lease (e.g. ground lease, capital lease) with an identified entity based on the appraised value (leasehold and/or fee value) of the public housing property. The PHA receives cash for the lease payments.
- (d) Negotiated Sale or other Transfer at FMV (Seller-Financing). The PHA negotiates a sale with an identified buyer but instead of receiving cash proceeds, the PHA receives a promissory note and/or mortgage or deed of trust. Payments are generally made from deferred loan payments.
- (e) Negotiated Sale at below FMV. The PHA negotiates a sale with an identified buyer for below FMV (often nominal value).
- (f) Negotiated Lease or other Transfer at below FMV. The PHA negotiates a lease with an identified entity for below FMV (often nominal value).
- (g) Land-Swaps. The PHA negotiates a "land swap". In addition to meeting the requirements for a Negotiated Sale at FMV in B above, the PHA must generally evidence that HUD has approved the acquisition of the property to be acquired in the "land-swap" under 24 CFR part 905. If the property that PHA is proposing to acquire is valued less than public housing property proposed for disposition, the PHA receives cash proceeds to make up the difference.

If the disposition is proposed via negotiation, the PHA must evidence the entity is a valid entity under State law and is in good standing.

Commensurate Public Benefit (Question 3). In completing this section, PHAs should refer to the guidance at 24 CFR 970.19 and PIH Notice 2018-04 (or any successor notice). HUD determines commensurate public benefit on a case-by-case basis. However, generally the public housing property must be developed for affordable housing purposes serving low-income families (incomes at or below 80% of area median). HUD does not consider general public benefits (e.g., schools, libraries, fire stations, police stations and bridges) to be approvable non-dwelling uses that primarily serve low-income families. A PHA may propose a preferred form of use restriction (e.g., LIHTC extended use agreement, HOME agreement, reversion clause in transfer documents, provision in ground lease, separate use agreement).

If applicable, PHAs may, but are not required, to complete the following table and submit with their SAC applications in order to evidence the proposed commensurate public benefit, purpose and other disposition details:

<i>Development Name</i>		<i>Development Number</i>		
<b>Proposed for Disposition:</b> Building/s: _____, Units: _____, Acres: _____				
Total number of units to be developed (or preserved) on property:	Less than 80% of Area Median Income			
Total number of non-dwelling buildings to be developed (or preserved) on property:	ACC	Non-ACC	PBV	Market Rate
Rental				
For Sale				
Name of Acquiring Entity (Rental Units)				
Name of Acquiring Entity (initial developer) (For Sale Units)				
Method of Disposition	(e.g. 99-year ground lease; fee simple sale; Fair Market Value)			
Lease Price	\$ _____ per year			
Sale Price	\$ _____			
Purpose and or summary of Commensurate Public Benefit (short description of units and non-dwelling property to be developed/preserved)				

### Section 3: Proceeds

In completing this section, PHAs should refer to the guidance at 24 CFR part 970, PIH Notice 2018-04 (or any successor notice) and any other HUD guidance on proceeds. In accordance with 24 CFR 970.19, PHAs describe their proposed use of estimated proceeds (gross and net) in the SAC application.

Relocation Costs (Question 3). Pursuant to 24 CFR 970.21(e)(2), PHAs must pay for the actual and reasonable relocation expenses for all residents who will be displaced from their public housing units as a result of a demolition and/or disposition action. HUD considers the following to be eligible costs of relocation that can be deducted from gross proceeds: counseling and advisory services to residents (including mobility counseling), moving expenses (including housing search costs), payment of a security and/or utility deposits at a comparable housing, and costs of providing any necessary reasonable accommodations to residents in accordance with Section 504 of the Rehabilitation Act of 1973 and other HUD guidance.

Reasonable Costs of Disposition (Question 4). Reasonable costs of disposition may include the following (although HUD may disapprove any costs it deems unreasonable): (i) costs that PHAs incur in preparing the SAC application (e.g. environmental studies, engineering costs of rehab estimates under 24 CFR 970.15, appraisal fees); and (ii) transactional (seller) closing costs (e.g., local customary split of any brokerage fees, appraisal fees, survey costs, tax certificates fees, fees for recording the DOT/DORC release, notary fees, title insurance fees, title company document preparation and closing fees, mailing and wire transfer fees, and reasonable attorney fees), provided such costs are listed on the HUD-1 or other applicable settlement statement document.

Net Proceeds (Question 5). Net proceeds means proceeds realized after deducting relocation and disposition costs.

### Section 4: Offer of Sale to Resident Organizations

In completing this section, PHAs should refer to the guidance at 24 CFR part 970 and PIH Notice 2018-04 (or any successor notice). PHAs are eligible to exercise the exception from the offer of sale described at 970.9(b)(3)(ii) only in cases where the PHA has firm plans to replace substantially all of the units proposed for disposition with the housing units for low-income families (even if those housing units are not low-income housing units as defined by Section 3 of the 1937 Act). Note that a PHA cannot forgo giving applicable resident entities an offer of sale based on speculation or general plans to build a facility to benefit low-income families.

### Section 5: Certification

The Executive Director, Board Chairperson, or other authorized agent of the PHA, should sign and date this Certification.

## **FORM HUD 52860-A**

### **Narrative: Demolition and Disposition Addendum For Las Deltas/Las Deltas Annex I**

#### **Section 1.4: Demolition**

The basic rationale for demolition is covered in Section 2.1 below.

The property is 3.7% occupied. The cost of maintaining the property is approximately \$1 million per year regardless of the number of households in place since the nature of the neighborhood requires that all vacated units be secured with metal window and door covers that HACCC is renting at a significant cost to the agency. In addition, HACCC has had to continue to pay for local sheriff patrols of the property to disperse homeless and criminal elements from squatting on the vacated property. Thus, the requested demolition should occur as soon as the units can be vacated.

HACCC has received a bid to demolish the contiguous part of the property which includes the 58 units in property 9A and the 40 units in Property 6. Demolishing these units promptly will have a cost-saving effect for the agency, particularly when you consider that most of the units have been broken into and vandalized and will likely be torn down regardless of what will eventually be done with the site. In addition, a vacant series of contiguous parcels will be easier to draw interest from potential development groups than a series of dilapidated, boarded up and vandalized units.

HACCC plans to demolish only 98 of the 214 units. 107 units have been committed for conversion under the Rental Assistance Demonstration Program. The scattered site units that make up Property 9B are not likely to be demolished but, rather, sold off to interested buyers either at auction or at market value. HACCC seeks disposition approval for these units so that it can proceed with the process of selling the properties. Most of the scattered sites are duplexes, with four single family dwellings.

#### **Section 1.5: Demolition (Cost-test)**

Total cost to demolish 98 units will be approximately \$1,200,000. The amount will fluctuate until final contracts are signed.

#### **Section 2.1: Disposition**

HACCC is seeking disposition under the rationale of Section 18(a)(2)(A)(i) of the U.S. Housing Act of 1937 (the Act)—“conditions in the area surrounding the public housing project adversely affect the health or safety of the residents or the feasible operation of the project by the public housing agency”, and the "Other" rationale of Section 18(a)(2)(B) of the Act.

The Las Deltas/Las Deltas Annex developments are located in North Richmond, for which the 2012 crime rate indexes (the latest available) indicate a Total Crime Risk approximately 68% higher than for the State of California and similar relative risks for most types of serious crimes. While development-specific crime statistics are much more limited, Las Deltas/Annex appears to have a concentration of serious crimes within North Richmond—6 of 19 violent crimes in North Richmond in 2014, despite a population of under 150 families and police patrols assigned to the properties.

As a result of that and other factors discussed further below, virtually all families that HACCC has assigned to Las Deltas/Annex in recent years have refused to move there. In 2011 through May of 2013, these developments had a site-based waiting list. During this time period, HACCC called 1,537 families with potential offers of 2-bedroom and 3-bedroom units, interviewed 181 families and actually leased 14 units.

HACCC then converted to an authority-wide waiting list. From July 2013 through July 2015, HACCC leased 55 public housing units. However, none of these units were at Las Deltas/Annex. In view of the non-existent demand for these units, and the high costs that would be incurred to prepare them because the units promptly are vandalized once vacated, the HACCC stopped preparing units at Las Deltas/Annex.

#### North Richmond Poverty, Crime & Environmental Issues; Reduced Occupancy

The plight of North Richmond has been well –documented in recent years, including by a 9-part series in richmondconfidential.com: <http://richmondconfidential.org/2011/06/01/part-1-north-richmond-a-neighborhood-on-the-brink/> (Links to the remaining parts are in this first article.) Among the findings of these and other studies are:

North Richmond is highly segregated, with 97% of its residents Latinos, Blacks and Asians compared with 82.9% in Richmond and 59.9% in California according to the 2010 U.S. Census. This community has the lowest per capita income in Contra Costa County, about \$9,000, or roughly one third of the county average. In a 2009 report published by a coalition of area environmental and other groups entitled “Measuring What Matters,” the median income in North Richmond was listed at \$24,131, the lowest of more than 20 of the most impoverished communities in the Bay Area. While other, more recent sources show some higher median income numbers, they still show stark poverty relative to other California communities. One source, citydata.com, also shows a 41.0% drop in median household income from 2000 to 2013, compared to a 26.7% increase for all California households during the same time period.

Most homes sell for below \$100,000, among the lowest prices in the Bay Area. North Richmond is less than one mile from the sprawling Chevron refinery sitting on 940 acres, the largest producer of base oils on the West coast, and also is bounded by noisy railroad tracks to the south and a route to a nearby landfill to the north that is constantly used by trucks loaded with various wastes. The broader area contains five major oil refineries, three chemical companies, eight Superfund sites, dozens of other toxic waste sites, highways, two rail yards, ports and marine terminals where tankers dock. “The people of Richmond, particularly African-Americans, are at significantly higher risk of dying from heart disease and strokes and more likely to go to

hospitals for asthma than other county residents; health experts say their environment likely is playing a major role.” Kay and Katz, “North Richmond in shadow of poverty and pollution;” also called “Pollution, Poverty, People of Color: The factory on the Hill,” Environmental Health News, June 4, 2012: <https://shar.es/14ujXj>.

Residents complain of a lack of paved streets, lighting and basic services. There is one grocery store in the area, which does not carry fresh fruit or vegetables but has a wall that contains a roll call of homicide victims over the years.

Nearly every block has seen bloodshed in the past 30 years. From 2005 to 2010, at least 28 homicides occurred in the North Richmond area, with a population of under 3,000 people. Five in one year would equal a rate of 217 killings per 100,000 people, as opposed to 34 per 100,000 people in Richmond over the last decade. Ciudad Juarez, Mexico, was declared the world’s “murder capital” by the Citizen’s Council for Public Security, a nongovernmental organization, for 2009 with a rate of 130 murders per 100,000 inhabitants. Caracas, Venezuela, and New Orleans followed, with rates of 96 and 95 homicides per 100,000 people respectively. Thus, the North Richmond rate has been more than six times that of the City of Richmond and well over twice the rates of Caracas and New Orleans. North Richmond had 19 more homicides from 2011 to early 2014.

North Richmond has been a dumping ground for private and commercial interests all over the Bay Area. Local activists long have attributed health and environmental problems to the Chevron refinery.

A large national developer, KB Homes, built a market-rate development of single-family homes in the early 2000s that abuts Las Deltas/Annex. The developer built a concrete wall to separate the new development from Las Deltas/Annex.

The City of Richmond has resisted efforts to annex North Richmond, which remains a part of unincorporated Contra Costa County. The County has not had adequate resources to meet North Richmond’s needs, for example, for police to combat violence as well as important non-violent offenses including illegal dumping.

Of the 214 original units, only 8 units remain occupied. This has facilitated a migration of homeless squatters and break-ins that pose a threat to the remaining Las Deltas households and surrounding neighbors. Many of them have voiced concerns with local officials and law enforcement.

In view of these enormous problems, it is not surprising that HACCC has been unable to fill vacancies at North Richmond and remains unable to offer Las Deltas residents a reasonable living environment despite taking extraordinary measures such as paying for supplemental police patrols. HACCC’s reasonable operation of Las Deltas/Annex is infeasible, particularly with federal funding shortfalls. HACCC’s certification that the statutory test is met clearly is justified.

#### Inability To Complete RAD

For the past two years, HACCC pursued a RAD transfer of assistance (TOA) strategy for Las Deltas and worked to have 95 households, who were in occupancy on the date all four CHAPs were approved by HUD, relocated to healthier and safer neighborhoods. Even with HACCC's offers to developers of non-RAD project-based vouchers if they will take RAD units, the restrictive RAD rents have made it difficult to entice developers to participate in the program and HACCC is finding it a challenge to complete the TOA and, in turn, meet RAD's 1-for-1 replacement requirement. Thus, the satisfactory completion of RAD and authorization to dispose of the property through RAD rather than this application process does not appear to be a reasonable option.

For all these reasons, HUD should promptly grant the requested disposition approval, partial demolition approval and, upon application, approval of 95 tenant protection vouchers.

### **Section 3: Proceeds**

While the appraised value of all of the properties is approximately \$14,920,000, it is not expected that HACCC will be successful in securing this amount for the sale and disposition of the properties at this site. HACCC will make best efforts to do so. At a minimum, all proceeds from the sale will be used to recoup the approximately \$1,300,000 in relocation costs and \$1,542,000 in demolition costs expended out of Capital Funds during the relocation and preparation phase for this demo/Dispo effort. In addition, it is anticipated that there will be costs associated with the appraisal, environmental reviews, securing the site, realtor services and attorney fees associated with the demolition and disposition of Las Deltas and Las Deltas Annex I.

All remaining proceeds will be used to make further improvements to other developments in HACCC's public housing portfolio as well as begin the pre-development planning for the disposition of the El Pueblo and Bayo Vista public housing developments.

### **Section 4.1: Offer of Sale to Resident Organizations**

There are no established resident organizations at Las Deltas to offer the property for sale.

**FORM HUD 52860**

**Narrative: Demo/Dispo Application For Las Deltas/Las Deltas Annex I**

**Section 4.11: Description of Existing Development**

Development		DOFA	Building	Family/	Total	UFAS Units by Bedroom Size					
Name	Number	Date	Type**	Elderly?	Units	0	1	2	3	4	5
Las Deltas	Ca006	1952	Duplex & 6-plex	FAMILY	76	0	0	5	0	0	0
Las Deltas	Ca009A	1961	Duplex	FAMILY	58	0	0	0	0	0	0
Las Deltas	Ca009B	1960	Duplex and Single Family Dwelling	FAMILY	80	0	7	0	0	0	0

All UFAS units are fully built out for mobility and sensory accessibility.

**Section 5.3: Proposed Action by Building Type**

See attached site map. Three separate properties in two distinct AMPs are outlined. AMP 7 - Property 6 (20 duplexes and 6 6-plexes) and AMP 6 - Property 9A (29 duplexes) are intended for demolition and disposition. The largest area, AMP 6 - Property 9B, (a forty square block area among which are the 80 scattered site units broken down as 38 duplexes and 4 single family dwellings) are intended for disposition only.

**Section 5.4: Total Acreage Proposed for Removal (if applicable)**

Attached are also the most current Declarations of Trust for each property with legal descriptions. Total Acreage for the demolition component of the property is 9.38 acres. The 80 units seeking disposition is 7.69 acres.

**Section 6.2: Relocation**

Summary of residents estimated to be displaced by Race:

Black *	72
White *	19
Asian	1
Native American	1
Multi-racial	1
Declined to State	1

\* Includes 20 Hispanic households between the two.

Number of households containing a person with disabilities: 37

### Section 6.3: Relocation

HACCC has contracted Overland, Pacific & Cutler, LLC (OPC) as its relocation consultant to provide relocation services for the Las Deltas families. OPC has conducted extensive interviews with all of the households and crafted relocation strategies for each household based on their preference for area and type of housing they are interested in.

Of the 95 households in residency at the time of CHAP approvals in August, 2016, 14 households eventually either moved on their own without assistance in fear of remaining at the site or were terminated for cause. OPC has been working with the remaining 81 residents for approximately nine months to find acceptable replacement housing for each of the affected families. During this time, they have not only counseled families to facilitate their move, but they have worked closely with the Bay Area housing market to locate and negotiate tenancies for suitable housing. To date, 73 of the remaining 81 families at Las Deltas have been relocated and the others have continued to receive regular counseling and housing search assistance to help identify a suitable home for them. OPC has worked with HACCC to establish a trust account to facilitate the timely processing of security deposits and moving expenses for the families and has been instrumental in negotiating tenancies in an extremely restrictive rental market.

### Section 6.6: Relocation

Residents of Las Deltas have been offered the following housing opportunities:

1. Vacant and available public housing units throughout the HACCC portfolio;
2. Housing Choice Vouchers
3. Project Based Voucher units committed as replacement units for Las Deltas

Below is a summary of relocation activity to date.

Total Las Deltas Families Eligible for Relocation	95
Total who moved on their own without assistance or were terminated for cause	14
Total Additional Families That Have Moved	75
• Moved to other public housing	42
• Moved using voucher within HACCC jurisdiction	25
• Moved using voucher outside of HACCC jurisdiction	7
• Moved and left HACCC programs	1
Total Families Pending Move	6

## **Section 6.7: Relocation**

Typically, the number of tenant protection vouchers (TPV) is limited at least initially to the number of occupied units at the time of demo/dispo application approval. However, as a result of the deplorable conditions of the units at Las Deltas, and fearing for the health and safety of the residents at the property, HACCC was forced to begin the relocation process before getting approval through regular HUD channels. In addition, HACCC was discouraged from pursuing demo/dispo as a viable solution by HUD in 2014, because the standard for demonstrating physical obsolescence did not appear to be met irrespective of an overwhelming serious crime problem and other unacceptable living conditions. HACCC thus requests TPVs equal to the number of households in occupancy when HACCC was awarded the last of its four CHAPs on August 16, 2016. After nearly a year of monthly discussions with the RAD Transaction Manager assigned to HACCC's RAD award and HUD staff, in June of 2017, HACCC requested permission from the Office of Recapitalization to proceed with early relocation of Las Deltas. HUD's response indicated that HACCC should proceed with relocation under its authority granted under Public Housing regulations for emergency transfer of households living in substandard conditions.

## **Section 7.1: Resident Consultation**

When HACCC was intending to submit a demo/dispo application as an alternative to the RAD applications it was submitting and to weigh the results of which strategy would present itself first, a resident meeting was held with the remaining 95 residents at Las Deltas at that time. Approximately 36 households attended a community meeting where the demo/dispo application was discussed and what potential outcomes would come of such an application, including the option for TPVs, demolition of the property and sale of the property. This meeting was held on September 24, 2015. The agenda, sign-in sheet and presentation shared are attached. In addition, there are continuing discussions with residents regarding RAD and relocation.

## **Section 7.4: Resident Consultation (Resident Advisory Board)**

Regular meetings of the Resident Advisory Board are held as part of the PHA Plan process each year. In response to HUD 's comment that the meeting held on September 21, 2015 to discuss options for the conversion and/or disposition of Las Deltas was too old, a meeting with the RAB was convened on September 26, 2018 to further discussed the Demo/Dispo application. Attached are the agenda and sign-in sheets from the meeting.



7

PLEASE COMPLETE THIS INFORMATION

RECORDING REQUESTED BY:

Name: Housing Authority of the County of Contra Costa

Address: PO Box 2759  
Martinez, CA 94553

WHEN RECORDED MAIL TO:

Name: Housing Authority of the County of Contra Costa

Address: PO Box 2759  
Martinez, CA 94553



CONTRA COSTA Co Recorder Office

JOSEPH CANCIAMILLA, Clerk - Recorder

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Thursday, OCT 13, 2016 15:51:08

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(THIS SPACE FOR RECORDER'S USE ONLY)

Declaration of Trust CA011006 North Richmond

TITLE OF DOCUMENT

**Declaration of Trust**  
(Public Housing Modernization Grant Projects)

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB No. 2577-0075  
exp. 10/31/2017

Whereas, (1, see instructions) The Housing Authority of the County of Contra Costa  
(herein called the Public Housing Agency (PHA), a public body corporate and politic, duly created and organized pursuant to and in accordance with the provisions of the laws of the (2) State of California, and the United States of America, Secretary of Housing and Urban Development (herein called HUD) pursuant to the United States Housing Act of 1937 (42 U.S.C 1437, et seq.) and the Department of Housing and Urban Development Act (5 U.S.C. 624) entered into a certain contract with the effective date as of (mm/dd/yyyy) (3) 01/09/1952, (herein called the Annual Contributions Contract) and a certain Modernization Project Grant Amendment to the Annual Contributions Contract with the effective date as of (mm/dd/yyyy) (4) 04/13/2015, (herein called the Modernization Grant Amendment) providing for a grant to be made by HUD to assist the PHA in modernizing lower income housing project(s), and

Whereas, as of the date of the execution of this Declaration of Trust, the Modernization Grant Amendment and the Annual Contributions Contract cover certain individual lower income housing projects located in: (5) the Unincorporated Town of North Richmond, County of Contra Costa, State of California which will provide approximately (6) 76 dwelling units; and which lower income housing projects are known as Modernization Project No. (7) CA011006 and individual projects as follows:  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units,  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units, and  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units; and

Whereas, the modernization of each Project will have been financed with grant assistance provided by HUD.  
Now Therefore, to assure HUD of the performance by the PHA of the covenants contained in the Modernization Grant Amendment and the Annual Contributions Contract, the PHA does hereby acknowledge and declare that it is possessed of and holds in trust for the benefit of HUD, for the purposes herein stated, the following described real property situated in: (9)

the Unincorporated Town of North Richmond, County of Contra Costa, In the State of California

To Wit: (Insert legal description for each individual project. )(10)

See Attachment "A".

and all buildings and fixtures erected or to be erected thereon or appurtenant thereto.

The PHA hereby declares and acknowledges that during the existence of the trust hereby created, HUD has been granted and is possessed of an interest in the above described Project property, To Wit:

The right to require the PHA to remain seized of the title to said property and to refrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said property or any part thereof, appurtenances thereto, or any rent, revenues, income, or receipts therefrom or in connection therewith, or any of the benefits or contributions granted to it by or pursuant to the Modernization Grant Amendment and the Annual Contributions Contract, or any interest in any of the same except that the PHA may (1) to the extent and in the manner provided in the Annual Contributions Contract, (a) lease dwellings and other spaces and facilities in any Project, or (b) convey or otherwise dispose of any real or personal property which is determined to be excess to the needs of any Project, or (c) convey or dedicate land for use as streets, alleys, or other public right-of-way, and grant easements for the establishment, operation, and maintenance of public utilities; or (d) enter into and perform contracts for the sale of dwelling units to members of tenant families, as authorized by the United States Housing Act of 1937, or (2) with the approval of HUD, release any Project from the trust hereby created; Provided, That nothing herein contained shall be construed as prohibiting the conveyance of title to or the delivery of possession of any Project to HUD pursuant to the Annual Contributions Contract.

The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the PHA of any real or personal property which is determined to be excess to the needs of any Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public right-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying a dwelling unit, or an interest therein, to a member of a tenant family, or (4) upon any instrument of release made by the PHA of any Project shall be effective to release such property from the trust hereby created.

The individual projects covered by the Modernization Grant Amendment shall be subject to this Declaration of Trust for a period of twenty years beginning on the date of the Modernization Grant Amendment. Each individual project shall also be subject to this Declaration of Trust for a period of twenty years after the date of the most recent Modernization Grant Amendment applicable to that project. Upon expiration of the period during which the PHA is obligated to operate the individual projects in accordance with the Annual Contributions Contract, the trust hereby created shall terminate and no longer be effective.

In Witness Whereof, the PHA by its officers thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this date (mm/dd/yyyy) 10/12/2016.

(Seal)

(1, see instructions)

HOUSING AUTHORITY OF THE  
COUNTY OF CONTRA COSTA

By: Candace Andersen Chairperson  
Attest: Joseph Villarreal Secretary  
Date (mm/dd/yyyy) 10/12/16

---

**Instructions for Completing form HUD-52190-B, Declaration of Trust (Public Housing Modernization Grant Projects)**

---

Promptly after execution of an ACC Modernization Grant Amendment, HUD Counsel shall prepare and transfer to the PHA, form HUD-52190-B, Declaration of Trust (Public Housing Modernization Grant Projects), which shall cover all of the individual projects included in the modernization grant project. The letter transmitting the Declaration of Trust shall instruct the PHA to complete, execute, and record the Declaration of Trust and provide HUD Counsel with a copy as soon as it has been recorded. (Counsel for the PHA will be responsible for providing the legal description for the individual projects if HUD Counsel does not have this information in his/her files.)

The following instructions pertain to the use of the blank spaces in form HUD-52190-B:

1. Insert the name of the Public Housing Agency as it appears in the Modernization Grant Amendment.
2. Insert the name of the general governmental unit, indicating whether it is a State or Commonwealth.
3. Insert the date of the Annual Contributions Contract which has been amended by addition of the Modernization Grant Amendment.
4. Insert the effective date of the Modernization Grant Amendment.
5. Insert the names of the political subdivisions in which the housing projects covered by the Modernization Grant Amendment are located, e.g., City of \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_.
6. Insert the approximate total number of units included in the modernization grant project.
7. Insert the modernization project number.
8. Insert the individual project number and approximate number of units for each individual project included in the modernization grant project. If more than three projects are included, add additional entries.
9. Same as Item 5.
10. Insert legal description for each individual project or of each individual unit comprising a project (e.g., single-family detached or semi-detached units operated in accordance with the Turnkey III or other Homeownership Program.)

DESCRIPTION OF PROPERTY OF PROJECT CAL 11-6  
DESCRIBED IN PRELIMINARY REPORT #119194  
AND POLICIES #52931, 52920, and 52918

**PRELIMINARY REPORT #119194:**

Lots 325, 326, and 327 in Block 12 as shown on the map of Truman Addition, filed in book 8 of Maps, page 198 in the office of the County Recorder of Contra Costa County.

**POLICY #52931:**

Portion of Lot 198 as shown on the Map of the San Pablo Rancho, accompanying and Forming a Part of the Final Report of the Referees in Partition, which map was filed on March 1, 1894, in the office of the County Recorder of Contra Costa County, and portion of lots 24 and 25 in Section 1, Township 1 North, Range 5 West, Mount Diablo Base and Meridian, portion of Survey No. 151 of Swamp and Overflowed Lands, as shown on the map entitled, Map No. 1, Salt Marsh and Tide Lands situated in the County of Contra Costa, State of California, 1872, which map is on file in the office of the Surveyor General at Sacramento, filed in Map Book 8, page 198 in the office of the County Recorder of Contra Costa County, described as a whole as follows:

Beginning at the northeast corner of Lot 303, Block 12, as said lot and block are designated and so delineated on that certain map entitled, "Truman Addition to Richmond" filed November 18, 1912, in volume 8 of Maps, page 191, records of Contra Costa County; thence from said point of beginning, South 0 degree 04' East along the easterly line of said Block 12, 525.47 feet to the southeast corner of Lot 321 of said Block 12; thence South 89 degrees 56' West along the southerly line of said Lot 321, Block 12, 176.87 feet to the southwest corner of said Lot 321; thence South 28 degrees 15' West along the westerly line of Lots 322, 331, and 332, 170.39 feet to the southwest corner of Lot 322 of said Block 12, said point being on the northerly line of Standard Avenue, (40 feet in width); thence leaving said westerly line, South 89 degrees 56' West along the northerly line of Standard Avenue produced westerly 242.32 feet; thence leaving said line North 0 degrees 04' West, parallel to the easterly line of the aforesaid Block 12, 705.47 feet to a point on the direct extension westerly of the centerline of Silver Avenue, as said avenue is shown on the aforesaid map of "Truman Addition to Richmond"; thence North 89 degrees 56' East along said centerline produced 388.86 feet to a point on the westerly line of said "Truman Addition to Richmond"; thence South 0 degrees 39' East along said westerly line, 30.00 feet to the northwest corner of the aforesaid Lot 303, Block 12; Thence North 89 degrees 56' East along the northerly line of said Lot 303, 110.84 feet to the point of beginning and containing an area of 7.273 acres, more or less.

**SAVING AND EXCEPTING THEREFROM:**

First: Rights granted to Contra Costa County by John T. Haywords, dated April 2, 1898, recorded April 4, 1898, in book 77 of Deeds, page 472.

Second The rights reserved in the deed from Standard Oil Company of California to Charles Gnecco, et ux, dated November 2, 1942, and recorded January 6, 1943, in volume 723 of Official Records, page 121, as follows:

"Excepting and reserving to grantor, its successors and assigns, all petroleum, asphaltum, gas and other minerals within or underlying, or that may be produced from the said land, together with the exclusive right to mine for and remove them from said land."

"Grantor shall pay grantees for any damage to or loss of said land or the improvements of grantee thereon, which may result from the exercise of said rights."

By Agreement between Standard Oil Company of California, a corporation, and Parr Richmond Industrial Corporation, a corporation, dated June 12, 1951, recorded June 27, 1951, under Recorder's Serial No. 31129, the above rights were modified to read as follows:

"Excepting and reserving to grantor, its successors and assigns, all oil, gas, asphaltum and other hydrocarbons and other minerals, whether similar to those herein specified or not, within or underlying or that may be produced from said parcel of land, and also excepting and reserving to grantor, its successors and assigns, the sole and exclusive right to drill slanted wells from adjacent lands into and through the subsurface of said parcel of land for the purpose of recovering said reserved minerals from said parcel of land and from other properties, but not the right to dig any shaft or tunnel beneath the surface of said parcel of land; provided, however, that the surface of said parcel of land and the subsurface thereof to a depth of thirty feet shall never be used for the exploration, development, extraction or removal of said reserved minerals and grantor hereby agrees that none of said operations on the surface of the remaining land described in said indenture dated November 2, 1942, shall be conducted within 100 feet of any building upon said parcel of land hereinabove described."

Third: Rights granted to the County of Contra Costa by Parr-Richmond Industrial Corporation, dated March 29, 1949, recorded April 6, 1949, in book 1371 of Official Records, page 237.

**POLICY #52920:**

Lots 323, 324, 328, 329, 330,331, and 332 in Block 12 as shown on the map of Truman Addition filed in book 8 of Maps, page 198, in the office of the County Recorder of Contra Costa County.

**POLICY #52918:**

Lot 322 in Block 12 as shown on the map of Truman Addition, filed in book 8 of Maps, page 198 in the office of the County Recorder of Contra Costa County.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Contra Costa ;

On October 12, 2016 before me, Jami Melissa Napier, Notary Public

Date

Here Insert Name and Title of the Officer

personally appeared

Candace Andersen

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Jami Melissa Napier  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Partner —  Limited  General

Individual  Attorney in Fact

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Contra Costa )  
on October 12, 2016 before me, Jami Melissa Napier, Notary Public  
Date Here Insert Name and Title of the Officer  
personally appeared Joseph Villarreal  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Jami Melissa Napier  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

I hereby certify that this is a true  
And correct copy of the original  
On file in this office

ATTEST NOV 02 2017

Joseph E. Canciamilla  
County Clerk  
Centre, Costa County, California

By  Deputy Clerk

PLEASE COMPLETE THIS INFORMATION

RECORDING REQUESTED BY:

Name: Housing Authority of the County of Contra Costa

Address: PO Box 2759  
Martinez, CA 94553

WHEN RECORDED MAIL TO:

Name: Housing Authority of the County of Contra Costa

Address: PO Box 2759  
Martinez, CA 94553

CONTRA COSTA Co Recorder Office  
 JOSEPH CANCIAMILLA, Clerk - Recorder  
**DOC - 2016-0214129-00**  
 Thursday, OCT 13, 2016 15:51:29  
 FRE \$0.00  
 Till Pd \$0.00 Nbr-0002735047 kat / R6 / 1-6



(THIS SPACE FOR RECORDER'S USE ONLY)

Declaration of Trust CA011009A North Richmond

TITLE OF DOCUMENT

**Declaration of Trust**  
(Public Housing Modernization Grant Projects)

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB No. 2577-0075  
exp. 10/31/2017

Whereas, (1, see instructions) The Housing Authority of the County of Contra Costa  
(herein called the Public Housing Agency (PHA), a public body corporate and politic, duly created and organized pursuant to and in accordance with the provisions of the laws of the (2) State of California, and the United States of America, Secretary of Housing and Urban Development (herein called HUD) pursuant to the United States Housing Act of 1937 (42 U.S.C. 1437, et seq.) and the Department of Housing and Urban Development Act (5 U.S.C. 624) entered into a certain contract with the effective date as of (mm/dd/yyyy) (3) 06/29/1959, (herein called the Annual Contributions Contract) and a certain Modernization Project Grant Amendment to the Annual Contributions Contract with the effective date as of (mm/dd/yyyy) (4) 04/13/2015, (herein called the Modernization Grant Amendment) providing for a grant to be made by HUD to assist the PHA in modernizing lower income housing project(s); and

Whereas, as of the date of the execution of this Declaration of Trust, the Modernization Grant Amendment and the Annual Contributions Contract cover certain individual lower income housing projects located in: (5) the Unincorporated Town of North Richmond, County of Contra Costa, State of California which will provide approximately (6) 58 dwelling units; and which lower income housing projects are known as Modernization Project No. (7) CA011009A and individual projects as follows:  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units,  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units, and  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units; and

Whereas, the modernization of each Project will have been financed with grant assistance provided by HUD.

Now Therefore, to assure HUD of the performance by the PHA of the covenants contained in the Modernization Grant Amendment and the Annual Contributions Contract, the PHA does hereby acknowledge and declare that it is possessed of and holds in trust for the benefit of HUD, for the purposes herein stated, the following described real property situated in: (9)

the Unincorporated Town of North Richmond, County of Contra Costa, In the State of California

To Wit: (Insert legal description for each individual project. )(10)

See Attachment "A".

and all buildings and fixtures erected or to be erected thereon or appurtenant thereto.

The PHA hereby declares and acknowledges that during the existence of the trust hereby created, HUD has been granted and is possessed of an interest in the above described Project property, To Wit:

The right to require the PHA to remain seized of the title to said property and to refrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said property or any part thereof, appurtenances thereto, or any rent, revenues, income, or receipts therefrom or in connection therewith, or any of the benefits or contributions granted to it by or pursuant to the Modernization Grant Amendment and the Annual Contributions Contract, or any interest in any of the same except that the PHA may (1) to the extent and in the manner provided in the Annual Contributions Contract, (a) lease dwellings and other spaces and facilities in any Project, or (b) convey or otherwise dispose of any real or personal property which is determined to be excess to the needs of any Project, or (c) convey or dedicate land for use as streets, alleys, or other public right-of-way, and grant easements for the establishment, operation, and maintenance of public utilities; or (d) enter into and perform contracts for the sale of dwelling units to members of tenant families, as authorized by the United States Housing Act of 1937, or (2) with the approval of HUD, release any Project from the trust hereby created; Provided, That nothing herein contained shall be construed as prohibiting the conveyance of title to or the delivery of possession of any Project to HUD pursuant to the Annual Contributions Contract.

The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the PHA of any real or personal property which is determined to be excess to the needs of any Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public right-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying a dwelling unit, or an interest therein, to a member of a tenant family, or (4) upon any instrument of release made by the PHA of any Project shall be effective to release such property from the trust hereby created.

The individual projects covered by the Modernization Grant Amendment shall be subject to this Declaration of Trust for a period of twenty years beginning on the date of the Modernization Grant Amendment. Each individual project shall also be subject to this Declaration of Trust for a period of twenty years after the date of the most recent Modernization Grant Amendment applicable to that project. Upon expiration of the period during which the PHA is obligated to operate the individual projects in accordance with the Annual Contributions Contract, the trust hereby created shall terminate and no longer be effective.

In Witness Whereof, the PHA by its officers thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this date (mm/dd/yyyy) 10/12/2016.

(Seal)

(1, see instructions)

HOUSING AUTHORITY OF THE  
COUNTY OF CONTRA COSTA

By Candace Andersen Chairperson  
Attest Joseph Villarreal Secretary  
Date (mm/dd/yyyy) 10/12/16

---

**Instructions for Completing form HUD-52190-B, Declaration of Trust (Public Housing Modernization Grant Projects)**

---

Promptly after execution of an ACC Modernization Grant Amendment, HUD Counsel shall prepare and transfer to the PHA, form HUD-52190-B, Declaration of Trust (Public Housing Modernization Grant Projects), which shall cover all of the individual projects included in the modernization grant project. The letter transmitting the Declaration of Trust shall instruct the PHA to complete, execute, and record the Declaration of Trust and provide HUD Counsel with a copy as soon as it has been recorded. (Counsel for the PHA will be responsible for providing the legal description for the individual projects if HUD Counsel does not have this information in his/her files.)

The following instructions pertain to the use of the blank spaces in form HUD-52190-B:

1. Insert the name of the Public Housing Agency as it appears in the Modernization Grant Amendment.
2. Insert the name of the general governmental unit, indicating whether it is a State or Commonwealth.
3. Insert the date of the Annual Contributions Contract which has been amended by addition of the Modernization Grant Amendment.
4. Insert the effective date of the Modernization Grant Amendment.
5. Insert the names of the political subdivisions in which the housing projects covered by the Modernization Grant Amendment are located, e.g., City of \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_.
6. Insert the approximate total number of units included in the modernization grant project.
7. Insert the modernization project number.
8. Insert the individual project number and approximate number of units for each individual project included in the modernization grant project. If more than three projects are included, add additional entries.
9. Same as Item 5.
10. Insert legal description for each individual project or of each individual unit comprising a project (e.g., single-family detached or semi-detached units operated in accordance with the Turnkey III or other Homeownership Program.)

DESCRIPTION OF PROPERTY OF PROJECT CAL 11-9A  
DESCRIBED IN DECLARATION OF TRUST - RECORDED DECEMBER 14, 1959

Portion of Blocks 4 and 5 and portion of Willow Street and Belmont Avenue, as shown on the map of Truman Addition, filed November 18, 1912, in Book 8 of Maps, page 198, in the office of the County Recorder of Contra Costa County, and portion of Lot 198, San Pablo Rancho, filed March 1, 1894, in the office of the County Recorder of Contra Costa County, described as follows:

Beginning in the northern line of Silver Avenue as shown on said map of Truman Addition (8 M 198), at the intersection thereof with a line that is parallel with and 100 feet westerly (measured at right angles) from the eastern line of said Block 5; thence from said point of beginning, North 0° 04' West, along said parallel line 760 feet to the southern line of Lot 6, in said Block 4; thence North 39° 29' 19" West, along the southwestern line of the parcel of land described in the deed from North American Title Guaranty Corporation, Contra Costa Division, to Lacy Douglas, Jr., et ux., dated March 22, 1955, recorded April 6, 1955, in Book 2510 of Official Records, page 517, a distance of 64.72 feet to the southwestern corner of the parcel of land described in the deed from North American Title Guaranty Corporation, Contra Costa Division, to Roy Lee Amos, et ux., dated March 22, 1955, recorded May 31, 1955, in Book 2507 of Official Records, page 287; thence along the western and northern line of said Amos parcel (2587 OR 287), North 1° 45' 46" West, 50.02 feet and North 89° 56' East, 76 feet to a northeastern line of the parcel of land described in the deed from North American Title Guaranty Corporation, Contra Costa Division, to Robert R. Platt, dated September 28, 1954, recorded October 1, 1954, in Book 2391 of Official Records, page 428; thence along the exterior line of said Platt parcel (2391 OR 428), as follows: North 47° 55' West, 120.72 feet, South 55° 35' West, 41.90 feet, South 59° 15' West, 358.44 feet; thence South 0° 04' East, parallel with said eastern line of said Block 5 a distance of 734.7 feet to said northern line of Silver Avenue; thence North 89° 56' East, along said last mentioned line, 399.70 feet to the point of beginning.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Contra Costa ;

On October 12, 2016 before me, Jami Melissa Napier, Notary Public

Date

Here Insert Name and Title of the Officer

personally appeared

Candace Andersen

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Jami Melissa Napier  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Partner —  Limited  General

Individual  Attorney in Fact

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

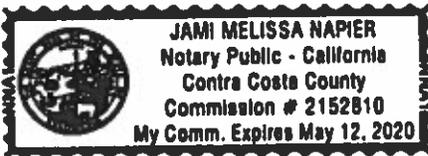
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Contra Costa )  
on October 12, 2016 before me, Jami Melissa Napier Notary Public  
Date Here Insert Name and Title of the Officer  
personally appeared Joseph Villarreal  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Jami Melissa Napier  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

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Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney In Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

I hereby certify that this is a true  
And correct copy of the original  
On file in this office

ATTEST NOV 02 2017

Josepi E. Canciamilla  
County Clerk  
Contra Costa County, California

By  Deputy Clerk

PLEASE COMPLETE THIS INFORMATION

RECORDING REQUESTED BY:

Name: Housing Authority of the County of Contra Costa

Address: PO Box 2759  
Martinez, CA 94553

WHEN RECORDED MAIL TO:

Name: Housing Authority of the County of Contra Costa

Address: PO Box 2759  
Martinez, CA 94553



CONTRA COSTA Co Recorder Office

JOSEPH CANCIAMILLA, Clerk - Recorder

DOC - 2016 - 0214130 - 00

Thursday, OCT 13, 2016 16:51:39

FRE \$0.00

Til Pd \$0.00

Nbr - 0002735048

kat / R6 / 1-6



(THIS SPACE FOR RECORDER'S USE ONLY)

Declaration of Trust CA011009B North Richmond

TITLE OF DOCUMENT

**Declaration of Trust**  
(Public Housing Modernization Grant Projects)

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB No. 2577-0075  
exp. 10/31/2017

Whereas, (1, see instructions) The Housing Authority of the County of Contra Costa  
(herein called the Public Housing Agency (PHA), a public body corporate and politic, duly created and organized pursuant to and in accordance with the provisions of the laws of the (2) State of California, and the United States of America, Secretary of Housing and Urban Development (herein called HUD) pursuant to the United States Housing Act of 1937 (42 U.S.C. 1437, et seq.) and the Department of Housing and Urban Development Act (5 U.S.C. 624) entered into a certain contract with the effective date as of (mm/dd/yyyy) (3) 06/29/1959, (herein called the Annual Contributions Contract) and a certain Modernization Project Grant Amendment to the Annual Contributions Contract with the effective date as of (mm/dd/yyyy) (4) 04/13/2015, (herein called the Modernization Grant Amendment) providing for a grant to be made by HUD to assist the PHA in modernizing lower income housing project(s); and

Whereas, as of the date of the execution of this Declaration of Trust, the Modernization Grant Amendment and the Annual Contributions Contract cover certain individual lower income housing projects located in: (5) the Unincorporated Town of North Richmond, County of Contra Costa, State of California which will provide approximately (6) 80 dwelling units; and which lower income housing projects are known as Modernization Project No. (7) CA011009B and individual projects as follows:  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units,  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units, and  
Project No. (8) \_\_\_\_\_ with approximately \_\_\_\_\_ dwelling units; and

Whereas, the modernization of each Project will have been financed with grant assistance provided by HUD.

Now Therefore, to assure HUD of the performance by the PHA of the covenants contained in the Modernization Grant Amendment and the Annual Contributions Contract, the PHA does hereby acknowledge and declare that it is possessed of and holds in trust for the benefit of HUD, for the purposes herein stated, the following described real property situated in: (9)

the Unincorporated Town of North Richmond, County of Contra Costa, in the State of California

To Wit: (Insert legal description for each individual project. )(10)

See Attachment "A".

and all buildings and fixtures erected or to be erected thereon or appurtenant thereto.

The PHA hereby declares and acknowledges that during the existence of the trust hereby created, HUD has been granted and is possessed of an interest in the above described Project property, To Wit:

The right to require the PHA to remain seized of the title to said property and to refrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said property or any part thereof, appurtenances thereto, or any rent, revenues, income, or receipts therefrom or in connection therewith, or any of the benefits or contributions granted to it by or pursuant to the Modernization Grant Amendment and the Annual Contributions Contract, or any interest in any of the same except that the PHA may (1) to the extent and in the manner provided in the Annual Contributions Contract, (a) lease dwellings and other spaces and facilities in any Project, or (b) convey or otherwise dispose of any real or personal property which is determined to be excess to the needs of any Project, or (c) convey or dedicate land for use as streets, alleys, or other public right-of-way, and grant easements for the establishment, operation, and maintenance of public utilities; or (d) enter into and perform contracts for the sale of dwelling units to members of tenant families, as authorized by the United States Housing Act of 1937, or (2) with the approval of HUD, release any Project from the trust hereby created; Provided, That nothing herein contained shall be construed as prohibiting the conveyance of title to or the delivery of possession of any Project to HUD pursuant to the Annual Contributions Contract.

The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the PHA of any real or personal property which is determined to be excess to the needs of any Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public right-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying a dwelling unit, or an interest therein, to a member of a tenant family, or (4) upon any instrument of release made by the PHA of any Project shall be effective to release such property from the trust hereby created.

The individual projects covered by the Modernization Grant Amendment shall be subject to this Declaration of Trust for a period of twenty years beginning on the date of the Modernization Grant Amendment. Each individual project shall also be subject to this Declaration of Trust for a period of twenty years after the date of the most recent Modernization Grant Amendment applicable to that project. Upon expiration of the period during which the PHA is obligated to operate the individual projects in accordance with the Annual Contributions Contract, the trust hereby created shall terminate and no longer be effective.

In Witness Whereof, the PHA by its officers thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this date (mm/dd/yyyy) 10/12/2016.

(Seal)

(1, see instructions)

**HOUSING AUTHORITY OF THE  
COUNTY OF CONTRA COSTA**

By [Signature] Chairperson  
Attest CANDACE ANDERSEN Secretary  
Date (mm/dd/yyyy) 10/12/16  
JOSEPH VILLARREAL

---

**Instructions for Completing form HUD-52190-B, Declaration of Trust (Public Housing Modernization Grant Projects)**

---

Promptly after execution of an ACC Modernization Grant Amendment, HUD Counsel shall prepare and transfer to the PHA, form HUD-52190-B, Declaration of Trust (Public Housing Modernization Grant Projects), which shall cover all of the individual projects included in the modernization grant project. The letter transmitting the Declaration of Trust shall instruct the PHA to complete, execute, and record the Declaration of Trust and provide HUD Counsel with a copy as soon as it has been recorded. (Counsel for the PHA will be responsible for providing the legal description for the individual projects if HUD Counsel does not have this information in his/her files.)

The following instructions pertain to the use of the blank spaces in form HUD-52190-B:

1. Insert the name of the Public Housing Agency as it appears in the Modernization Grant Amendment.
2. Insert the name of the general governmental unit, indicating whether it is a State or Commonwealth.
3. Insert the date of the Annual Contributions Contract which has been amended by addition of the Modernization Grant Amendment.
4. Insert the effective date of the Modernization Grant Amendment.
5. Insert the names of the political subdivisions in which the housing projects covered by the Modernization Grant Amendment are located, e.g., City of \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_.
6. Insert the approximate total number of units included in the modernization grant project.
7. Insert the modernization project number.
8. Insert the individual project number and approximate number of units for each individual project included in the modernization grant project. If more than three projects are included, add additional entries.
9. Same as Item 5.
10. Insert legal description for each individual project or of each individual unit comprising a project (e.g., single-family detached or semi-detached units operated in accordance with the Turnkey III or other Homeownership Program.)

DESCRIPTION OF PROPERTY OF PROJECT CAL 11-9B  
DESCRIBED IN DECLARATION OF TRUST - RECORDED JUNE 03, 1960

Lots 1, 2, 3, 4, 5, 6, 7, 8 and 20 in Block 8; all as shown on the map of North Richmond Tract No. 1 Addition, filed June 1, 1915, in Book 12 of Maps, page 274, in the office of the County Recorder of Contra Costa County.

Lots 24, 25, 26 and 27 in Block 2; Lots 11, 12, 13, 14, 15 and 16 in Block 3; Lots 20, 21 and 22 in Block 4; Lots 1, 2, 3, 4, 30, 31 and 32 in Block 7; Lots 2, 3 and 4 in Block 12; Lots 17, 18 and 19 in Block 14; Lots 4, 5 and 6 in Block 20; all as shown on the map of North Richmond Land and Ferry Company Tract No. 1, filed July 11, 1910, in Book 3 of Maps, page 59, in the office of the County Recorder of Contra Costa County.

Lots 9, 10 and 11 in Block 61; Lots 1, 2 and 3 in Block 62; Lots 15, 16 and 17 in Block 63; Lots 9, 10, 11, 28, 29, 30, 31, 32, 33 and 34 in Block 65; Lots 16, 17, 18 and 19 in Block 66; all as shown on the map of North Richmond Land and Ferry Company Tract No. 2, filed September 19, 1911, in Book 5 of Maps, page 124, in the office of the County Recorder of Contra Costa County.

Lots 201, 202, 203, 204, 205 and 206 in Block 8; Lots 243, 244, 245 and 246 in Block 10; Lots 264, 265, 266, 267, 284, 285, 286, 287, 288 and 289 in Block 11; Lots 371, 372 and 373 in Block 14; all as shown on the map of Truman Addition, filed November 18, 1912, in Book 8 of Maps, page 198, in the office of the County Recorder of Contra Costa County.

Lots 22, 23 and 24 in Block 3; Lots 9, 10, 11, 12, 23 and 24 in Block 6; Lots 7 and 8 in Block 9; Lots 17, 18 and 19 in Block 10; Lots 1 and 2 in Block 14; Lots 14, 15 and 16 in Block 18; Lots 29, 30 and 31 in Block 19; all as shown on the map of North Richmond Land and Ferry Company Tract No. 1, filed July 11, 1910, in Book 3 of Maps, page 59, in the office of the County Recorder of Contra Costa County.

Lots 1, 2, 3, 4, 5 and 6 in Block 64; all as shown on the map of North Richmond Land and Ferry Company Tract No. 2, filed September 19, 1911, in Book 5 of Maps, page 124, in the office of the County Recorder of Contra Costa County.

Lots 162, 163 and 164 in Block 6; Lots 219, 220, 221, 222, 228, 229 and 230 in Block 8; Lots 359, 360, 361, 367, 368 and 369 in Block 14; all as shown on the map of Truman Addition, filed November 18, 1912, in Book 8 of Maps, page 198, in the office of the County Recorder of Contra Costa County.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Contra Costa ;

On October 12, 2016 before me, Jami Melissa Napier, Notary Public

Date

Here Insert Name and Title of the Officer

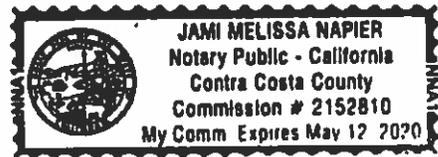
personally appeared Candace Andersen

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Jami Melissa Napier  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

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State of California

County of Contra Costa )

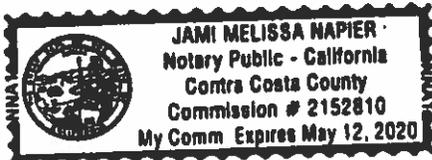
of October 12, 2016 before me, Jami Melissa Napier Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Joseph Villarreal  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Jami Melissa Napier  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

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Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

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Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

I hereby certify that this is a true  
And correct copy of the original  
On file in this office

ATTEST NOV 02 2017

Joseph E. Canciamilla  
County Clerk  
County of Costa County, California

By  Deputy Clerk

**Department of  
Conservation and  
Development**

30 Muir Road  
Martinez, CA 94553

Phone: 1-855-323-2626

**Contra  
Costa  
County**



**John Kopchik**  
Director

**Aruna Bhat**  
Deputy Director

**Jason Crapo**  
Deputy Director

**Maureen Toms**  
Deputy Director

**Kelli Zenn**  
Business Operations Manager

April 16, 2019

Gerard Windt, Director  
Office of Public Housing,  
U.S. Department of Housing & Urban Development  
One Sansome Street, Suite 1200  
San Francisco, CA 94104

Dear Mr. Windt,

Pursuant to the rules and regulations of the U.S. Department of Housing and Urban Development (HUD) Environmental Review Procedures for Community Development, the Contra Costa County Department of Conservation and Development, in its capacity as the Responsible Entity for the Housing Authority of the County of Contra Costa, hereby request release of Capital Fund Program funds for the demolition of 49 residential buildings that are vacant and boarded up within the Las Deltas Public Housing development. The project is located on 1601 N. Jade Street, Richmond, California.

The properly executed HUD form 7015.15 for is attached along with a copy of the published Notice of Intent to Request Release of Funds for the project.

Sincerely,

Gabriel Lemus, CDBG Program Manager  
Contra Costa County

Enclosures

CC: Robert Moore, Development Director – Housing Authority of the County of Contra Costa

# Request for Release of Funds and Certification

U.S. Department of Housing and Urban Development  
Office of Community Planning and Development

OMB No. 2506-0087  
(exp. 03/31/2020)

This form is to be used by Responsible Entities and Recipients (as defined in 24 CFR 58.2) when requesting the release of funds, and requesting the authority to use such funds, for HUD programs identified by statutes that provide for the assumption of the environmental review responsibility by units of general local government and States. Public reporting burden for this collection of information is estimated to average 36 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

## Part 1. Program Description and Request for Release of Funds (to be completed by Responsible Entity)

1. Program Title(s) <b>Capital Fund Program</b>	2. HUD/State Identification Number	3. Recipient Identification Number (optional)
4. OMB Catalog Number(s) 14.872	5. Name and address of responsible entity Contra Costa County Dept. of Conservation & Development (DCD) 30 Muir Road Martinez, CA 94553	
6. For information about this request, contact (name & phone number) <b>Gabriel Lemus, (925) 674-7882</b>	7. Name and address of recipient (if different than responsible entity) Housing Authority of the County of Contra Costa 3133 Estudillo Street Martinez, CA 94553	
8. HUD or State Agency and office unit to receive request U.S. Department of Housing & Urban Development Office of Public Housing One Sansome Street, Suite 1200 San Francisco, CA 94104	7. Name and address of recipient (if different than responsible entity) Housing Authority of the County of Contra Costa 3133 Estudillo Street Martinez, CA 94553	

**The recipient(s) of assistance under the program(s) listed above requests the release of funds and removal of environmental grant conditions governing the use of the assistance for the following**

9. Program Activity(ies)/Project Name(s) <b>Las Deltas Public Housing: Demolition of 49 buildings</b>	10. Location (Street address, city, county, State) <b>1601 North Jade Street Richmond/(Contra Costa County), CA</b>
--	--

### 11. Program Activity/Project Description

The Project is currently a vacant public housing apartment complex located on an approximately 11.38-acre site. The Project was constructed in 1952 and 1959 and is a public housing apartment complex. Project improvements consist of 49 apartment buildings, surface-level asphalt and concrete paving, and landscaping. The 49 buildings include the following:

- Las Deltas – Phase 1; 6A and 6B; (20 buildings, constructed in 1952)
- Las Deltas – Phase 2; Apartments 526-569, and 576-583; (29 buildings, constructed in 1959)

The proposed project includes demolition of the 49 existing apartment buildings. Disposal of demolition debris will be done in accordance with local, state, and federal guidelines governing solid waste.

**Part 2. Environmental Certification** (to be completed by responsible entity)

With reference to the above Program Activity(ies)/Project(s), I, the undersigned officer of the responsible entity, certify that:

1. The responsible entity has fully carried out its responsibilities for environmental review, decision-making and action pertaining to the project(s) named above.
2. The responsible entity has assumed responsibility for and complied with and will continue to comply with, the National Environmental Policy Act of 1969, as amended, and the environmental procedures, permit requirements and statutory obligations of the laws cited in 24 CFR 58.5; and also agrees to comply with the authorities in 24 CFR 58.6 and applicable State and local laws.
3. The responsible entity has assumed responsibility for and complied with and will continue to comply with Section 106 of the National Historic Preservation Act, and its implementing regulations 36 CFR 800, including consultation with the State Historic Preservation Officer, Indian tribes and Native Hawaiian organizations, and the public.
4. After considering the type and degree of environmental effects identified by the environmental review completed for the proposed project described in Part 1 of this request, I have found that the proposal did  did not  require the preparation and dissemination of an environmental impact statement.
5. The responsible entity has disseminated and/or published in the manner prescribed by 24 CFR 58.43 and 58.55 a notice to the public in accordance with 24 CFR 58.70 and as evidenced by the attached copy (copies) or evidence of posting and mailing procedure.
6. The dates for all statutory and regulatory time periods for review, comment or other action are in compliance with procedures and requirements of 24 CFR Part 58.
7. In accordance with 24 CFR 58.71(b), the responsible entity will advise the recipient (if different from the responsible entity) of any special environmental conditions that must be adhered to in carrying out the project.

As the duly designated certifying official of the responsible entity, I also certify that:

8. I am authorized to and do consent to assume the status of Federal official under the National Environmental Policy Act of 1969 and each provision of law designated in the 24 CFR 58.5 list of NEPA-related authorities insofar as the provisions of these laws apply to the HUD responsibilities for environmental review, decision-making and action that have been assumed by the responsible entity.
9. I am authorized to and do accept, on behalf of the recipient personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in my capacity as certifying officer of the responsible entity.

Signature of Certifying Officer of the Responsible Entity 	Title of Certifying Officer CDBG Program Manager, Contra Costa County-DCD
X	Date signed 4/16/19

Address of Certifying Officer

30 Muir Road, Martinez CA 94553

**Part 3. To be completed when the Recipient is not the Responsible Entity**

The recipient requests the release of funds for the programs and activities identified in Part 1 and agrees to abide by the special conditions, procedures and requirements of the environmental review and to advise the responsible entity of any proposed change in the scope of the project or any change in environmental conditions in accordance with 24 CFR 58.71(b).

Signature of Authorized Officer of the Recipient 	Title of Authorized Officer Executive Director, Housing Authority of the County of Contra Costa
X	Date signed 4-16-19

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

# West County Times

1050 Marina Way S  
Richmond, CA 94804  
(510) 262-2740

2002987

CCC COMMUNITY DEVELOPMENT  
ATTN: LINDSEY BAZUA  
30 MUIR RD  
MARTINEZ, CA 94553

## PROOF OF PUBLICATION FILE NO. FONSI RROF/ORG 1590

In the matter of

### West County Times

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter.

I am the Principal Legal Clerk of the West County Times, a newspaper of general circulation, printed and published in the City of Walnut Creek, County of Contra Costa, 94598

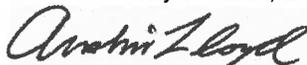
And which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Contra Costa, State of California, under the date of August 29, 1978. Case Number 188884.

The notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

03/16/2019

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Executed at Walnut Creek, California.  
On this 18th day of March, 2019.



Signature

Legal No. 0006309325

### FINDING OF NO SIGNIFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

March 16, 2019  
Contra Costa County Department of Conserva-  
tion and Development  
30 Muir Road  
Martinez, CA 94553  
(925) 674-7882

These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the Housing Authority of the County of Contra Costa.

#### REQUEST FOR RELEASE OF FUNDS

On or about **April 1, 2019** the Contra Costa County, Department of Conservation and Development (DCD) will authorize the Housing Authority of the County of Contra Costa to submit a request to the United States Department of Housing and Urban Development, Office of Public and Indian Housing for the release of Capital Fund Program funds under Section 9(d) of the U.S. Housing Act of 1937, as amended to undertake a project known as the Las Deltas Demolition Project for the purpose of demolishing 49 residential buildings that are vacant and boarded up. The total project cost will be approximately \$320,000. The project site is located on 1601 North Jade Street, Richmond, California.

#### FINDING OF NO SIGNIFICANT IMPACT

Contra Costa County DCD has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) on file at 30 Muir Road, Martinez CA, 94553 and may be examined or copied weekdays 8:00 A.M to 4:00 P.M.

#### PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to Contra Costa County DCD. All comments received by **March 31, 2019** will be considered by Contra Costa County DCD prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.

#### ENVIRONMENTAL CERTIFICATION

Contra Costa County DCD certifies to HUD that Gabriel Lemus in his capacity as CDBG Program Manager consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the Housing Authority of Contra Costa to use Program funds.

#### OBJECTIONS

HUD will accept objections to the Responsible Entity's (RE) Request for Release of Funds and Environmental Certification for a period of fifteen days following the submission date specified above or the actual receipt of the request (whichever is later) only if they are on the following bases: (a) the certification was not executed by the Certifying Officer of the RE; (b) the RE has omitted a step or failed to make a determination or finding required by HUD regulations at 24 CFR part 58 or by CEQ regulations at 40 CFR 1500-1508, as applicable; (c) the RE has omitted one or more steps in the preparation, completion or publication of the Environmental Assessment or Environmental Impact Study per 24 CFR Subparts E, F or G of Part 58, as applicable; (d) the grant recipient or other participant in the development process has committed funds for or undertaken activities not authorized by 24 CFR Part 58 before release of funds and approval of the environmental certification; (e) another Federal, State or local agency has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to HUD, Community Planning and Development at One Sansome Street, Suite 1200, San Francisco CA 94104. Potential objectors should contact HUD to verify the actual last day of the objection period.

Gabriel Lemus, CDBG Program Manager  
Contra Costa County  
Certifying Officer

WCT 6309325 March 16, 2019

## The Board of Supervisors

County Administration Building  
651 Pine Street, Room 107  
Martinez, California 94553-1293

John M. Giola, 1<sup>st</sup> District  
Candace Andersen, 2<sup>nd</sup> District  
Diane Burgis, 3<sup>rd</sup> District  
Karen Mitchoff, 4<sup>th</sup> District  
Federal D. Glover, 5<sup>th</sup> District

## Contra Costa County



David J. Twa  
Clerk of the Board  
And  
County Administrator  
(925) 335-1900

May 7, 2019

Joseph Villarreal  
Executive Director  
Housing Authority of the County of Contra Costa  
3133 Estudillo Street  
Martinez, CA 94553

Subject: Demolition and Disposition Letter of Support - Las Deltas and Las Deltas Annex I

Dear Mr. Villarreal:

I write to express the County of Contra Costa's enthusiastic support for the Demolition and Disposition Application for Las Deltas and Las Deltas Annex I. This application would permit the Housing Authority of the County of Contra Costa (HACCC) to partially demolish and completely dispose of the units located at 1601 N. Jade Street, Richmond, CA.

I understand that HACCC is seeking HUD's approval for demolition of part of the units that rest on contiguous parcels at Las Deltas that are vacant and are attracting criminal elements and squatters who are inviting further complications for the surrounding neighborhood. In addition, HACCC seeks approval for complete disposition of the property so that existing units scattered throughout the surrounding neighborhood can be sold to interested buyers.

As I understand it, HACCC met with the North Richmond Municipal Advisory Committee on December 4, 2019 to discuss the progress with the relocation of the families from Las Deltas and the planned demolition and disposition of the property. My staff was also in attendance at this meeting. In addition, HACCC has been actively working with the Las Deltas Steering Committee and the North Richmond Planning Committee over the past six months to devise a comprehensive strategy for transformation of Las Deltas and the surrounding community. HACCC and my staff met with community and resident leaders two to four times a month, for six months, to finalize a Quality of Life plan that was rolled out at a public forum on March 30, 2019.

It is expected that the contiguous property will be proposed for development in partnership with non-profit housing developers, the County and perhaps HACCC to replace the existing dilapidated and blighted units with a new mixed use and mixed income community. It is hoped that the partnership will foster the restoration of a vacant property, and increase the value of the community to both the neighborhood and the County. Proceeds from sales would be re-directed to additional needs of HACCC's public housing portfolio and future redevelopment plans for the public housing portfolio.

The first step would be approval of the demolition and disposition applications. Demolition and disposition of Las Deltas would further assist the County of Contra Costa with our goal to rejuvenate communities where housing has been vacant and is in need of rehabilitation. It also could lead to critical public/private partnerships in the future development of the property site. This action would be in the best interest of all involved.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Gioia', written in a cursive style.

Supervisor John Gioia, Chair  
Contra Costa County Board of Supervisors



U.S. Department of Housing and Urban Development  
San Francisco Regional Office - Region IX  
One Sansome Street, Suite 1200  
San Francisco, CA 94104-4430  
[www.hud.gov](http://www.hud.gov)  
[espanol.hud.gov](http://espanol.hud.gov)

NOV 21 2018

Jane Hornstein, Director  
Special Applications Center  
US Department of Housing and Urban Development  
Ralph H. Metcalfe Federal Building  
77 West Jackson Boulevard, Room 2401  
Chicago, IL 60604-3507

RE: Application for Demolition and Disposition  
Las Deltas and Las Deltas Annex I - CA011600000 and CA011700000

Dear Ms. Hornstein: *JANE:*

The San Francisco Office of Public and Indian Housing (PIH) is writing this letter in support of the award of 95 tenant protection vouchers (TPVs) in connection with the Housing Authority of the County of Contra Costa's (HACCC) application for demolition and disposition of the Las Deltas and Las Deltas Annex I public housing properties (collectively, Las Deltas) in North Richmond, CA.

HACCC approached PIH in 2005, 2008 and in 2012 to discuss the submission of a demolition/disposition application. In all three occasions, the SAC discouraged HACCC from applying because it was determined that HACCC likely did not meet the obsolescence test. Despite repeated HACCC efforts to demonstrate how badly the units needed renovation, they were never able to meet the restrictive HUD definition in effect at the time for obsolescence.

In 2013, HACCC decided to pursue another path. HACCC submitted four applications for Rental Assistance Demonstration (RAD) conversion of the 214 units at this site through the transfer of assistance (TOA) method. Two applications were approved on March 30, 2015, and two were approved on August 16, 2016, when 95 households remained in occupancy. The units at Las Deltas were in such deplorable condition that HACCC appealed to HUD to start relocation immediately. The applicable RAD notice required that early relocation only could be approved under specific conditions and the Office of Recapitalization (RECAP) did not approve early relocation. Instead, RECAP informed HACCC that HACCC could authorize early relocation under its public housing Admissions and Continued Occupancy Plan for health and safety reasons.

PIH was supportive of any efforts that would result in the relocation of the families at Las Deltas from the units that posed serious health and safety risks, arguably with the worst and most dangerous living conditions of any development in the region. PIH worked closely with HACCC and RECAP to ensure that Uniform Relocation Act standards were applied and that an approved relocation plan was in place. PIH also has worked closely with HACCC to remove vacant units at Las Deltas linked with units that closed under RAD TOA from the PIC inventory;

107 of the 214 units have been removed. An additional 18 units are committed to a RAD transaction targeted to veterans in Pittsburg, CA, but only 12 units are expected to close, and 89 units are in a multi-phase CHAP that are uncommitted. Thus, 95 units are or soon will be unassigned.

PIH supports HACCC's pursuit of demolition and/or disposition for these remaining units. It has been a challenge to persuade owners to accept RAD as a viable development option, and HACCC has had to supplement each RAD voucher with three to four regular project-based vouchers to allow the projects to cash flow. As part of this effort, HACCC seeks TPVs for the 95 units and we encourage your office to assist them with as many TPVs as you can to ensure the families from Las Deltas are properly cared for and Contra Costa County does not lose low-income housing subsidies. As you are aware, HUD has begun to do the statutorily-authorized two-year occupancy look-back for TPV awards. Such a look-back would allow HUD to provide 95 TPVs for Las Deltas.

HACCC has provided you with several items to document how far back our discussions have been going with HACCC and RECAP regarding the relocation of the Las Deltas families and the dire conditions at the site. The TPVs would bring closure to this demolition/disposition effort, while maintaining affordable housing opportunities for Contra Costa County.

Please do not hesitate to contact me should you want to further discuss this matter. I can be reached at (415) 489-6444.

Sincerely,



Gerard Windt  
Director, Office of Public and Indian Housing  
HUD, Region IX

**WATTS, COHN and PARTNERS, INC.**

COMMERCIAL REAL ESTATE APPRAISAL

**APPRAISAL OF:**

**LAS DELTAS FAMILY PROJECT  
NORTH RICHMOND, CALIFORNIA**

*CA006*

**PREPARED FOR:**

**HOUSING AUTHORITY OF CONTRA COSTA COUNTY  
MARTINEZ, CA**

**MARCH 2019**

**19-WCP-018C-RESTRICTED**

# WATTS, COHN and PARTNERS, INC.

COMMERCIAL REAL ESTATE APPRAISAL

March 29, 2019

Mr. Joseph Villarreal  
Executive Director  
Housing Authority of Contra Costa County  
3133 Estudillo Street  
P.O. Box 2759  
Martinez, CA 94553

Re: 19-WCP-018C-Restricted Appraisal  
Las Deltas Family Housing  
North Richmond, California  
**CA006A Las Deltas**

Dear Mr. Villareal:

At your request and authorization, Watts, Cohn and Partners, Inc. has prepared an appraisal of the above referenced property. The subject properties appraised are a portion of the Las Deltas Family Project, located on 3 contiguous parcels on the blocks bounded by Silver Avenue, North Jade Street, Ruby Avenue and First Street in North Richmond, Contra Costa County, California. The subject contains a total of 6.48 acres, or 282,356 square feet of land area on 3 parcels.

The subject parcels are improved with 20 duplexes, or a total of 40 units and several administrative/community buildings of which only the preschool is occupied. The residential units consist of one, two, three- and four-bedroom units. Currently, only one unit is occupied with the remaining 39 units vacant. The remaining tenant is in the process of moving. The improvements were built in approximately 1952 are of poor condition and quality. The vacant units are boarded-up and most of the units have been vandalized with wiring and copper removed. In addition, several of the units have sustained fire damage and approximately 36 townhouse style units were demolished in late 2018 due to safety issues. The existing improvements are considered to add no value to the underlying land. The property interest appraised is fee simple.

The purpose of this appraisal is to estimate the as-is fee simple market value of the subject property. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

**Watts, Cohn and Partners, Inc.**

Commercial Real Estate Appraisal

19-WCP-018C-Restricted

Per your request the appraisal is presented as a Restricted Appraisal Report, which summarizes our findings, with the data and analysis included in the appraisers file. The purpose of this appraisal is to estimate the as-is fee simple market value of the subject property. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

This is a Restricted Appraisal Report in compliance with the Uniform Standards of Professional Appraisal Practices (USPAP) Standard 2-2(b). Use of this report is limited to the client. The rationale for how the appraiser arrived at the opinion and conclusions set forth in this report may not be understood properly without additional information that is in the appraiser's work file.

### **EXTRAORDINARY AND HYPOTHETICAL LIMITING CONDITIONS**

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would affect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

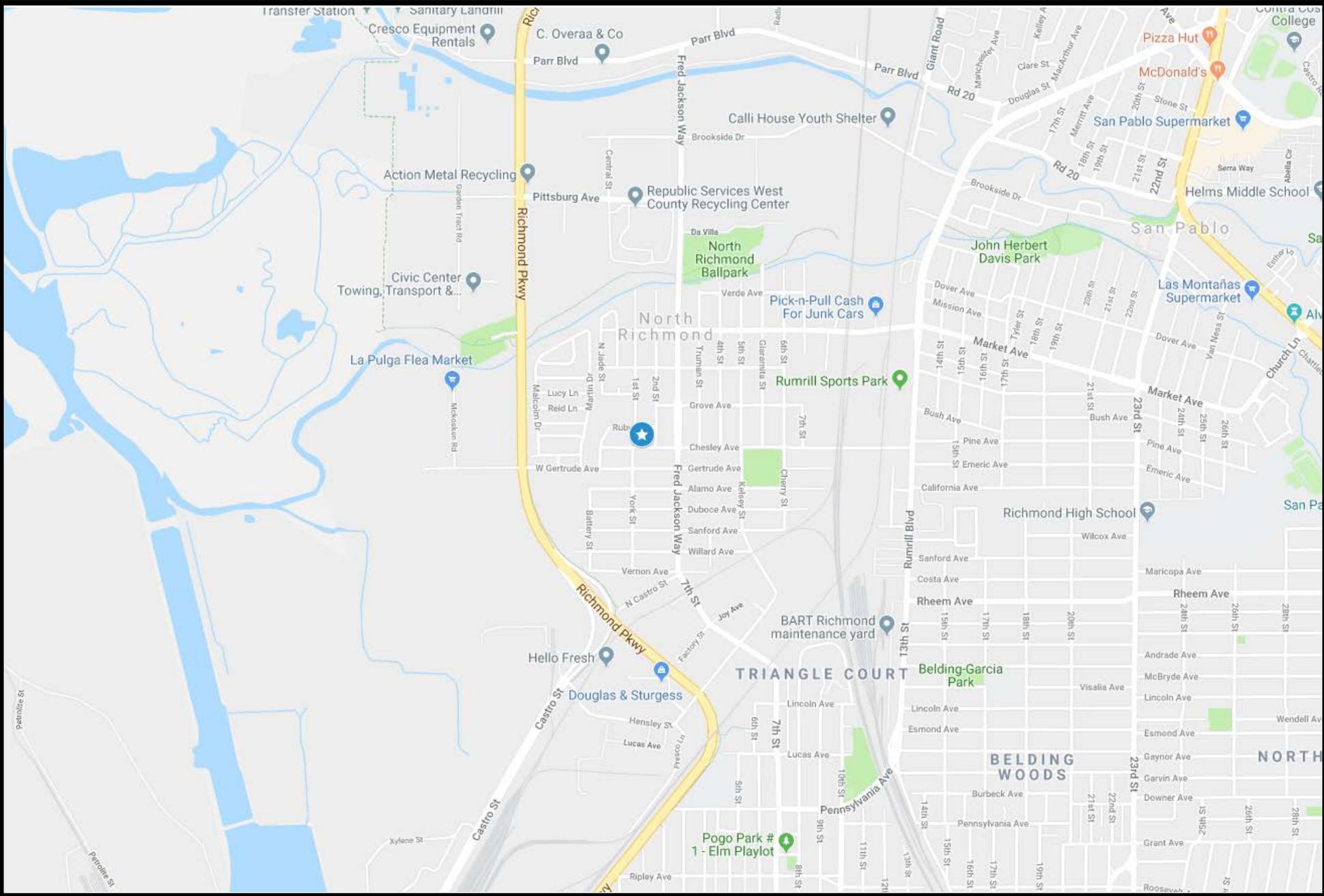
### **I. AREA AND MARKET CONDITIONS**

The subject is located in the North Richmond, which is located within unincorporated area of West Contra Costa County. North Richmond is located adjacent to the City of Richmond and is situated within the City of Richmond's sphere of influence.

The subject is part of the Las Deltas public housing project which contains a total of 178 units. The project was originally built in the 1950s and 1960s to provide low cost rental housing. The property is older and in poor condition. The majority of the subject units are currently vacant, with the remaining tenants in the process of moving to other locations.

The Richmond housing and rental market is relatively stable, with moderate gains in rents and low, relatively level vacancy rates. From a supply perspective, there are new developments in the pipeline in the greater subject market area. Demand in the greater East Bay has grown, and Richmond is expected to benefit from the overflow. However, North Richmond has limited new product coming online in the near future, and their status in unincorporated Contra Costa County has led to municipal service gaps that have discourage prospective buyers. Long term, the outlook is good that steady demand will continue for market rate housing and rental units.

# NEIGHBORHOOD MAP



## II. PROPERTY DESCRIPTION

### A. Site

The subject property consists of 3 contiguous parcels that are part of the Las Deltas Family Project in North Richmond. The subject parcels are situated on the blocks bounded by North Jade Street to the west, Silver Avenue to the north, First Street to the west and Ruby Avenue to the south. The Subject Identification Table on the following page lists the subject properties and notes the lot area, the condition of the existing improvements on the parcel, street address and unit identification number as well as the comments.

The subject lots range in size from 56,323 to 132,161 square feet, or from 1.29 to 3.03 acres. The parcels are generally regular in shape. The topography of the parcels is generally level. The parcels are divided by North Jade Street and West Grove Avenue. The streets are improved with sidewalks, curbs and gutters. All utilities are available to the sites.

The immediate environs include vacant lots as well as poor quality, single family homes and duplexes. Many of the units are under the same ownership as the subject property. Other homes are privately owned and there are several churches in the area. Uses east of Seventh Street are typically industrial.

### B. Zoning

The subject properties are located in Contra Costa County within the North Richmond Redevelopment Area and although the Redevelopment Agency has been dissolved, the guidelines are still applicable. The subject property has a General Plan land use designation of Multiple Family Residential Low Density, (ML). The General Plan land use designation allows between 7.3 to 11.9 units per net acre. The minimum lot size is 10,000 square feet. Primary land uses include attached single-family residences such as duplexes or duets, multiple family residential such as condominiums, apartments, mobile home parks. Secondary land uses allowed include churches, small residential care and child care facilities.

The subject has a zoning designation of Planned Unit District (P-1) within the North Richmond Area.

The subject parcels currently appear to be legally conforming uses.

### C. Ownership and Sales History

The appraisers were not provided with title reports for the subject parcels. According to public records, title to the subject property is currently vested in Contra Costa County Housing Authority. There have been no transfers of ownership in the past several decades.

**SUBJECT IDENTIFICATION TABLE**  
 Appraisal of 3 Parcels within the Las Deltas Family Project  
 CA006  
 North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition	Unit Type		Comments		
								Unit Size (SF)	Total Bldg SF			
1	409-210-023-1	1645 N Jade Street	395		ML	P-1	4BD/1.5 BA - Boarded up	1,155	Duplex	L-shaped site with frontage on Jade Street		
		1635 N Jade Street	396		ML	P-1	4BD/1.5 BA - Boarded up	1,155	2,310	West Grove Avenue and West Ruby Street		
		1621 N Jade Street	397		ML	P-1	4BD/1.5 BA- Boarded up	1,155	Duplex			
		1611 N Jade Street	398		ML	P-1	4BD/1.5 BA- Boarded up	1,155	2,310	4 Duplexes		
		131 W Grove Avenue	431		ML	P-1	1BD/1 BA -Boarded up	578	Duplex			
		117 W Grove Avenue	432		ML	P-1	2BD/1BA - Boarded Up	770	1,348	7,481 sf of Residential bldg area		
		1595 N Opal Street	433		ML	P-1	Land/ Unit Demolished					
		1593 N Opal Street	434		ML	P-1	Land/ Unit Demolished					
		1589 N Opal Street	435		ML	P-1	Land/ Unit Demolished					
		1587 N Opal Street	436		ML	P-1	Land/ Unit Demolished					
		1583 N Opal Street	437	132,161	ML	P-1	Land/ Unit Demolished					
		1581 N Opal Street	438	3.03	ML	P-1	Land/ Unit Demolished					
		1575 N Opal Street	439		ML	P-1	Land/ Unit Demolished					
		1573 N Opal Street	440		ML	P-1	Land/ Unit Demolished					
		1569 N Opal Street	441		ML	P-1	Land/ Unit Demolished					
		1567 N Opal Street	442		ML	P-1	Land/ Unit Demolished					
		1563 N Opal Street	443		ML	P-1	Land/ Unit Demolished					
		1561 N Opal Street	444		ML	P-1	Land/ Unit Demolished					
		130 W Ruby Avenue	445		ML	P-1	3BD/1.5 BA Boarded Up	935	Duplex			
		116 W Ruby Avenue	446		ML	P-1	1BD/1BA- Boarded Up	578	1,513			
		North Jade Street	NA		ML	P-1	Admin- Office/Maintenance- Vacant		Community	3,735 Square Feet		
		North Jade Street	NA		ML	P-1	Maintenance Storage- Vacant		Community	1,025 Square Feet		
		West Grove Avenue	NA		ML	P-1	Project Pride- Vacant		Community	3,128 Square Feet		
		West Grove Avenue	NA		ML	P-1	Preschool/Headstart Occupied		Community	3,950 Square Feet		
		2	409-210-022-3	1608 N Jade Street	399		ML	P-1	1BD/1BA Vacant- Boarded up	578	Duplex	Block bounded by Silver and W Grove
				1616 N Jade Street	400		ML	P-1	3BD/1.5 BA Vacant- Boarded up	935	1,513	Avenues and N Jade and First Streets
				1624 N Jade Street	401		ML	P-1	3BD/1.5 BA Vacant- Boarded up	935	Duplex	
				1632 N Jade Street	402		ML	P-1	1BD/1BA Vacant- Boarded up	578	1,513	10 Duplexes
				1642 N Jade Street	403		ML	P-1	1BD/1BA Vacant- Boarded up	578	Duplex	
				1648 N Jade Street	404		ML	P-1	3BD/1.5 BA Vacant- Boarded up	935	1,513	16,724 sf of Residential bldg area
40 Silver Avenue	405				ML	P-1	4BD/1.5 BA- Boarded up	1,155	Duplex			
44 Silver Avenue	406				ML	P-1	4BD/1.5 BA- Boarded up	1,155	2,310			
50 Silver Avenue	407				ML	P-1	4BD/1.5 BA- Boarded up	1,155	Duplex	Had been converted to Community Bldg.		
54 Silver Avenue	408				ML	P-1	4BD/1.5 BA- Boarded up	1,155	2,310	Vacant		
1649 First Street	409				ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex			
1643 First Street	410			93,872	ML	P-1	1BD/1BA- Boarded Up	578	1,513			
1633 First Street	411			2.16	ML	P-1	1BD/1BA- Boarded Up	578	Duplex			
1625 First Street	412				ML	P-1	3BD/1.5 BA - Boarded Up	935	1,513			
1617 First Street	413				ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex			
1609 First Street	414				ML	P-1	1BD/1BA- Boarded Up	578	1,513			
40 W Grove Avenue	415				ML	P-1	1BD/1BA- Boarded Up	578	Duplex			
54 W Grove Avenue	416				ML	P-1	3BD/1.5 BA - Boarded Up	935	1,513			
1620 Opal Court	417				ML	P-1	Land/ Unit Demolished					
1622 Opal Court	418				ML	P-1	Land/ Unit Demolished					
1628 Opal Court	419				ML	P-1	Land/ Unit Demolished					
1630 Opal Court	420				ML	P-1	Land/ Unit Demolished					
1636 Opal Court	421				ML	P-1	Land/ Unit Demolished					
1638 Opal Court	422				ML	P-1	Land/ Unit Demolished					
1639 Opal Court	423				ML	P-1	Land/ Unit Demolished					
1637 Opal Court	424				ML	P-1	Land/ Unit Demolished					
1631 Opal Court	425				ML	P-1	Land/ Unit Demolished					
1629 Opal Court	426				ML	P-1	Land/ Unit Demolished					
1623 Opal Court	427				ML	P-1	Land/ Unit Demolished					
1621 Opal Court	428				ML	P-1	Land/ Unit Demolished					
116 W Grove Avenue	429		ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex					
130 W Grove Avenue	430		ML	P-1	1BD/1BA- Boarded Up	578	1,513					

**SUBJECT IDENTIFICATION TABLE**  
 Appraisal of 3 Parcels within the Las Deltas Family Project  
 CA006  
 North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition	Unit Type		Comments
								Unit Size (SF)	Total Bldg SF	
3	409-210-024-9	54 W Ruby Avenue	447	56,323 1.29	ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	West side of First Street between West Grove Avenue and West Ruby Streets  6 Duplexes  9,078 sf of bldg area
		40 W Ruby Avenue	448		ML	P-1	1BD/1BA- Boarded Up	578	1,513	
		1562 N Opal Street	449		ML	P-1	Land/ Unit Demolished			
		1564 N Opal Street	450		ML	P-1	Land/ Unit Demolished			
		1568 N Opal Street	451		ML	P-1	Land/ Unit Demolished			
		1570 N Opal Street	452		ML	P-1	Land/ Unit Demolished			
		1574 N Opal Street	453		ML	P-1	Land/ Unit Demolished			
		1576 N Opal Street	454		ML	P-1	Land/ Unit Demolished			
		1580 N Opal Street	455		ML	P-1	Land/ Unit Demolished			
		1582 N Opal Street	456		ML	P-1	Land/ Unit Demolished			
		1586 N Opal Street	457		ML	P-1	Land/ Unit Demolished			
		1588 N Opal Street	458		ML	P-1	Land/ Unit Demolished			
		1592 N Opal Street	459		ML	P-1	Land/ Unit Demolished			
		1594 N Opal Street	460		ML	P-1	Land/ Unit Demolished			
		55 W Grove Avenue	461		ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	
		41 W Grove Avenue	462		ML	P-1	1BD/1BA- Boarded Up	578	1,513	
		1599 First Street	463		ML	P-1	1BD/1BA- Boarded Up	578	Duplex	
		1591 First Street	464		ML	P-1	3BD/1.5 BA - Boarded up	935	1,513	
		1587 First Street	465		ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	
		1581 First Street	466		ML	P-1	1BD/1BA- Boarded Up	578	1,513	
		1573 First Street	467		ML	P-1	1BD/1BA- Occupied	578	Duplex	
		1567 First Street	468		ML	P-1	3BD/1.5 BA - Boarded up	935	1,513	
		1559 First Street	469		ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	
		1551 First Street	470		ML	P-1	1BD/1BA- Boarded Up	578	1,513	

1) Site area based on public records.

282,356 sf  
 6.48 Acres  
 11.72 density

Property 6

BR Size	BD Count	SF	Total SF
1	16	578	9,248
2	1	770	770
3	15	935	14,025
4	8	1,155	9,240
4- SF	0	1,155	0
20 Duplexes	40		33,283
	<u>36</u>		
	76		

6- Six plexes (2 BD) which were demolished/ 36 units  
 Total original number of units on site

**D. Existing Improvements**

The subject consists of 3 contiguous parcels and is improved with 20 duplexes units. The subject dwelling units are of wood frame construction on concrete slabs with stucco exteriors. The units have gas wall heaters, and the windows are single pane aluminum frame. The interior finishes of the units consist of vinyl flooring and drywall. The one-bedroom units contain 578 square feet. The two-bedroom units contain approximately 770 square feet, the three-bedroom units have 935 square feet and the four-bedroom units consist of 1,155 square feet

The existing condition of the units are noted on the Subject Identification Table on the preceding page. The subject units were built in 1952 and are generally in very poor condition. The majority of the units are currently boarded-up and uninhabitable. Many of the units have been gutted. Of the 40 units, approximately one unit is currently occupied, and the other 39 units are vacant.

Many of the units have been vandalized with copper piping and wiring removed. Most of the water heaters appear to have been damaged and there was some water damage observed from broken pipes. Walls have been damaged and in some cases the ceiling has been partially opened. The vacant units are typically boarded-up to prevent squatters or additional damage. The front and rear doors have been removed by VPS (the vacant property security system). Several of the units have been damaged by fire.

The subject originally contained a total of 6, six-unit townhouse style buildings. Due to the condition of the units and safety issues these 36 two-bedroom units were demolished in December 2018.

The subject property includes five administrative//community buildings which are located on two parcels. The Youth Empowerment Center is located within Units 407 and 408 on Silver Avenue on Subject Parcel Number 2 and was converted from two duplex units. These buildings appear to be at the end of their economic life and are considered to have no value.

The remaining building is occupied by Headstart and is a preschool. It is located at 135 West Grove Street. The preschool contains approximately 3,950 square feet and is in average condition. The preschool is currently rented on a month to month basis as the lease expired in June 2017.

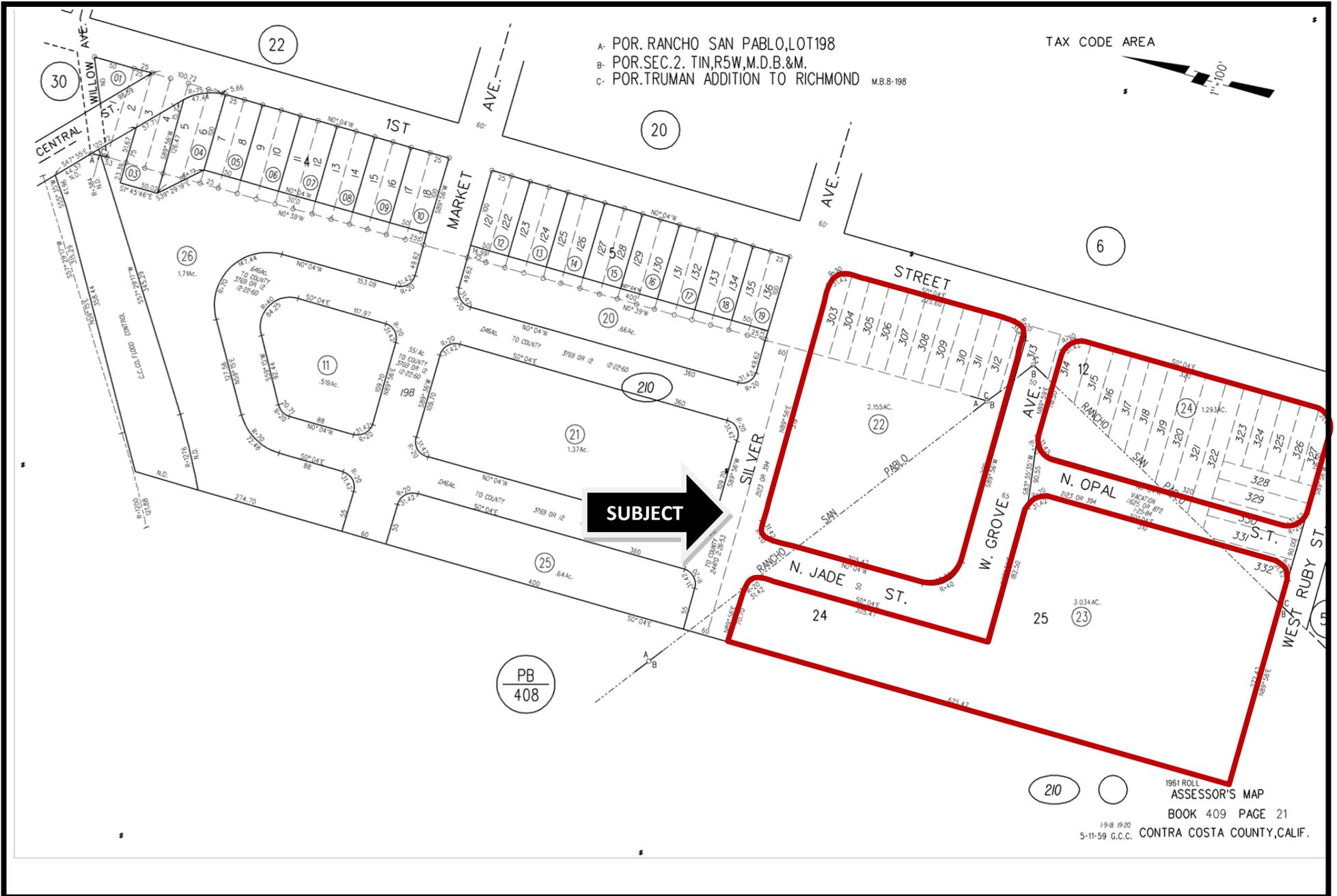
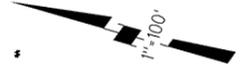
***Estimated Costs of Renovation***

The majority of the units are currently boarded-up and uninhabitable. The vacant units are typically boarded-up to prevent squatters or additional damage. However, in many cases the units have been broken into and there has been additional damage.

# PARCEL MAP

- A. POR. RANCHO SAN PABLO, LOT 198
- B. POR. SEC. 2. TIN, R5W, M.D.B. & M.
- C. POR. TRUMAN ADDITION TO RICHMOND M.B. 8-198

TAX CODE AREA



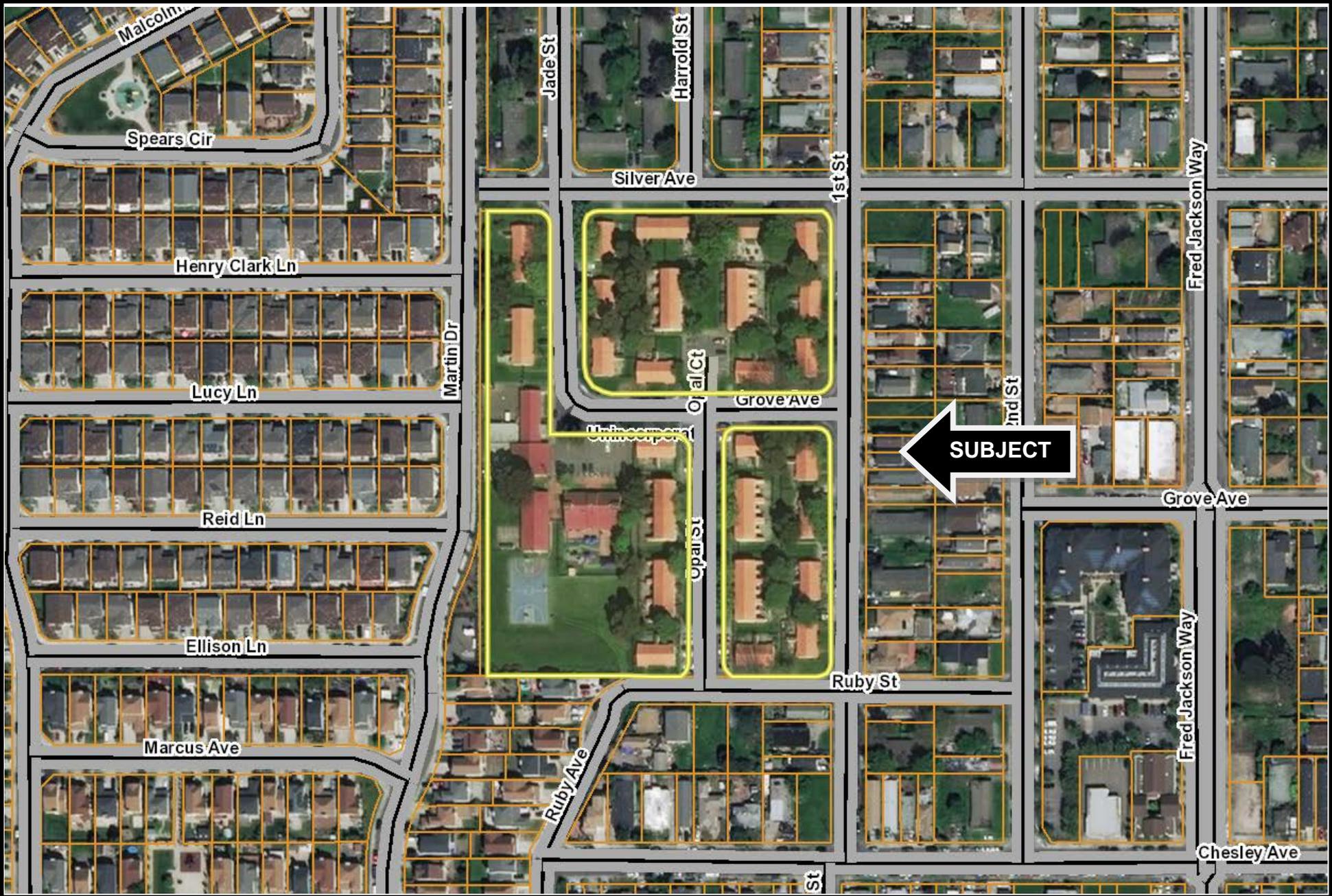
**SUBJECT**

PB  
408

210

1961 ROLL  
ASSESSOR'S MAP  
BOOK 409 PAGE 21  
1948 1920  
5-11-59 G.C.C. CONTRA COSTA COUNTY, CALIF.

# AERIAL MAP



Based on our research as well as discussions with brokers and other active participants in the real estate market, a benchmark renovation cost of \$120 per square foot is concluded. This cost is applied to all of the units at the subject as they all require renovation.

### **III. OPINIONS AND CONCLUSIONS**

#### **A. Highest and Best Use Conclusion**

##### *As Vacant*

The subject properties have a General Plan designation of Multiple Family Residential - Low Density (ML) and are zoned Planned Unit (P-1). Duplexes or attached residential or apartment uses are the primary zoning for the subject properties with secondary uses allowed of residential care and child care facilities as well as churches. The subject properties consist of 3 contiguous parcels that range in size from 1.29 to 3.03 acres. The site's sizes are sufficient to support a variety of residential development. Overall physical characteristics do not limit the highest and best use of the subject site.

The subject sites are located in a weak residential market area in the unincorporated area of North Richmond, Contra Costa County. Market conditions currently support speculative development for the subject sites. This is supported by an adjacent residential development that was built over the past 10 years. The maximally productive use is that use, from among financially feasible uses, that provides the highest rate of return or value. Therefore, the highest and best use of the subject site as-if vacant, is considered to be residential development.

Overall, based on these factors, the highest and best use of the subject sites as-if vacant would be for the construction of a new residential development consistent with the subject's zoning.

##### *As Improved*

The subject properties consist of poor quality residential duplex units that were built in the 1950s. Almost all of the subject units are vacant, and most have been vandalized. As is demonstrated in the valuation chapter, given the age, condition and quality of the units, as well as the cost to repair the improvements, the existing vacant improvements are considered to have lower value than land and should be demolished. This conclusion is further supported by the fact that 36 townhouse style units on the subject property were demolished in late 2018.

The subject lots are relatively large in size and are contiguous. It is likely that the property would appeal to a developer and could be redeveloped to form a new residential subdivision. Based on these factors the highest and best use is to

demolish the existing improvements and redevelop the property with a residential project.

## **B. Valuation of Subject Property**

The approach utilized in estimating the current market value of the subject properties is the Sales Comparison Approach. In this analysis, value is estimated by comparing the subject to similar land sites which have transferred prior to the effective date of appraisal. The index properties show characteristics which are similar to the property being appraised. The Comparable Sales Table is on the following page.

### ***Land Valuation***

Based on the comparable land sales, and considering the location, density, size, utility, approval status, and market conditions, a unit value between \$15 and \$20 per square foot is estimated for the subject parcels as if vacant. A per square foot value of \$15 is concluded for the largest subject parcel of over 3 acres as if vacant. For the smaller parcels of 1.29 and 2.16 acres a unit value of \$18 per square foot is concluded as if vacant.

### ***Improvement Valuation***

The subject contains parcels with 3 to 10 duplexes or between 6 and 20 units. Based on the subject size and location a per unit value of \$145,000 is concluded for Subject Parcel Number 1 with 8 units or 4 duplexes. This value assumes the units are in habitable condition.

The Subject Parcel Number 3 is a large parcel with 6 duplexes or 12 units. Given the larger size of the property a unit value of \$120,000 is concluded. Subject Parcel Number 2 contains 20 units or 10 duplexes, a unit value of \$110,000 per unit is concluded. Again, this value assumes the units are in habitable condition.

### ***Deduction for Renovation/Demolition Costs***

All but one of the subject units are not occupied and have been boarded up. The units are in poor condition and the costs to repair the units was previously estimated at approximately \$120 per square foot, based our discussions with brokers and real estate representatives. The renovation cost is deducted from the concluded value of the improved properties as if habitable to derive an as-is value in the current uninhabitable condition.

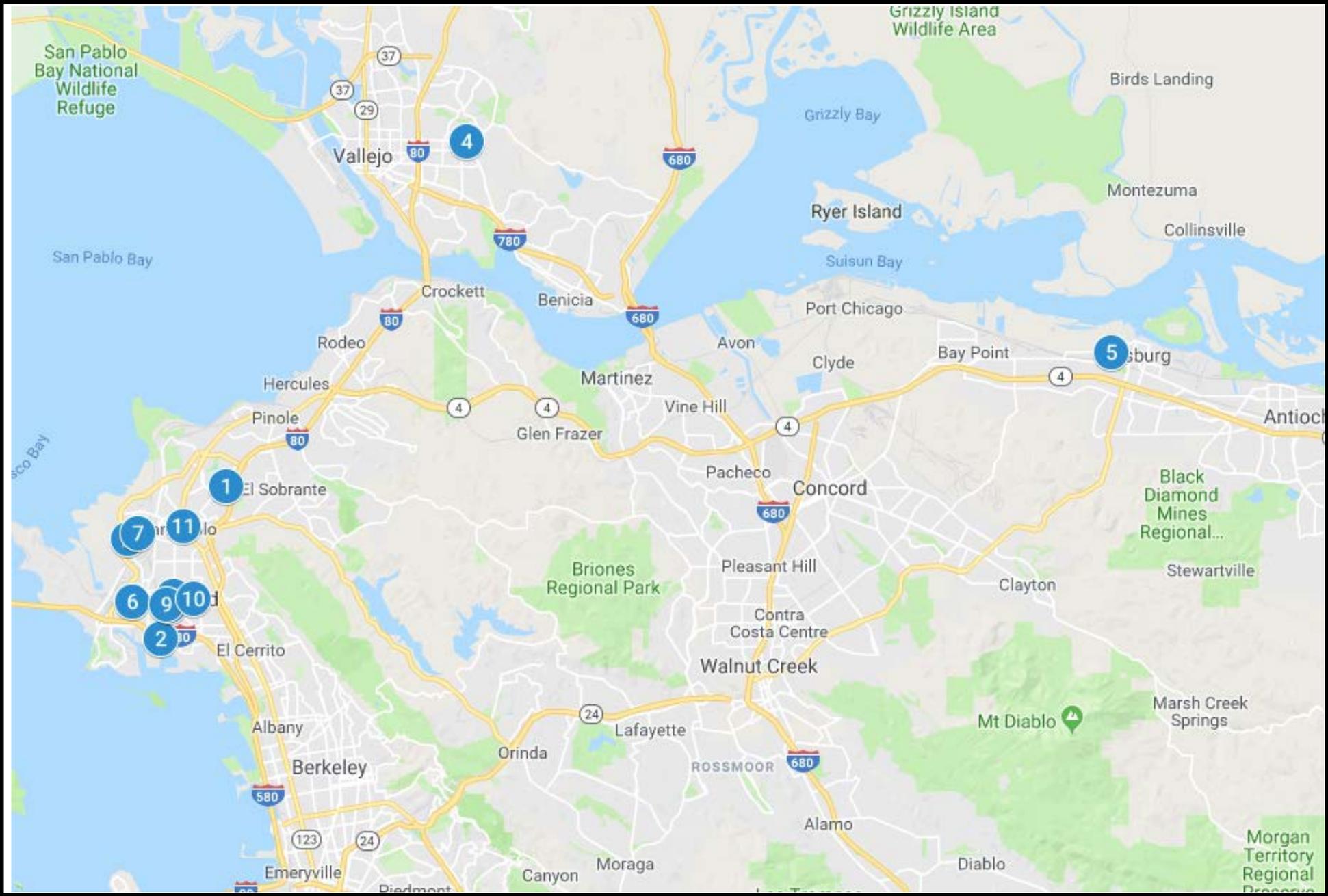
Further, in order to estimate only land value, the cost to demolish the improvements is based on Marshall Valuation Service and is estimated at approximately \$10.00 per square foot. This is equal to a cost of approximately \$22,560 per duplex and includes the costs to demolish the community buildings. This cost includes asbestos

**RESIDENTIAL COMPARABLE SALES**  
 Appraisal of 3 Parcels within the Las Deltas Family Project  
 CA006  
 North Richmond, California

Location / # APN	Sale Date	Sale Price	Size SF/Acre	Price Per SF of Land	Zoning/ Units Allowed/Proposed Density	Comments	Grantor/ Grantee (Document#)
<u>Land Sales</u>							
<b>1a</b> 3151 Garrity Way Richmond APN: 405-290-069	7/18	<b>\$3,500,000</b> Entitled	95,396 SF 2.19 AC	<b>\$37</b>	CR - City of Richmond 98 Units 45 Du/Acre	Located at Hilltop neighborhood Proposed for apt units. Vacant Land	Home Sweet Home LLC/ Zhangs Management Group LLC #107514
<b>1b</b> 3151 Garrity Way	Listing	<b>\$4,800,000</b> Entitled		\$50			
<b>2</b> 830 Marina Way South Richmond APN: 560-190-007-8	11/17	<b>\$16,250,000</b> Entitled	436,035 SF 10.01 AC	<b>\$37</b>	PA - City of Richmond 197 Units 20 Du/Acre	Former Industrial Site Proposed for apt units. Vacant Land	Development Solutions Seascape/ William Lyon Hms Inc. #214851
<b>3</b> 2200 Nevin Avenue Richmond APN: 514-090-018-3, 514-080-013	4/15	\$1,690,000 <u>\$93,750</u> <b>\$1,783,750</b> Unentitled	74,813 SF 1.72 AC (1)	\$23 <b>\$24</b>	MFR-3/C-2 - City of Richmond 289 Units 168 Du/Acre	Proposed for affordable housing	Adams Carl Trust/ Affordable Housing Land Consultants #300640
<b>4</b> Tennessee Street & Avian Drive Vallejo APNs: 0069-430-010, various	Listing	<b>\$1,400,000</b> Entitled	121,968 SF 2.80 AC	<b>\$11</b>	PDR - City of Vallejo 28 Units 10 Du/Acre	Sloping hillside site	G Annas & Fatemeh Maroofi/ NA
<b>5</b> 505 W. 10th Street Pittsburg APNs: 082-260-009, -012, -044, 243-001, -002 and -178	Listing	<b>\$2,200,000</b> Entitled	102,797 SF 2.36 AC	<b>\$21</b>	M - City of Pittsburg 54 Units 23 Du/Acre	Vacant land mixed-Use development	Amerasla Real Estate Fund LLC/ NA
<u>Multifamily Unit Sales</u>							
<b>6</b> 203 Bissell Avenue Richmond APN: 538-190-021-5	7/18	<b>\$875,000</b>	3,932 SF Bldg. 0.08 AC 3,655 SF	<b>\$109,375</b> Per Unit \$223	RM2 - City of Richmond 4 - Studio, 4 - 1BD/1BA 492	8 Unit Blt in 1908 Poor Condition	Eustolia P De Fregoso/ Hamilton, B/ Wu S H F #0112249
<b>7</b> 417 Verde Avenue North Richmond APN: 409-262-010-5	6/18	<b>\$1,100,000</b>	5,410 SF Bldg. 0.24 AC 10,500 SF	<b>\$137,500</b> Per Unit \$203	P1 - Contra Costa County 4 - 3BD/1BA, 4 - 2BD/1BA 676	8 Unit Blt in 1957 Fair Condition	Verde Ave, LLC/ JWT Capital Holding Group One, LLC #202656
<b>8</b> 2023 Chanslor Avenue Richmond APN: 540-190-009-6	3/18	<b>\$1,130,000</b>	6,264 SF Bldg. 0.19 AC 8,276 SF	<b>\$141,250</b> Per Unit \$180	R-3 - City of Richmond 8 - 2BD/1BA 783	8 Unit Blt in 1964 Average Condition	Tackabary Family Trust 2017/ Davis, William E Jr. & Silvia G. #041392
<b>9</b> 146 19th Street Richmond APN: 540-200-017-7	2/17	<b>\$1,190,000</b>	5,966 SF Bldg. 0.19 AC 8,438 SF	<b>\$132,222</b> Per Unit \$199	RM2 - City of Richmond 1 - 1BD/1BA, 8 - 2BD/1BA 663	9 Unit Blt in 1961 Average Condition	Community Commerce Bank/ MW General Ptshp #024643
<b>10</b> 3202 Nevin Ave Richmond APN: 538-190-021-5	6/17	<b>\$1,300,000</b>	9,410 SF Bldg. 0.34 AC 15,002 SF	<b>\$108,333</b> Per Unit \$138	RL2 - City of Richmond 12 - 2BD/1BA 784	12 Unit Blt in 1948 Poor Condition	Cruz-Nevin Trust/ Levy, Ephraim & Rosemary Trust 103991
<b>11</b> 2394 Road 20 San Pablo APN: 416-120-020-1	7/17	<b>\$2,650,000</b>	12,600 SF Bldg. 0.67 AC 29,142 SF	<b>\$147,222</b> Per Unit \$210	I - City of San Pablo 3 - 1BD/1BA, 15 - 2BD/1BD 700	18 Unit Blt in 1961 Good Condition	Eric Antonici/ Road 20 MF Partners LLC #114598

Source: Watts, Cohn & Partners, Inc., March 2019  
 19-WCP-018C

# COMPARABLE SALES MAP



and lead abatement as well as remediation costs. These costs are utilized in the analysis and are deducted from the value conclusions to derive an as-is value as land.

### ***As- Is Market Values***

The valuation table for the subject properties are summarized on the table on the following page. The table includes our estimation of the improved value with renovation costs which are deducted from the units, to derive an as-is value of the improvements in their existing uninhabitable condition. In addition, the three parcels have surplus land where the six-plexes had been demolished late last year. A surplus land value of approximately 50% of the previously concluded land value is concluded given that it is only a portion of the larger site and can't be developed independently.

The Subject Parcel Number 1 also contains a preschool building that contains 3,950 square feet. The preschool is currently occupied and rented on a monthly basis for a nominal rent. The preschool is in average condition but is situated on a larger parcel with other uses. Based upon the condition and location of the subject preschool, a unit value of \$100 per square foot is concluded. No values are applied to the other auxiliary buildings which are at the end of their useful life.

In addition, the value of the subject land with a deduction made for the demolition of the improvements is shown. Based on our conclusions and discussed in the highest and best use chapter of the appraisal, the subject has greater value as a land site and the improvements should be demolished.

The total bulk market value of the subject is the sum of the 3 properties as no discount would be indicated for the development of the total site.

## **C. Value Conclusions**

### ***As-Is Market Values of 3 Individual Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the as-is individual fee simple market values of the subject property which consists of 3 contiguous parcels in Las Deltas CA006 as of March 12, 2019, are estimated to be:

Parcel Number: 409-210-023-1	\$1,790,000
Parcel Number 409-210-022-3	\$1,520,000
Parcel Number 409-210-023-9	\$920,000

**VALUATION OF SUBJECT PROPERTIES**  
 Appraisal of 3 Parcels within the Las Deltas Family Project  
 CA006  
 North Richmond, California

#	APN Number	Address	ID Unit Number	Parcel Size (SF) 1	Use	Size/ Unit No.	Unit Value/ Value	Demolition/ Renovation	Values		
1	409-210-023-1	1645 N Jade Street	395	132,161 3.03 Acres	4-Duplexes	8 Units	\$145,000 Per Unit		\$1,160,000		
		1635 N Jade Street	396								
		1621 N Jade Street	397								
		1611 N Jade Street	398								
		131 W Grove Avenue	431								
		117 W Grove Avenue	432				Costs to renovate duplex units	7,481 sf		\$120 psf	(\$897,720)
		1595 N Opal Street	433								
		1593 N Opal Street	434				Surplus Land	79,296 sf	\$7.50 psf		\$594,720
		1589 N Opal Street	435								
		1587 N Opal Street	436				Preschool	3,950 sf	\$100.00		<u>\$395,000</u>
		1583 N Opal Street	437								
		1581 N Opal Street	438				<b>Value as Improved</b>				\$1,252,000
		1575 N Opal Street	439								
		1573 N Opal Street	440								
		1569 N Opal Street	441								
		1567 N Opal Street	442								
		1563 N Opal Street	443								
1561 N Opal Street	444			<b>Land Value</b>	132,161 sf	\$15.00		\$1,789,225			
130 W Ruby Avenue	445					\$1,982,415	(\$193,190) Demolition of bldgs at \$10 psf				
116 W Ruby Avenue	446										
North Jade Street	NA										
North Jade Street	NA										
116 West Grove Avenue	429										
West Grove Avenue	NA										
<i>As-Is Market Value</i>									<b>\$1,790,000</b>		
2	409-210-022-3	1608 N Jade Street	399	93,872 2.16 Acres	10-Duplexes	20 Units	\$110,000 Per Unit		\$2,200,000		
		1616 N Jade Street	400								
		1624 N Jade Street	401								
		1632 N Jade Street	402								
		1642 N Jade Street	403								
		1648 N Jade Street	404				Cost to renovate duplex units	16,724 sf		\$120 psf	(\$2,006,880)
		129 Silver Avenue	405								
		105 Silver Avenue	406								
		55 Silver Avenue	407				Surplus Land	35,202 sf	\$9.00 psf		<u>\$316,818</u>
		41 Silver Avenue	408								
		1649 First Street	409				<b>Value as Improved</b>				\$509,938
		1643 First Street	410								
		1633 First Street	411								
		1625 First Street	412								
		1617 First Street	413								
		1609 First Street	414								
		40 W Grove Avenue	415				<b>Land Value</b>	93,872 sf	\$18.00	(\$167,240) Demolition of bldgs at \$10 psf	\$1,522,456
		54 W Grove Avenue	416						\$1,689,696		
		1620 Opal Court	417								
		1622 Opal Court	418								
		1628 Opal Court	419								
		1630 Opal Court	420								
		1636 Opal Court	421								
1638 Opal Court	422										
1639 Opal Court	423										
1637 Opal Court	424										
1631 Opal Court	425										
1629 Opal Court	426										
1623 Opal Court	427										
1621 Opal Court	428										
116 W Grove Avenue	429										
130 W Grove Avenue	430										
<i>As-Is Market Value</i>									<b>\$1,520,000</b>		
3	409-210-024-9	54 W Ruby Avenue	447	56,323 1.29 Acres	6-Duplexes	12 Units	\$120,000		\$1,440,000		
		40 W Ruby Avenue	448								
		1562 N Opal Street	449								
		1564 N Opal Street	450								
		1568 N Opal Street	451								
		1570 N Opal Street	452				Cost to fix duplex units	9,078 sf		\$120 psf	(\$1,089,360)
		1574 N Opal Street	453								
		1576 N Opal Street	454								
		1580 N Opal Street	455				Surplus Land	28,161 sf	\$9.00 psf		<u>\$253,453</u>
		1582 N Opal Street	456								
		1586 N Opal Street	457				<b>Value as Improved</b>				\$604,093
		1588 N Opal Street	458								
		1592 N Opal Street	459								
		1594 N Opal Street	460								
		55 W Grove Avenue	461				<b>Land Value</b>	56,323 sf	\$18.00	(\$90,780) Demolition of bldgs at \$10 psf	\$923,034
		41 W Grove Avenue	462						\$1,013,814		
		1599 First Street	463								
1591 First Street	464										
1587 First Street	465										
1581 First Street	466										
1573 First Street	467										
1567 First Street	468										
1559 First Street	469										
1551 First Street	470										
<i>As-Is Market Value</i>									<b>\$920,000</b>		

- 1) Square Foot of land area based on public records.
- 2) Demolition Costs provided by Marshall Valuation Service at \$10 per square foot.  
Cost to renovate unit is estimated at \$120 psf.

**\$4,230,000**

***Bulk Market Value of Subject 3 Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fee simple market value of the subject property, three legal parcels sold in a single transaction (bulk) as of March 12, 2019, is estimated to be:

**FOUR MILLION TWO HUNDRED THIRTY THOUSAND DOLLARS**

**(\$4,230,000)**

Further, it is our opinion that the subject properties could be sold at the above value conclusions within a 12-month active marketing period. The exposure period is also concluded to be 12 months.

**IV. REPORT SUMMARY AND LIMITING CONDITIONS****A. Client, Purpose, Intended Use and Intended User**

The client for this appraisal is Mr. Joseph Villareal with the Housing Authority of Contra Costa County. Per your request the appraisal is presented as a Restricted Appraisal Report, which summarizes our findings, with the data and analysis included in the appraisers file. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

**B. Date of Appraisal**

The effective date of valuation is March 12, 2019.

The date of the report is March 29, 2019.

**C. Scope of Appraisal**

Information pertaining to the subject improvements age, size, use and history was provided by the current property owner and verified where possible by public records, as well as based on the visual inspection by the appraiser.

The appraiser contacted Contra Costa County Planning Department for the zoning of the subject property, likelihood of any change in zoning and/or use, and any planned updates to the General Plan and/or zoning designations affecting the subject property.

The subject's market area was researched for market trends and land sales/comparables. Sources contacted included commercial and residential real estate agents.

For the subject property, the Sales Comparison Approach value was used in order to estimate the market value in as-is condition. The Income and Cost Approaches are not considered applicable indicators of value for this property type. The scope of this report is to utilize the appropriate standard approaches to value in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) to arrive at a market value conclusion.

#### **D. Appraisal Reporting Format**

This report is a Restricted Appraisal Report in accordance with Standards Rules of the Uniform Standards of Professional Appraisal Practice (USPAP) Standard 2-2 (b). Supporting documentation concerning the data, reasoning, and analyses is retained in the appraisers work file. The appraisers' opinions and conclusions set forth in this report cannot be understood properly without additional information in the appraisers' work file.

#### **E. Definition of Terms**

##### **1. *Market Value (OCC 12 CFR 34.42 (g)) (OTS 12 CFR, Part 564.2 (g))2015***

Market Value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specific date and the passing of title from seller to buyer under conditions whereby:

- a) Buyer and seller are typically motivated;
- b) Both parties are well informed or well advised, and acting in what they consider their own best interest;
- c) A reasonable time is allowed for exposure in the open market;
- d) Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- e) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

2. ***Fee Simple Interest (The Appraisal of Real Estate, 13th Edition, 2013, p.114)***

A fee simple interest in valuation terms is defined as "... absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat." It is an inheritable estate.

**F. Assumptions and Limiting Conditions**

***Extraordinary and Hypothetical Conditions***

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would effect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

***General Limiting Conditions***

3. No responsibility is assumed for legal matters. It is assumed that title of the property is marketable, and it is free and clear of liens, encumbrances and special assessments other than as stated in this report.
4. Plot plans and maps if any are included to assist the reader in visualizing the property. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser is assumed by the appraiser.
5. All information has been checked where possible and is believed to be correct but is not guaranteed as such.
6. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering studies which might be required to discover such factors. It is assumed that no soil contamination exists as a result of chemical drainage or leakage in connection with any production operations on or near the property.

7. In this assignment, the existence (if any) of potentially hazardous materials used in the construction or maintenance of the improvements or disposed of on the site has not been considered. These materials may include (but are not limited to) the existence of formaldehyde foam insulation, asbestos insulation, or toxic wastes. The appraiser is not qualified to detect such substances; the client is advised to retain an expert in this field.
8. Any projections of income and expenses are not predictions of the future. Rather, they are an estimate of current market thinking of what future income and expenses will be. No warranty or representation is made that these projections will materialize.
9. Possession of any report prepared, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with the proper written qualification and only in its entirety, and only for the contracted intended use as stated herein.
10. Neither all nor part of the contents of the appraisal shall be conveyed to the public through advertising, public relations, new sales, or other media without the written consent and approval of the appraiser, particularly as to the valuation conclusions, the identity of the appraisers, or any reference to the Appraisal Institute or the MAI designation.
11. Information regarding any earthquake and flood hazard zones for the subject property was provided by outside sources. Accurately reading flood hazard and earthquake maps, as well as tracking constant changes in the zone designations, is a specialized skill and outside the scope of the services provided in this appraisal assignment. No responsibility is assumed by the appraisers in the misinterpretation of these maps. It is strongly recommended that any lending institution reverify earthquake and flood hazard locations for any property for which they are providing a mortgage loan.

## **CERTIFICATION**

We, the undersigned, hereby certify that, to the best of our knowledge and belief: the statements of fact contained in this report are true and correct; the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions; we have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved; we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; our engagement in this assignment was not contingent upon developing or reporting predetermined results, our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated

**Watts, Cohn and Partners, Inc.**

Commercial Real Estate Appraisal

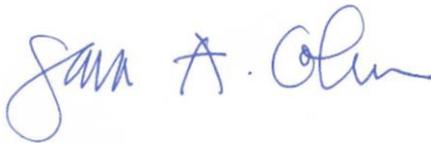
19-WCP-018C-Restricted

result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan; our analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, and is in compliance with FIRREA; Sara Cohn and Mark Watts have made a personal inspection of the property that is the subject of this report; no one provided significant real property appraisal assistance to the persons signing this report. The use of this report is subject to the requirements of the Appraisal Institute related to review by its duly authorized representatives. As of the date of this report Sara Cohn has completed the requirements under the continuing education program of the Appraisal Institute. In accordance with the Competency Rule in the USPAP, we certify that our education, experience and knowledge are sufficient to appraise the type of property being valued in this report. We have not provided services regarding the property that is the subject of this report in the 36 months prior to accepting this assignment.

We are pleased to have had this opportunity to be of service. Please contact us if there are any questions regarding this appraisal.

Sincerely,

WATTS, COHN AND PARTNERS, INC.



Sara Cohn, MAI  
Certified General Real Estate Appraiser  
State of California No. AG014469

Phone: 415-777-2666 x 102  
Email: sara@wattscohn.com



Mark Watts  
Certified General Real Estate Appraiser  
State of California No. AG015362

Phone: 415-777-2666 x 101  
Email: mark@wattscohn.com

***Watts, Cohn and Partners, Inc.***  
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**Watts, Cohn and Partners, Inc.**

Commercial Real Estate Appraisal

19-WCP-018C-Restricted

**ADDENDA**

## SUBJECT PHOTOGRAPHS



Administrative Offices



Administrative Building



Parking Lot and Neighboring Improvements



Vacant Land

# SUBJECT PHOTOGRAPHS



W Grove Avenue and N Opal Street



Former Six-plex Site



Former Six-plex Site



Subject Neighborhood

## SUBJECT PHOTOGRAPHS



1625 North Jade Street



1621 North Jade Street



1621 North Jade Street Interior



1621 North Jade Street Interior

## SUBJECT PHOTOGRAPHS



Preschool Exterior



Preschool Exterior



Preschool



Preschool Kitchen Area

## COMPARABLE SALES PHOTOGRAPHS



203 Bissell Avenue  
Richmond



417 Verde Avenue  
North Richmond



2023 Chanslor Avenue  
Richmond



146 19<sup>th</sup> Street  
Richmond

## COMPARABLE SALES PHOTOGRAPHS



3202 Nevin Avenue  
Richmond



2394 Road 20  
San Pablo

**QUALIFICATIONS OF SARA A. COHN, MAI**  
California Certified General Real Estate Appraiser No. AG014469

**EXPERIENCE**

Sara A. Cohn is a Partner with Watts, Cohn and Partners, Inc. a new firm providing commercial real estate valuation. From 1988 to 2016, she worked for Carneghi and Partners and was a Senior Project Manager/Partner in their San Francisco office. Carneghi and Partners, and now Watts, Cohn and Partners, provide real estate appraisal and consulting services in the San Francisco Bay Area. Clients include financial institutions, government agencies, law firms, development companies and individuals. Typical assignments include both valuation and evaluations of a broad variety of property types, uses and ownership considerations.

Ms. Cohn has over 30 years of appraisal experience. She has completed a wide variety of valuation and evaluation analyses. Ms. Cohn has extensive knowledge of the San Francisco Bay Area and has appraised many property types including office buildings, industrial properties, retail centers, hotels, residential projects, mixed-use properties and development sites. Recent work has involved the analysis of commercial buildings, residential subdivisions, valuation of affordable housing developments with bond financing and/or Low-Income Housing Tax Credits (LIHTCs), assessment districts, as well as co-housing projects.

**EDUCATION**

Bachelor of Arts, University of California, Berkeley, 1978

Successful completion of all professional appraisal courses offered by the Appraisal Institute as a requirement of membership.

Continued attendance at professional real estate lectures and seminars.

**PROFESSIONAL AFFILIATION AND STATE CERTIFICATION**

Appraisal Institute - MAI Designation (Member Appraisal Institute) No. 12017  
Continuing Education Requirement Complete

State of California Certified General Real Estate Appraiser No. AG014469  
Certified Through March 2021

State of California Licensed Landscape Architect No. 2102

Member, Board of Directors, Northern California Chapter of the Appraisal Institute,  
2008-2010

Seminars Co-Chair, Northern California Chapter of the Appraisal Institute, 2005-2007

## **QUALIFICATIONS OF MARK A. WATTS**

Mark A. Watts is a Partner with Watts, Cohn and Partners, Inc.

Following is a brief summary of his background and experience:

### **EXPERIENCE**

#### **Commercial Real Estate Appraisal Experience**

Mr. Watts has been a commercial real estate appraiser since 1987, and has over 20 years experience in the analysis of commercial real estate. He has completed valuation assignments on a variety of projects, including industrial facilities, residential subdivisions, apartments, shopping centers, cemeteries and recreational facilities. He has also performed feasibility studies and assisted owners in making asset management decisions.

Mr. Watts has provided litigation support and served as an expert witness in court. He has also served in arbitrations as an expert witness. He has been qualified as an expert in San Francisco and San Mateo County Superior Courts.

He served on the San Francisco County Assessment Appeals Board from 2011 to 2016.

#### **Commercial Real Estate Investment Experience**

Simultaneous to his work as a commercial appraiser, Mr. Watts has been an active real estate investor/developer. He is experienced in the acquisition, redevelopment and management of commercial properties. He has witnessed and experienced many real estate cycles and stays abreast of current trends. His personal experience as an investor makes him uniquely qualified to appraise commercial real estate.

Over the last 20 years he has completed more than 30 investment real estate transactions, an average of 1.5 transactions per year. He has negotiated with buyers and sellers directly as a principal. He has completed nearly a dozen 1031 exchanges. Beginning with a small initial capital investment, he has built a large real estate portfolio. Based on his ownership experience, Mr. Watts is keenly aware that the success or failure of an acquisition is closely related to its location. Likewise, he is sensitive to locational differences in the appraisal of real estate.

Mr. Watts has broad experience with the construction, maintenance and repair of real estate. He has demolished and re-built two structures from the ground up. He has completed fire damage repairs and remediated toxic mold. He has remodeled kitchens and baths. He has replaced foundations on structures, made additions, and made other improvements. As the quality and condition of real estate has a strong correlation with its value, his experience enables superior judgement of these attributes in his work as a commercial real estate appraiser.

#### **Community Involvement**

Mr. Watts served on the Board of Managers of the Stonestown Family YMCA from 2002 to 2017. This is an approximately 30,000 square foot health club facility. He was active on the Facilities Committee. He served as the Board Chair in 2008. He has been a member of the Olympic Club in San Francisco since 1976. He served the Forest Hill Neighborhood Association as President from 2013 to 2017.

### **EDUCATION**

Bachelor of Arts, University of California, Davis

### **PROFESSIONAL AFFILIATION**

State Accredited Affiliate of the Appraisal Institute  
State of California Certified General Real Estate Appraiser No. AG015362

**WATTS, COHN and PARTNERS, INC.**

COMMERCIAL REAL ESTATE APPRAISAL

**RESTRICTED APPRAISAL OF:  
LAS DELTAS FAMILY PROJECT  
ANNEX I  
NORTH RICHMOND, CALIFORNIA  
*CA009A***

**PREPARED FOR:  
HOUSING AUTHORITY OF CONTRA COSTA COUNTY  
MARTINEZ, CA**

**MARCH 2019  
19-WCP-018A-RESTRICTED**

# WATTS, COHN and PARTNERS, INC.

COMMERCIAL REAL ESTATE APPRAISAL

March 29, 2019

Mr. Joseph Villarreal  
Executive Director  
Housing Authority of Contra Costa County  
3133 Estudillo Street  
P.O. Box 2759  
Martinez, CA 94553

Re: 19-WCP-018A- Restricted,  
Appraisal Las Deltas Family  
North Richmond, California  
*CA009A Las Deltas Annex 1*

Dear Mr. Villareal:

At your request and authorization, Watts, Cohn and Partners, Inc. has made an appraisal of the above referenced property. The subject properties appraised are a portion of the Las Deltas Family Project, located on (5) contiguous parcels on the blocks bounded by Warren Drive, Silver Avenue, North Jade Street, and Harrold Street in North Richmond unincorporated Contra Costa County, California. The subject contains a total of 4.9 acres, or 213,401 square feet of land area on 5 parcels.

The subject parcels are improved with 29 duplexes, or a total of 58 units. The units consist of one, two, three, and four-bedroom units. Currently, only one unit is occupied with the remaining 57 units vacant. The remaining tenant is in the process of moving. The improvements were built in approximately 1960 and are of poor quality and condition. The vacant units are boarded-up and most of the units have been vandalized, with the wiring and copper removed. In addition, several of the units have sustained fire damage. The existing improvements are considered to add no value to the underlying land. The property interest appraised is fee simple.

Per your request the appraisal is presented as a Restricted Appraisal Report, which summarizes our findings, with the data and analysis included in the appraisers file. The purpose of this appraisal is to estimate the as-is fee simple market value of the subject property. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

**Watts, Cohn and Partners, Inc.**

Commercial Real Estate Appraisal

19-WCP-018A-Restricted

This is a Restricted Appraisal Report in compliance with the Uniform Standards of Professional Appraisal Practices (USPAP). Use of this report is limited to the client. The rationale for how the appraiser arrived at the opinion and conclusions set forth in this report may not be understood properly without additional information that is in the appraiser's work file.

### **EXTRAORDINARY AND HYPOTHETICAL LIMITING CONDITIONS**

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would affect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

### **I. AREA AND MARKET CONDITIONS**

The subject is located in the North Richmond, which is located within unincorporated area of West Contra Costa County. North Richmond is located adjacent to the City of Richmond and is situated within the City of Richmond's sphere of influence.

The subject is part of the Las Deltas public housing project which contains a total of 178 units. The project was originally built in the 1950s and 1960s to provide low cost rental housing. The property is older and in poor condition. The majority of the subject units are currently vacant, with the remaining tenants in the process of moving to other locations.

The Richmond housing and rental market is relatively stable, with moderate gains in rents and low, relatively level vacancy rates. From a supply perspective, there are new developments in the pipeline in the greater subject market area. Demand in the greater East Bay has grown, and Richmond is expected to benefit from the overflow. However, North Richmond has limited new product coming online in the near future, and their status in unincorporated Contra Costa County has led to municipal service gaps that have discourage prospective buyers. Long term, the outlook is good that steady demand will continue for market rate housing and rental units.

### **II. PROPERTY DESCRIPTION**

#### **A. Site**

The subject property consists of 5 contiguous parcels that are part of the Las Deltas Family Project in North Richmond. The subject parcels are situated on the blocks bounded by North Jade Street to the west, Warren Drive/Wildcat Creek to the north, Harrold Street/Warren Drive to the east and Silver Avenue to the south. The Subject Identification Table on the following page lists the subject properties and notes the

**SUBJECT IDENTIFICATION TABLE**  
 Appraisal of 5 Parcels within the Las Deltas Family Project  
 CA009A - Annex 1  
 North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition	Unit Size (SF)	Unit Type Total Bldg SF	Comments
1	409-210-025-6	526 Silver Avenue	526	27,878	ML	P-1	3BD/1.5 BA-Boarded Up	935	Duplex	West side of Jade Street between Market and Silver Avenues 4 Duplexes
		1721 N Jade Street	527		ML	P-1	4BD/1.5 BA- Boarded Up	1,155	2,090	
		1735 N Jade Street	528		ML	P-1	3BD/1.5 BA- Boarded Up	935	Duplex	
		1745 N Jade Street	529		ML	P-1	3BD/1.5 BA-Boarded Up	935	1,870	
		1755 N Jade Street	530		ML	P-1	3BD/1.5 BA- Occupied	935	Duplex	7,700 SF of bldg area
		1765 N Jade Street	531		ML	P-1	3BD/1.5 BA- Boarded Up	935	1,870	
		1775 N Jade Street	532		ML	P-1	3BD/1.5 BA- Boarded Up	935	Duplex	
		20 Market Avenue	533		ML	P-1	3BD/1.5 BA-Boarded Up	935	1,870	
2	409-210-026-4	20 Market Avenue	534	74,488	ML	P-1	2BD/1 BA- Boarded Up	770	Duplex	Warren Drive 10 Duplexes
		1815 Warren Drive	535		ML	P-1	2BD/1 BA- Boarded Up	770	1,540	
		1821 Warren Drive	536		ML	P-1	1BD/1BA- Boarded Up	578	Duplex	12,520 SF of bldg area
		1823 Warren Drive	537		ML	P-1	1BD/1BA- Boarded Up	578	1,156	
		1827 Warren Drive	538		ML	P-1	1BD/1BA- Boarded Up	578	Duplex	
		1829 Warren Drive	539		ML	P-1	1BD/1BA- Boarded Up	578	1,156	
		1833 Warren Drive	540		ML	P-1	1BD/1BA- Boarded up	578	Duplex	
		1835 Warren Drive	541		ML	P-1	1BD/1BA-Boarded Up	578	1,156	
		1839 Warren Drive	542		ML	P-1	1BD/1BA- Boarded Up	578	Duplex	
		1841 Warren Drive	543		ML	P-1	1BD/1BA- Boarded Up	578	1,156	
		1845 Warren Drive	544		ML	P-1	1BD/1BA-Boarded Up	578	Duplex	
		1847 Warren Drive	545		ML	P-1	1BD/1BA-Boarded Up	578	1,156	
		1851 Warren Drive	546		ML	P-1	1BD/1BA- Boarded Up	578	Duplex	
		1853 Warren Drive	547		ML	P-1	1BD/1BA- Boarded Up	578	1,156	
		1857 Warren Drive	548		ML	P-1	1BD/1BA- Boarded Up	578	Duplex	
		1859 Warren Drive	549		ML	P-1	1BD/1BA- Boarded Up	578	1,156	
1863 Warren Drive	550	ML	P-1	1BD/1BA-Boarded Up	578	Duplex				
1865 Warren Drive	551	ML	P-1	2BD/1 BA-Boarded Up	770	1,348				
1869 Warren Drive	552	ML	P-1	2BD/1 BA- Boarded Up	770	Duplex				
51 Market Avenue	553	ML	P-1	2BD/1 BA- Boarded Up	770	1,540				
3	409-210-020-7	50 Market Avenue	554	28,750	ML	P-1	4BD/1.5 BA - Boarded Up	1,155	Duplex	East Side of Harold Street between Market and Silver Avenues 4 Duplexes
		1768 Harrold Street	555		ML	P-1	3BD/1.5 BA - Boarded Up	935	2,090	
		1758 Harrold Street	556		ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex	
		1748 Harrold Street	557		ML	P-1	3BD/1.5 BA -Boarded Up	935	1,870	
		1738 Harrold Street	558		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	Duplex	7,398 SF of bldg area
		1728 Harrold Street	559		ML	P-1	3BD/1.5 BA - Boarded Up	935	2,090	
		1714 Harrold Street	560		ML	P-1	2BD/1BA - Boarded Up	770	Duplex	
		51 Silver Avenue	561		ML	P-1	1BD/1BA-Boarded Up	578	1,348	
4	409-210-021-5	41 Silver Street	562	59,677	ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex	Block bounded by Market and Silver Avenues and Harrold and Jade Streets 8 Duplexes
		1719 Harrold Street	563		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	2,090	
		1733 Harrold Street	564		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	Duplex	
		1743 Harrold Street	565		ML	P-1	4BD/1.5 BA -Boarded Up	1,155	2,310	
		1753 Harrold Street	566		ML	P-1	2BD/1BA- Boarded Up	770	Duplex	
		1763 Harrold Street	567		ML	P-1	2BD/1BA - Boarded Up	770	1,540	
		1773 Harrold Street	568		ML	P-1	2BD/1BA- Boarded Up	770	Duplex	
		40 Market Avenue	569		ML	P-1	3BD/1.5 BA -Boarded Up	935	1,705	
		30 Market Avenue	576		ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex	15,400 SF of bldg area
		1772 Jade Street	577		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	2,090	
		1762 N Jade Street	578		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	Duplex	
		1752 N Jade Street	579		ML	P-1	3BD/1.5 BA - Boarded Up	935	2,090	
		1742 N Jade Street	580		ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	
		1732 N Jade Street	581		ML	P-1	3BD/1.5 BA- Boarded Up	935	1,870	
1722 N Jade Street	582	ML	P-1	2BD/1BA- Boarded Up	770	Duplex				
33 Silver Avenue	583	ML	P-1	3BD/1.5 BA- Boarded Up	935	1,705				
5	409-210-011-6	41 Market Avenue	570	22,608	ML	P-1	2BD/1BA- Boarded Up	770	Duplex	Block bounded by Warren Drive and Market Avenue 3 Duplexes
		1868 Warren Drive	571		ML	P-1	2BD/1BA- Boarded Up	770	1,540	
		1836 Warren Drive	572		ML	P-1	2BD/1BA- Boarded Up	770	Duplex	
		1832 Warren Drive	573		ML	P-1	2BD/1BA- Boarded Up	770	1,540	Fire Damaged
		1814 Warren Drive	574		ML	P-1	2BD/1BA- Boarded Up	770	Duplex	
		31 Market Avenue	575		ML	P-1	2BD/1BA- Boarded Up	770	1,540	

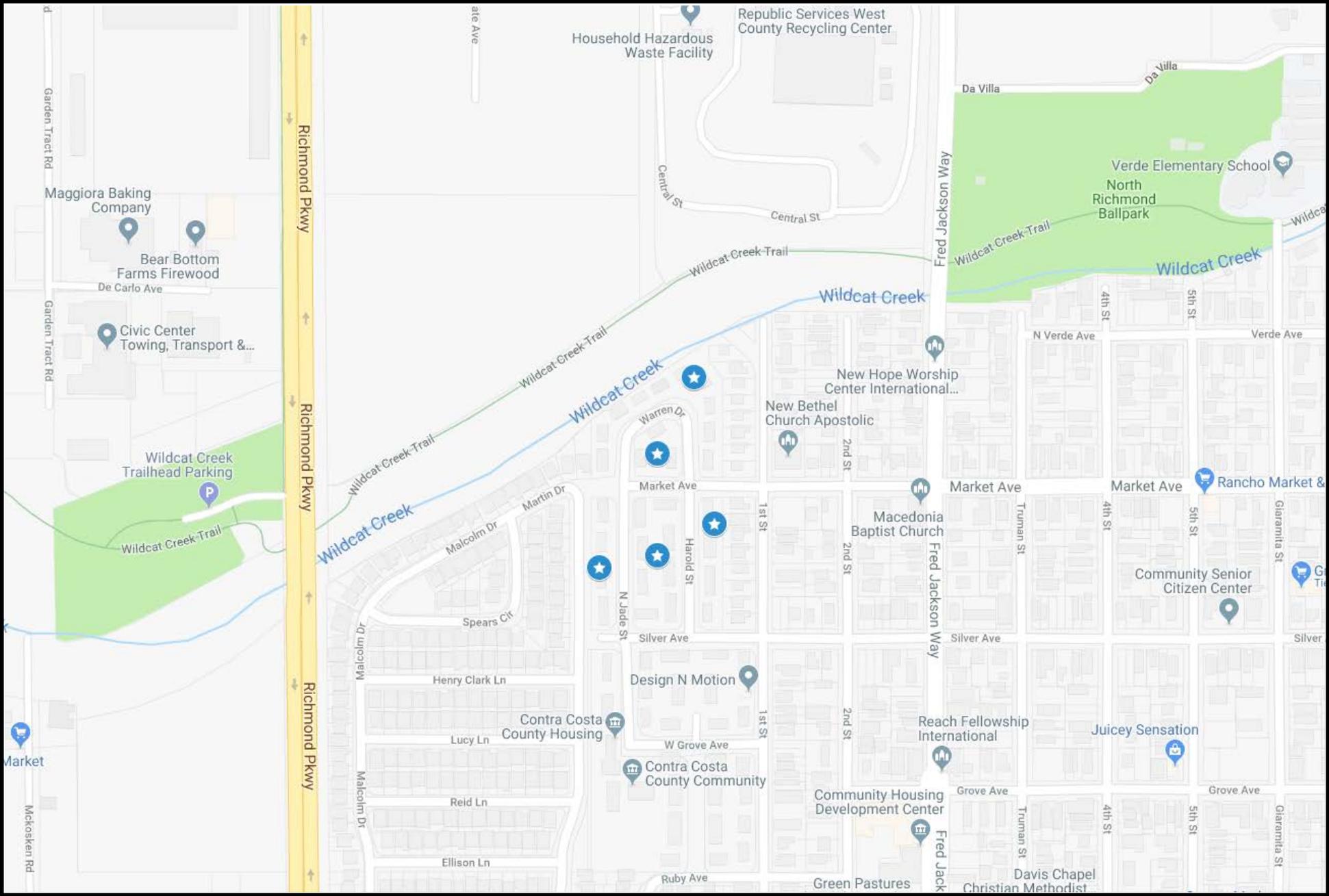
213,401 SF  
 4.90 Acres

1) Site area based on public records.

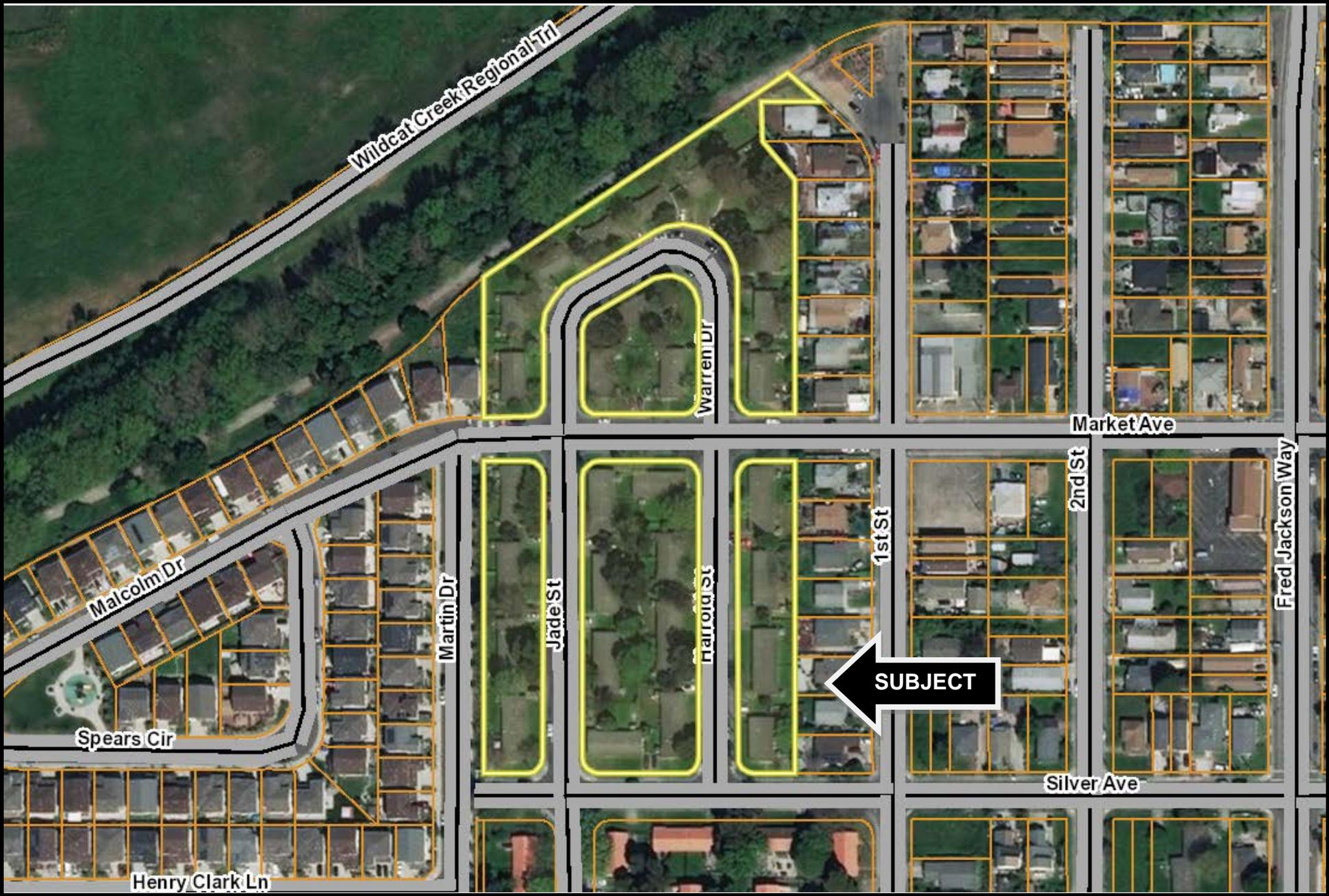
Property 9A BR Size	BD Count	SF	Total SF
1	16	578	9,248
2	16	770	12,320
3	18	935	16,830
4	8	1,155	9,240
4- SF	0	1,155	0
	58		47,638

29 Duplexes

# NEIGHBORHOOD MAP



# AERIAL MAP



lot area, the condition of the existing improvements on the parcel, street address and unit identification number as well as the comments.

The subject lots range in size from 22,608 to 74,488 square feet, or from 0.52 to 1.71 acres. Parcels 1, 3 and 4 are generally regular in shape, while Parcel 2 is comprised in an irregular "U" shape with an abutment in the upper northeast portion. Parcel 2 is located immediately south of Wildcat Creek. Parcel 5 is bounded by Warren Drive on three sides, and Market Avenue to the south. The topography of the parcels is generally level. The parcels are divided by North Jade Street, Warren Drive, Market Avenue, Harrold Street and Silver Avenue. The streets are improved with sidewalks, curbs and gutters. All utilities are available to the sites.

The immediate environs include vacant lots as well as poor quality, single family homes and duplexes. Many of the units are under the same ownership as the subject property. Other homes are privately owned and there are several churches in the area. Uses east of Seventh Street are typically industrial.

## **B. Zoning**

The subject properties are located in Contra Costa County within the North Richmond Redevelopment Area and although the Redevelopment Agency has been dissolved, the guidelines are still applicable. The subject property has a General Plan land use designation of Multiple Family Residential Low Density, (ML). The General Plan land use designation allows between 7.3 to 11.9 units per net acre. The minimum lot size is 10,000 square feet. Primary land uses include attached single-family residences such as duplexes or duets, multiple family residential such as condominiums, apartments, mobile home parks. Secondary land uses allowed include churches, small residential care and child care facilities.

The subject has a zoning designation of Planned Unit District (P-1) within the North Richmond Area.

The subject parcels currently appear to be legally conforming uses.

## **C. Ownership and Sales History**

The appraisers were not provided with title reports for the subject parcels. According to public records, title to the subject property is currently vested in Contra Costa County Housing Authority. There have been no transfers of ownership in the past several decades.

## **D. Existing Improvements**

The subject consists of 5 contiguous parcels and is improved with 29 duplexes, or 58 units. The subject dwelling units are of wood frame construction on concrete

slabs with stucco exteriors. The units have gas wall heaters, and the windows are single pane aluminum frame. The interior finishes of the units consist of vinyl flooring and drywall. The one-bedroom units contain 578 square feet. The two-bedroom units contain approximately 770 square feet, the three bedroom units have 935 square feet and the four bedroom units consist of 1,155 square feet.

The existing condition of the units are noted on the Subject Identification Table on the preceding page. The subject units were built in 1960 and are generally in very poor condition. The majority of the units are currently boarded-up and uninhabitable. Many of the units have been gutted. Of the 58 units, approximately one unit is currently occupied, and the other 57 units are vacant.

Many of the units have been vandalized with copper piping and wiring removed. Most of the water heaters appear to have been damaged and in some cases there was some water damage observed from broken pipes. Walls have been damaged and in some cases the ceiling has been partially opened. The vacant units are typically boarded-up to prevent squatters or additional damage. The front and rear doors have been removed by VPS (the vacant property security system). Several of the units have been damaged by fire.

#### *Estimated Costs of Renovation*

The majority of the units are currently boarded-up and uninhabitable. The vacant units are typically boarded-up to prevent squatters or additional damage. However, in many cases the units have been broken into and there has been additional damage.

Based on our research as well as discussions with brokers and other active participants in the real estate market, a benchmark renovation cost of \$120 per square foot is concluded. This cost is applied to all of the units at the subject as they all require renovation.

### **III. OPINIONS AND CONCLUSIONS**

#### **A. Highest and Best Use Conclusion**

##### *As Vacant*

The subject properties have a General Plan designation of Multiple Family Residential- Low Density (ML) and are zoned Planned Unit (P-1). Duplexes or attached residential or apartment uses are the primary zoning for the subject properties with secondary uses like residential care, child care facilities, and churches also allowed. The subject properties consist of 5 contiguous parcels that range in size from 22,608 to 74,488 square feet. The sites' sizes are sufficient to support a variety of residential development. Overall physical characteristics do not limit the highest and best use of the subject site.

The subject sites are located in a weak residential market area in the unincorporated area of North Richmond, Contra Costa County. Market conditions currently support speculative development for the subject sites. This is supported by an adjacent residential development that was built over the past 10 years. The maximally productive use is that use, from among financially feasible uses, that provides the highest rate of return or value. Therefore, the highest and best use of the subject site as-if vacant, is considered to be residential development.

Overall, based on these factors, the highest and best use of the subject sites as-if vacant would be for the construction of a new residential development consistent with the subject's zoning.

### *As Improved*

The subject properties consist of poor quality residential duplex units that were built in the 1960s. Almost all of the subject units are vacant, and most have been vandalized. As is demonstrated in the valuation chapter, given the age, condition and quality of the units, as well as the cost to repair the improvements, the existing vacant improvements are considered to have lower value than land and should be demolished.

The subject lots are relatively large in size and are contiguous. It is likely that the property would appeal to a developer and could be redeveloped to form a new residential subdivision. Based on these factors the highest and best use is to demolish the existing improvements and redevelop the property with a residential project.

## **B. Valuation of Subject Property**

The approach utilized in estimating the current market value of the subject properties is the Sales Comparison Approach. In this analysis, value is estimated by comparing the subject to similar land sites which have transferred prior to the effective date of appraisal. The index properties show characteristics which are similar to the property being appraised. The Comparable Sales Table is on the following page.

### *Land Valuation*

Based on the comparable land sales, and considering the location, density, size, utility, approval status, and market conditions, a unit value between \$18 and \$20 per square foot is estimated for the subject parcels as if vacant. A per square foot value of \$20 is concluded for the smaller subject parcels of approximately 22,608 to 28,750 square feet as if vacant. For the larger parcels of 59,677 and 74,488 square feet a unit value of \$18 per square foot is concluded as if vacant.

**COMPARABLE RESIDENTIAL SALES**  
 Appraisal of 5 Parcels within the Las Deltas Family Project  
 CA009A - Annex 1  
 North Richmond, California

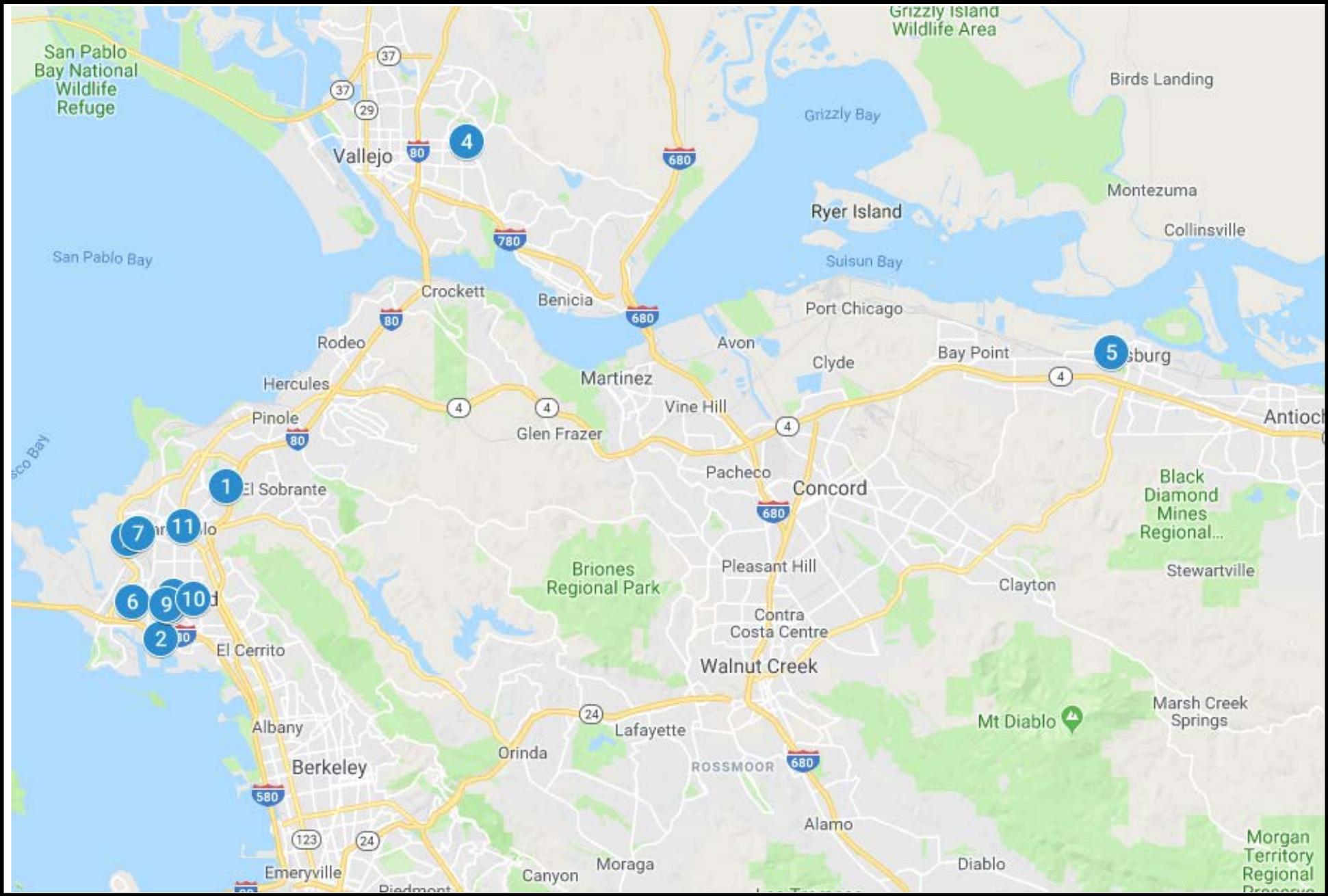
#	Location / APN	Sale Date	Sale Price	Size SF/Acre	Price Per SF of Land	Zoning/ Units Allowed/Proposed Density	Comments	Grantor/ Grantee (Document#)
<i>Land Sales</i>								
1a	3151 Garrity Way Richmond APN: 405-290-069	7/18	<b>\$3,500,000</b> Entitled	95,396 SF 2.19 AC	<b>\$37</b>	CR - City of Richmond 98 Units 45 Du/Acre	Located at Hilltop neighborhood Proposed for apt units. Vacant Land	Home Sweet Home LLC/ Zhangs Management Group LLC #107514
1b	3151 Garrity Way	Listing	\$4,800,000 Entitled		\$50			
2	830 Marina Way South Richmond APN: 560-190-007-8	11/17	<b>\$16,250,000</b> Entitled	436,035 SF 10.01 AC	<b>\$37</b>	PA - City of Richmond 197 Units 20 Du/Acre	Former Industrial Site Proposed for apt units. Vacant Land	Development Solutions Seascape/ William Lyon Hms Inc. #214851
3	2200 Nevin Avenue Richmond APN: 514-090-018-3, 514-080-013	4/15	\$1,690,000 \$93,750 <b>\$1,783,750</b> Unentitled	(1) 74,813 SF 1.72 AC	\$23 <b>\$24</b>	MFR-3/C-2 - City of Richmond 289 Units 168 Du/Acre	Proposed for affordable housing	Adams Carl Trust/ Affordable Housing Land Consultants #300640
4	Tennessee Street & Avian Drive Vallejo APNs: 0069-430-010, various	Listing	<b>\$1,400,000</b> Entitled	121,968 SF 2.80 AC	<b>\$11</b>	PDR - City of Vallejo 28 Units 10 Du/Acre	Sloping hillside site	G Annas & Fatemeh Maroofi/ NA
5	505 W. 10th Street Pittsburg APNs: 082-260-009, -012, -044, 243- 001, -002 and -178	Listing	<b>\$2,200,000</b> Entitled	102,797 SF 2.36 AC	<b>\$21</b>	M - City of Pittsburg 54 Units 23 Du/Acre	Vacant land mixed-Use development	Amerasla Real Estate Fund LLC/ NA

**COMPARABLE RESIDENTIAL SALES**  
 Appraisal of 5 Parcels within the Las Deltas Family Project  
 CA009A - Annex 1  
 North Richmond, California

#	Location / APN	Sale Date	Sale Price	Size SF/Acre	Price Per SF of Land	Zoning/ Units Allowed/Proposed Density	Comments	Grantor/ Grantee (Document#)
<i><u>Multifamily Unit Sales</u></i>								
6	203 Bissell Avenue Richmond APN: 538-190-021-5	7/18	\$875,000	3,932 SF Bldg. 0.08 AC 3,655 SF	\$109,375 Per Unit \$223	RM2 - City of Richmond 4 - Studio, 4 - 1BD/1BA 492	8 Unit Blt in 1908 Poor Condition	Eustolia P De Fregoso/ Hamilton, B/ Wu S H F #0112249
7	417 Verde Avenue North Richmond APN: 409-262-010-5	6/18	\$1,100,000	5,410 SF Bldg. 0.24 AC 10,500 SF	\$137,500 Per Unit \$203	P1 - Contra Costa County 4 - 3BD/1BA, 4 - 2BD/1BA 676	8 Unit Blt in 1957 Fair Condition	Verde Ave, LLC/ JWT Capital Holding Group One,LLC #202656
8	2023 Chanslor Avenue Richmond APN: 540-190-009-6	3/18	\$1,130,000	6,264 SF Bldg. 0.19 AC 8,276 SF	\$141,250 Per Unit \$180	R-3 - City of Richmond 8 - 2BD/1BA 783	8 Unit Blt in 1964 Average Condition	Tackabary Family Trust 2017/ Davis, William E Jr. & Silvia G. #041392
9	146 19th Street Richmond APN: 540-200-017-7	2/17	\$1,190,000	5,966 SF Bldg. 0.19 AC 8,438 SF	\$132,222 Per Unit \$199	RM2 - City of Richmond 1 - 1BD/1BA, 8 - 2BD/1BA 663	9 Unit Blt in 1961 Average Condition	Community Commerce Bank/ MW General Ptshp #024643
10	3202 Nevin Ave Richmond APN: 538-190-021-5	6/17	\$1,300,000	9,410 SF Bldg. 0.34 AC 15,002 SF	\$108,333 Per Unit \$138	RL2 - City of Richmond 12 - 2BD/1BA 784	12 Unit Blt in 1948 Poor Condition	Cruz-Nevin Trust/ Levy, Ephraim & Rosemary Trust 103991
11	2394 Road 20 San Pablo APN: 416-120-020-1	7/17	\$2,650,000	12,600 SF Bldg. 0.67 AC 29,142 SF	\$147,222 Per Unit \$210	I - City of San Pablo 3 - 1BD/1BA , 15 - 2BD/1BD 700	18 Unit Blt in 1961 Good Condition	Eric Antonicic/ Road 20 MF Partners LLC #114598

Source: Watts, Cohn & Partners, Inc., March 2019  
 19-WCP-018A

# COMPARABLE SALES MAP



***Improvement Valuation***

The subject contains parcels with 3 to 10 duplexes or between 6 and 20 units. Based on the subject size and location, a per unit value of \$145,000 is concluded for Subject Parcel Numbers 1, 3 and 5 with 6 to 8 units or 3 to 4 duplexes. This value assumes the units are in habitable condition.

The Subject Parcel Number 4 is a large parcel with 8 duplexes or 16 units. Given the larger size of the property, a unit value of \$120,000 is concluded. Subject Parcel Number 2 contains 20 units or 10 duplexes, and a unit value of \$110,000 per unit is concluded. Again, this value assumes the units are in habitable condition.

***Deduction for Renovation/Demolition Costs***

All but one of the subject units are not occupied and have been boarded up. The units are in poor condition and the cost to repair the units was previously estimated at approximately \$120 per square foot, based our discussions with brokers and real estate representatives. The renovation cost is deducted from the concluded value of the improved properties as if habitable to derive an as-is value in the current uninhabitable condition.

Further, in order to estimate only land value, the cost to demolish the improvements is based on Marshall Valuation Service and is estimated at approximately \$10.00 per square foot. This is equal to approximately \$16,500 per duplex. This cost includes asbestos and lead abatement as well as remediation costs. These costs are utilized in the analysis and are deducted from the value conclusions to derive an as-is value as land.

***As- Is Market Values***

The valuation table for the subject properties are summarized on the table on the following page. The table includes our estimation of the improved value with renovation costs which are deducted from the units, to derive an as-is value of the improvements in their existing uninhabitable condition.

In addition, the value of the subject land with a deduction made for the demolition of the improvements is shown. Based on our conclusions and discussed in the highest and best use chapter of the appraisal, the subject has greater value as a land site and the improvements should be demolished.

The total bulk market value of the subject is the sum of the 5 properties as no discount would be indicated for the development of the total site.

**SUBJECT PROPERTIES VALUATION WORKSHEET**

Appraisal of 5 Parcels within the Las Deltas Family Project  
CA009A - Annex 1  
North Richmond, California

#	APN Number	Address	ID Unit Number	Parcel Size (SF) 1	Use	Size/ Unit No.	Unit Value/ Value	Demolition/ Renovation (2)	Values
1	409-210-025-6	21 Silver Avenue	526		4-Duplexes	8 units	\$145,000		\$1,160,000
		1721 N Jade Street	527						
		1735 N Jade Street	528						
		1745 N Jade Street	529	27,878	Costs to renovate duplex	7,700		\$120	<u>(\$924,000)</u>
		1755 N Jade Street	530	0.64	<b>Value as Improved</b>	sf		psf	\$236,000
		1765 N Jade Street	531	Acres					
		1775 N Jade Street	532		<b>Land Value</b>	27,878	\$20.00	(\$77,000)	\$480,560
		20 Market Avenue	533			sf	\$557,560	demo costs	<b>As-Is Market Value</b> \$480,000
2	409-210-026-4	20 Market Avenue	534		10-Duplexes	20 units	\$110,000		\$2,200,000
		1815 Warren Drive	535						
		1821 Warren Drive	536						
		1823 Warren Drive	537		Costs to renovate duplex	12,520		\$120	<u>(\$1,502,400)</u>
		1827 Warren Drive	538		<b>Value as Improved</b>	sf		psf	\$697,600
		1829 Warren Drive	539						
		1833 Warren Drive	540		<b>Land Value</b>	74,488	\$18.00	(\$125,200)	\$1,215,584
		1835 Warren Drive	541			sf	\$1,340,784	demo costs	
		1839 Warren Drive	542	74,488					<b>As-Is Market Value</b> \$1,220,000
		1841 Warren Drive	543	1.71					
		1845 Warren Drive	544	Acres					
		1847 Warren Drive	545						
		1851 Warren Drive	546						
		1853 Warren Drive	547						
		1857 Warren Drive	548						
		1859 Warren Drive	549						
		1863 Warren Drive	550						
1865 Warren Drive	551								
1869 Warren Drive	552								
51 Market Avenue	553								
3	409-210-020-7	50 Market Avenue	554		4-Duplexes	8 units	\$145,000		\$1,160,000
		1768 Harrold Street	555						
		1758 Harrold Street	556						
		1748 Harrold Street	557	28,750	Costs to renovate duplex	7,398		\$120	<u>(\$887,760)</u>
		1738 Harrold Street	558	0.66	<b>Value as Improved</b>	sf		psf	\$272,240
		1728 Harrold Street	559	Acres					
		1714 Harrold Street	560		<b>Land Value</b>	28,750	\$20.00	(\$73,980)	\$501,020
		51 Silver Avenue	561			sf	\$575,000	demo costs	<b>As-Is Market Value</b> \$500,000
4	409-210-021-5	41 Silver Street	562		8-Duplexes	16 units	\$120,000		\$1,920,000
		1719 Harrold Street	563						
		1733 Harrold Street	564						
		1743 Harrold Street	565		Costs to renovate duplex	15,400		\$120	<u>(\$1,848,000)</u>
		1753 Harrold Street	566		<b>Value as Improved</b>	sf		psf	\$72,000
		1763 Harrold Street	567						
		1773 Harrold Street	568	59,677	<b>Value as Improved</b>	59,677	\$18.00	(\$154,000)	\$920,186
		40 Market Avenue	569	1.37		sf	\$1,074,186	demo costs	
		30 Market Avenue	576	Acres					<b>As-Is Market Value</b> \$920,000
		1772 Jade Street	577						
		1762 N Jade Street	578						
		1752 N Jade Street	579						
		1742 N Jade Street	580						
		1732 N Jade Street	581						
1722 N Jade Street	582								
33 Silver Avenue	583								
5	409-210-011-6	41 Market Avenue	570		3-Duplex	6 units	\$145,000		\$870,000
		1868 Warren Drive	571						
		1836 Warren Drive	572						
		1832 Warren Drive	573	22,608	Costs to renovate duplex	4,620		\$120	<u>(\$554,400)</u>
		1814 Warren Drive	574	0.52	<b>Value as Improved</b>	sf		psf	\$315,600
		31 Market Avenue	575	Acres					
			<b>Land Value</b>	22,608	\$20.00	(\$46,200)	\$405,960		
				sf	\$452,160	demo costs	<b>As-Is Market Value</b> \$410,000		

- 1) Square Foot of land area based on public records.  
2) Demolition Costs provided by Marshall Valuation Service at \$10 psf.,  
Cost to renovate unit is estimated at \$120 psf.

**\$3,530,000**

### C. Values Conclusions

#### *As-Is Market Values of 5 Individual Parcels*

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the as-is individual market values of the subject property which consists of 5 contiguous parcels in Las Deltas Annex 1, as of March 12, 2019, are estimated to be:

Parcel Number: 409-210-025-6	\$480,000
Parcel Number 409-210-026-4	\$1,220,000
Parcel Number 409-210-020-7	\$500,000
Parcel Number 409-210-021-5	\$920,000
Parcel Number 409-210-011-6	\$410,000

#### *Bulk Market Value of Subject 5 Parcels*

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fee simple market value of the subject property five legal parcels sold in a single transaction (bulk) as of March 12, 2019, are estimated to be:

**THREE MILLION FIVE HUNDRED THIRTY THOUSAND DOLLARS**

**(\$3,530,000)**

Further, it is our opinion that the subject properties could be sold at the above value conclusions within a 12-month active marketing period. The exposure period is also concluded to be 12 months.

## IV. REPORT SUMMARY AND LIMITING CONDITIONS

### A. Client, Purpose, Intended Use and Intended User

The client for this appraisal is Mr. Joseph Villareal with the Housing Authority of Contra Costa County. Per your request the appraisal is presented as a Restricted Appraisal Report, which summarizes our findings, with the data and analysis included in the appraisers file. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

**B. Date of Appraisal**

The effective date of valuation is March 12, 2019.

The date of the report is March 29, 2019.

**C. Scope of Appraisal**

Information pertaining to the subject improvements age, size, use and history was provided by the current property owner and verified where possible by public records, as well as based on the visual inspection by the appraiser.

The appraiser contacted Contra Costa County Planning Department for the zoning of the subject property, likelihood of any change in zoning and/or use, and any planned updates to the General Plan and/or zoning designations affecting the subject property.

The subject's market area was researched for market trends and land sales/comparables. Sources contacted included commercial and residential real estate agents.

For the subject property, the Sales Comparison Approach value was used in order to estimate the market value in as-is condition. The Income and Cost Approaches are not considered applicable indicators of value for this property type. The scope of this report is to utilize the appropriate standard approaches to value in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) to arrive at a market value conclusion.

**D. Appraisal Reporting Format**

This report is a Restricted Appraisal Report in accordance with Standards Rules of the Uniform Standards of Professional Appraisal Practice (USPAP) Standard 2-2 (b). Supporting documentation concerning the data, reasoning, and analyses is retained in the appraisers work file. The appraisers' opinions and conclusions set forth in this report cannot be understood properly without additional information in the appraisers' work file.

**E. Definition of Terms****1. Market Value (OCC 12 CFR 34.42 (g)) (OTS 12 CFR, Part 564.2 (g))2015**

Market Value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the

consummation of a sale as of a specific date and the passing of title from seller to buyer under conditions whereby:

- a) Buyer and seller are typically motivated;
- b) Both parties are well informed or well advised, and acting in what they consider their own best interest;
- c) A reasonable time is allowed for exposure in the open market;
- d) Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- e) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

2. ***Fee Simple Interest*** (*The Appraisal of Real Estate, 13th Edition, 2013, p.114*)

A fee simple interest in valuation terms is defined as "... absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat." It is an inheritable estate.

**F. Assumptions and Limiting Conditions**

***Extraordinary and Hypothetical Conditions***

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would effect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

***General Limiting Conditions***

3. No responsibility is assumed for legal matters. It is assumed that title of the property is marketable, and it is free and clear of liens, encumbrances and special assessments other than as stated in this report.

4. Plot plans and maps if any are included to assist the reader in visualizing the property. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser is assumed by the appraiser.
5. All information has been checked where possible and is believed to be correct but is not guaranteed as such.
6. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering studies which might be required to discover such factors. It is assumed that no soil contamination exists as a result of chemical drainage or leakage in connection with any production operations on or near the property.
7. In this assignment, the existence (if any) of potentially hazardous materials used in the construction or maintenance of the improvements or disposed of on the site has not been considered. These materials may include (but are not limited to) the existence of formaldehyde foam insulation, asbestos insulation, or toxic wastes. The appraiser is not qualified to detect such substances; the client is advised to retain an expert in this field.
8. Any projections of income and expenses are not predictions of the future. Rather, they are an estimate of current market thinking of what future income and expenses will be. No warranty or representation is made that these projections will materialize.
9. Possession of any report prepared, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with the proper written qualification and only in its entirety, and only for the contracted intended use as stated herein.
10. Neither all nor part of the contents of the appraisal shall be conveyed to the public through advertising, public relations, new sales, or other media without the written consent and approval of the appraiser, particularly as to the valuation conclusions, the identity of the appraisers, or any reference to the Appraisal Institute or the MAI designation.

11. Information regarding any earthquake and flood hazard zones for the subject property was provided by outside sources. Accurately reading flood hazard and earthquake maps, as well as tracking constant changes in the zone designations, is a specialized skill and outside the scope of the services provided in this appraisal assignment. No responsibility is assumed by the appraisers in the misinterpretation of these maps. It is strongly recommended that any lending institution reverify earthquake and flood hazard locations for any property for which they are providing a mortgage loan.

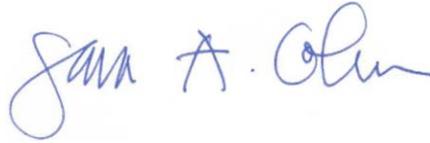
## **CERTIFICATION**

We, the undersigned, hereby certify that, to the best of our knowledge and belief: the statements of fact contained in this report are true and correct; the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions; we have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved; we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; our engagement in this assignment was not contingent upon developing or reporting predetermined results, our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan; our analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, and is in compliance with FIRREA; Sara Cohn and Mark Watts have made a personal inspection of the property that is the subject of this report; no one provided significant real property appraisal assistance to the persons signing this report. The use of this report is subject to the requirements of the Appraisal Institute related to review by its duly authorized representatives. As of the date of this report Sara Cohn has completed the requirements under the continuing education program of the Appraisal Institute. In accordance with the Competency Rule in the USPAP, we certify that our education, experience and knowledge are sufficient to appraise the type of property being valued in this report. We have not provided services regarding the property that is the subject of this report in the 36 months prior to accepting this assignment.

We are pleased to have had this opportunity to be of service. Please contact us if there are any questions regarding this appraisal.

Sincerely,

WATTS, COHN AND PARTNERS, INC.



Sara Cohn, MAI  
Certified General Real Estate Appraiser  
State of California No. AG014469

Phone: 415-777-2666 x 102  
Email: sara@wattscohn.com



Mark Watts  
Certified General Real Estate Appraiser  
State of California No. AG015362

Phone: 415-777-2666 x 101  
Email: mark@wattscohn.com

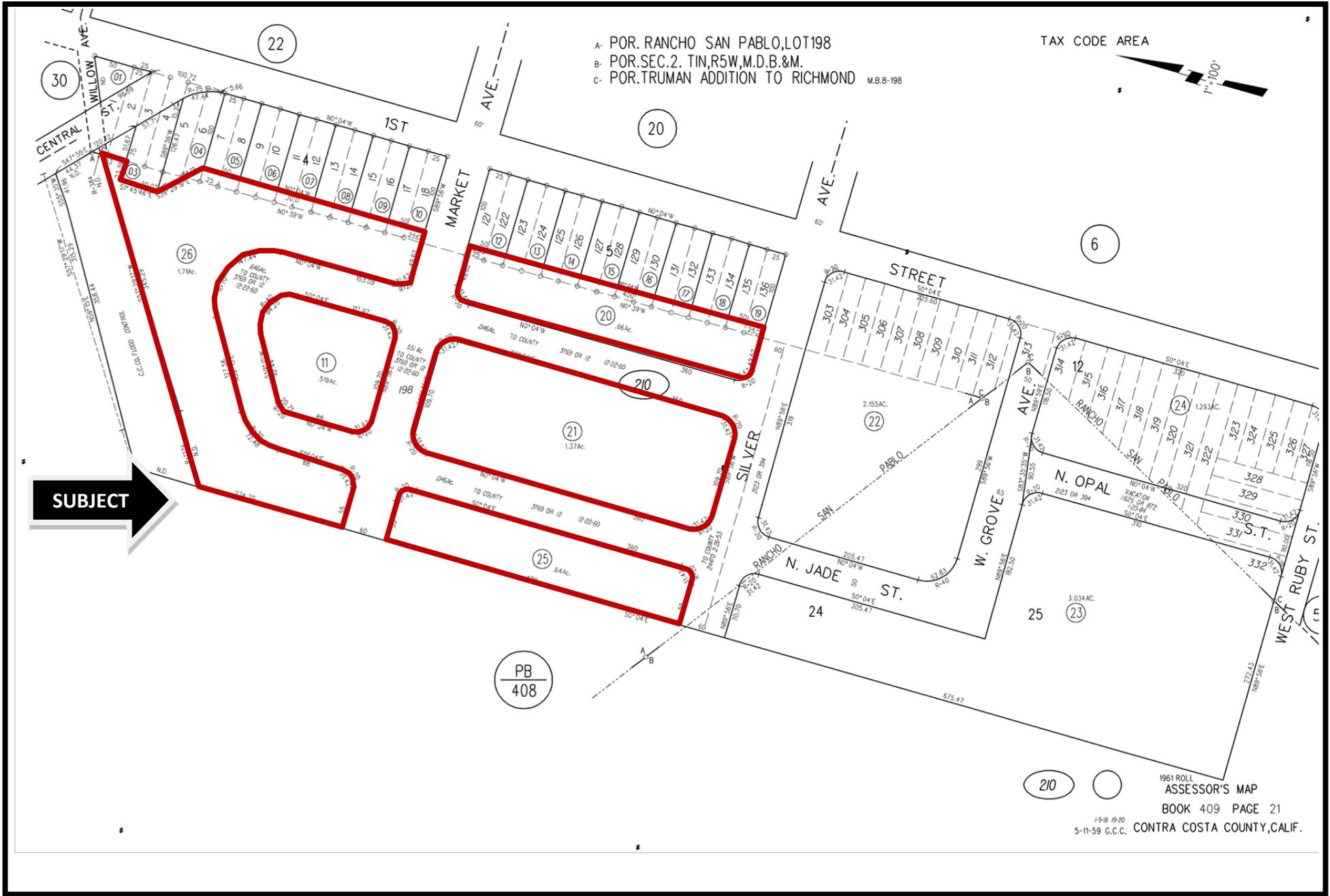
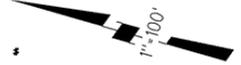
**Watts, Cohn and Partners, Inc.**  
582 Market Street, Suite 512  
San Francisco, CA 94104  
www.wattscohn.com

**ADDENDA**

# PARCEL MAP

- A. POR. RANCHO SAN PABLO, LOT 198
- B. POR. SEC. 2. TIN, R5W, M.D.B. & M.
- C. POR. TRUMAN ADDITION TO RICHMOND M.B. & 198

TAX CODE AREA



**SUBJECT** →

PB  
408

210

1961 ROLL  
ASSESSOR'S MAP  
BOOK 409 PAGE 21  
1918 1920  
5-11-59 G.C.C. CONTRA COSTA COUNTY, CALIF.

## COMPARABLE SALES PHOTOGRAPHS



203 Bissell Avenue  
Richmond



417 Verde Avenue  
North Richmond



2023 Chanslor Avenue  
Richmond



146 19<sup>th</sup> Street  
Richmond

## COMPARABLE SALES PHOTOGRAPHS



3202 Nevin Avenue  
Richmond



2394 Road 20  
San Pablo

**QUALIFICATIONS OF SARA A. COHN, MAI**  
California Certified General Real Estate Appraiser No. AG014469

**EXPERIENCE**

Sara A. Cohn is a Partner with Watts, Cohn and Partners, Inc. a new firm providing commercial real estate valuation. From 1988 to 2016, she worked for Carneghi and Partners and was a Senior Project Manager/Partner in their San Francisco office. Carneghi and Partners, and now Watts, Cohn and Partners, provide real estate appraisal and consulting services in the San Francisco Bay Area. Clients include financial institutions, government agencies, law firms, development companies and individuals. Typical assignments include both valuation and evaluations of a broad variety of property types, uses and ownership considerations.

Ms. Cohn has over 30 years of appraisal experience. She has completed a wide variety of valuation and evaluation analyses. Ms. Cohn has extensive knowledge of the San Francisco Bay Area and has appraised many property types including office buildings, industrial properties, retail centers, hotels, residential projects, mixed-use properties and development sites. Recent work has involved the analysis of commercial buildings, residential subdivisions, valuation of affordable housing developments with bond financing and/or Low-Income Housing Tax Credits (LIHTCs), assessment districts, as well as co-housing projects.

**EDUCATION**

Bachelor of Arts, University of California, Berkeley, 1978

Successful completion of all professional appraisal courses offered by the Appraisal Institute as a requirement of membership.

Continued attendance at professional real estate lectures and seminars.

**PROFESSIONAL AFFILIATION AND STATE CERTIFICATION**

Appraisal Institute - MAI Designation (Member Appraisal Institute) No. 12017  
Continuing Education Requirement Complete

State of California Certified General Real Estate Appraiser No. AG014469  
Certified Through March 2021

State of California Licensed Landscape Architect No. 2102

Member, Board of Directors, Northern California Chapter of the Appraisal Institute,  
2008-2010

Seminars Co-Chair, Northern California Chapter of the Appraisal Institute, 2005-2007

## **QUALIFICATIONS OF MARK A. WATTS**

Mark A. Watts is a Partner with Watts, Cohn and Partners, Inc.

Following is a brief summary of his background and experience:

### **EXPERIENCE**

#### **Commercial Real Estate Appraisal Experience**

Mr. Watts has been a commercial real estate appraiser since 1987, and has over 20 years experience in the analysis of commercial real estate. He has completed valuation assignments on a variety of projects, including industrial facilities, residential subdivisions, apartments, shopping centers, cemeteries and recreational facilities. He has also performed feasibility studies and assisted owners in making asset management decisions.

Mr. Watts has provided litigation support and served as an expert witness in court. He has also served in arbitrations as an expert witness. He has been qualified as an expert in San Francisco and San Mateo County Superior Courts.

He served on the San Francisco County Assessment Appeals Board from 2011 to 2016.

#### **Commercial Real Estate Investment Experience**

Simultaneous to his work as a commercial appraiser, Mr. Watts has been an active real estate investor/developer. He is experienced in the acquisition, redevelopment and management of commercial properties. He has witnessed and experienced many real estate cycles and stays abreast of current trends. His personal experience as an investor makes him uniquely qualified to appraise commercial real estate.

Over the last 20 years he has completed more than 30 investment real estate transactions, an average of 1.5 transactions per year. He has negotiated with buyers and sellers directly as a principal. He has completed nearly a dozen 1031 exchanges. Beginning with a small initial capital investment, he has built a large real estate portfolio. Based on his ownership experience, Mr. Watts is keenly aware that the success or failure of an acquisition is closely related to its location. Likewise, he is sensitive to locational differences in the appraisal of real estate.

Mr. Watts has broad experience with the construction, maintenance and repair of real estate. He has demolished and re-built two structures from the ground up. He has completed fire damage repairs and remediated toxic mold. He has remodeled kitchens and baths. He has replaced foundations on structures, made additions, and made other improvements. As the quality and condition of real estate has a strong correlation with its value, his experience enables superior judgement of these attributes in his work as a commercial real estate appraiser.

#### **Community Involvement**

Mr. Watts served on the Board of Managers of the Stonestown Family YMCA from 2002 to 2017. This is an approximately 30,000 square foot health club facility. He was active on the Facilities Committee. He served as the Board Chair in 2008. He has been a member of the Olympic Club in San Francisco since 1976. He served the Forest Hill Neighborhood Association as President from 2013 to 2017.

### **EDUCATION**

Bachelor of Arts, University of California, Davis

### **PROFESSIONAL AFFILIATION**

State Accredited Affiliate of the Appraisal Institute  
State of California Certified General Real Estate Appraiser No. AG015362

**WATTS, COHN and PARTNERS, INC.**

COMMERCIAL REAL ESTATE APPRAISAL

**RESTRICTED APPRAISAL OF:  
LAS DELTAS FAMILY PROJECT  
ANNEX 2  
NORTH RICHMOND, CALIFORNIA  
*CA009B***

**PREPARED FOR:  
HOUSING AUTHORITY OF CONTRA COSTA COUNTY  
MARTINEZ, CA**

**MARCH 2019  
19-WCP-018B-RESTRICTED**

# WATTS, COHN and PARTNERS, INC.

COMMERCIAL REAL ESTATE APPRAISAL

March 29, 2019

Mr. Joseph Villarreal  
Executive Director  
Housing Authority of Contra Costa County  
3133 Estudillo Street  
P.O. Box 2759  
Martinez, CA 94553

Re: 19-WCP-018B-Restricted, Appraisal  
Las Deltas Family  
North Richmond, California  
**CA009B Las Deltas Annex 2**

Dear Mr. Villarreal:

At your request and authorization, Watts, Cohn and Partners, Inc. has prepared an appraisal of the above referenced property. The subject properties appraised are a portion of the Las Deltas Family Project, located on 31 noncontiguous parcels in North Richmond, Contra Costa County, California. The parcels are located on blocks bounded by Chesley Avenue, First Street, Seventh Street and Wildcat Creek Regional Trail, north of Verde Avenue. The subject contains a total of 7.69 acres, or 334,836 square feet of land area on 31 parcels.

The subject parcels are improved with a mixture of 4 single-family homes and 38 duplexes, for a total of 80 units. Currently, only seven units are occupied with the remaining 73 units vacant. The remaining tenants are in the process of moving. The improvements were built in approximately 1961 and are of uniformly poor condition and quality. The vacant units are currently boarded-up and most of the units have been vandalized with the wiring and copper removed. Several of the units have sustained fire damage and are considered to add no value to the underlying land. Other properties at the subject are considered viable to be renovated, and the retention of the existing improvements is concluded as the highest and best use.

Per your request the appraisal is presented as a Restricted Appraisal Report, which summarizes our findings, with the data and analysis included in the appraisers file. The purpose of this appraisal is to estimate the as-is fee simple market value of the subject property. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

This is a Restricted Appraisal Report in compliance with the Uniform Standards of Professional Appraisal Practices (USPAP). Use of this report is limited to the client. The rationale for how the

**Watts, Cohn and Partners, Inc.**

Commercial Real Estate Appraisal

19-WCP-019B- Restricted

appraiser arrived at the opinion and conclusions set forth in this report may not be understood properly without additional information that is in the appraiser's work file.

### **EXTRAORDINARY AND HYPOTHETICAL LIMITING CONDITIONS**

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would affect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

### **I. AREA AND MARKET CONDITIONS**

The subject is located in the North Richmond, which is located within unincorporated area of West Contra Costa County. North Richmond is located adjacent to the City of Richmond and is situated within the City of Richmond's sphere of influence.

The subject is part of the Las Deltas public housing project which contains a total of 178 units. The project was originally built in the 1950s and 1960s to provide low cost rental housing. The property is older and in poor condition. The majority of the subject units are currently vacant, with the remaining tenants in the process of moving to other locations.

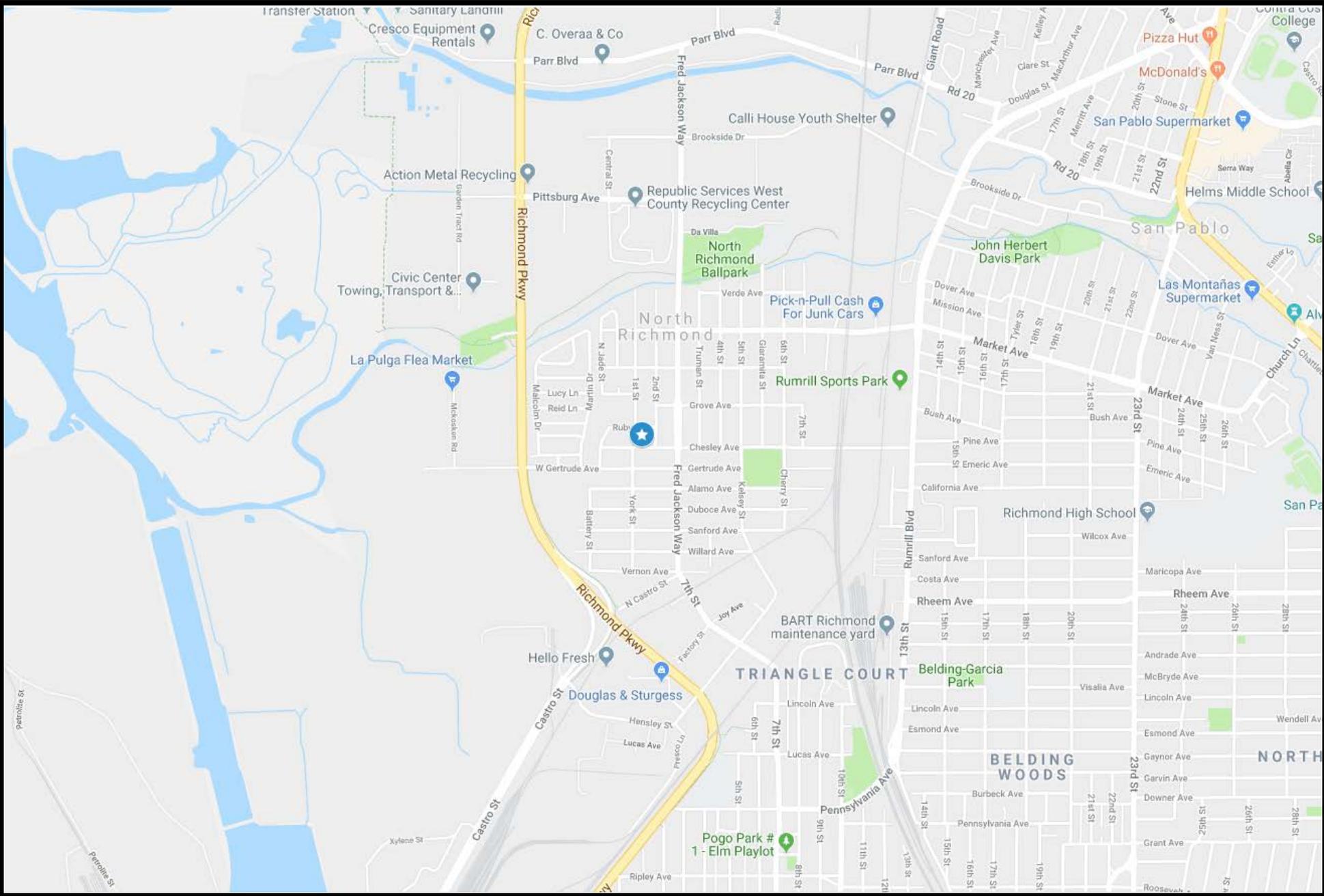
The Richmond housing and rental market is relatively stable, with moderate gains in rents and low, relatively level vacancy rates. From a supply perspective, there are new developments in the pipeline in the greater subject market area. Demand in the greater East Bay has grown, and Richmond is expected to benefit from the overflow. However, North Richmond has limited new product coming online in the near future, and their status in unincorporated Contra Costa County has led to municipal service gaps that have discourage prospective buyers. Long term, the outlook is good that steady demand will continue for market rate housing and rental units.

### **II. PROPERTY DESCRIPTION**

#### **A. Site**

The subject property consists of a total of 31 parcels located on various sites in North Richmond and is part of the Las Deltas Family Project CA 009B - Annex 2. There are 31 are noncontiguous parcels that are situated on the blocks bounded by First Street to the west, Chesley Avenue to the south, Seventh Street to the east and Wildcat Creek Regional Trail to the north. The Subject Identification Table on the following page lists the subject properties and notes the lot area, the condition of

# NEIGHBORHOOD MAP



**SUBJECT IDENTIFICATION TABLE**

Appraisal of 31 Parcels within the Las Deltas Family Project

CA009B - Annex 2

North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition (2)	Unit Size (SF)	Unit Type Total Bldg SF	Comments
1	409-052-009-1	1520 First Street	584	7,463	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	East side of First Street between W Ruby Street and Chesley Avenue
		1518 First Street	585		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
2	409-052-003-4	121 Chesley Avenue	586	10,040	SH	P-1	2BD/1 BA - Vacant Poor Cond.	770	Duplex 1,705	NW corner of Chesley Ave & 2nd St.
		1511 Second Street	587		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
3	409-200-016-7	1714 First Street	588	7,338	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	East side of First Street between Market and Silver Avenues
		1710 First Street	589		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
4	409-191-009-3	317 Silver Avenue	592	10,026	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	North side of Silver Avenue, mid-block btwn 3rd & Truman Streets. Duplex
		325 Silver Avenue	593		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
5	409-191-013-5	1730 Fred Jackson Way	594	7,578	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	SF 1,155	East side of 3rd Street, mid-block between Market Avenue & Silver Avenue.
6	409-251-022-3	1844 Truman Street	595	7,500	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	East side of Truman Street, mid-block between Verde & Market Ave.
		1840 Truman Street	596		SH	P-1	3BD/1.5 BA - Occupied	935		
7	409-162-018-9	1725 Fourth Street	599	7,500	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	West side of Fourth Street between Market and Silver Avenues
		1727 Fourth Street	600		SH	P-1	3BD/1.5 BA - Vacant	935		
8	409-161-001-6	1744 Fourth Street	602	4,998	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.		SF	SE corner of 4th Street & Market Avenue.
9	409-142-005	1649 Giaramita Street	603	21,299	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	SF	SW corner of Silver and Giaramita Street
		1643 Giaramita Street	604		SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	Duplex	West side of Giaramita Street btw
		1639 Giaramita Street	605		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	2,090	Grove and Silver Avenues
		1623 Giaramita Street	606		SH	P-1	3BD/1.5 BA Occupied	935	Duplex	5,115 sf of bldg area
		1619 Giaramita Street	607		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	

**SUBJECT IDENTIFICATION TABLE**  
Appraisal of 31 Parcels within the Las Deltas Family Project  
CA009B - Annex 2  
North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition (2)	Unit Size (SF)	Unit Type Total Bldg SF	Comments
10	409-151-011-7	1710 Giaramita Street	608	5,000	SH	P-1	4BD/1.5 BA - Vacant Very Poor		SF	NE corner of Giaramita St. & Silver Ave. <b>Structural Damage- Land Value</b>
11	409-152-007-4	1711 Giaramita Street	610	7,580	SH	P-1	1BD/1BA-Vacant Poor Cond.	578	Duplex	Northwest corner of Giaramita Street and Silver Avenue
		525 Silver Avenue	609		SH	P-1	1BD/1BA-Vacant Poor Cond.	578	1,156	
12	409-282-019-2	1814 Sixth Street	612	7,500	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	Duplex	NE corner of 6th Street & Market Avenue.
		611 Market Avenue	613		SH	P-1	2BD/1 BA - Vacant Poor Cond.	770	1,925	
13	409-151-005-9	1741 Sixth Street	614	9,983	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	East side of 6th Street, mid-block betwn Market & Silver Avenues. <b>Damage</b>
		1737 Sixth Street	615		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870	
14	409-060-018-2	1572 First Street	616	15,065	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	Duplex	East side of 1st Street, mid-block betwn West Ruby Street & Silver Avenue. 4,180 sf of bldg area
		1574 First Street	617		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	2,090	
		1560 First Street	618		SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	Duplex	
		1558 First Street	619		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	2,090	
15	409-052-001-8	1529 Second Street	620	7,499	SH	P-1	3BD/1.5 BA - Occupied	935	Duplex	
		114 West Ruby Street	621		SH	P-1	3BD/1.5 BA- Occupied	935	1,870	
16	409-060-009-1	1601 Second Street	622	9,865	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	West side of 2nd Street, mid-block betwn Grove & Silver Aves. <b>Str. Damage. Land Value</b>
		1605 Second Street	623		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870	
17	409-182-002-9	220 Silver Avenue	624	11,365	SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	Duplex	South side of Silver Ave, mid-block btwn 2nd & 3rd Strs. <b>Str. Damage. Land Value</b>
		218 Silver Avenue	625		SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	2,310	
18	409- 191-001	308 Market Avenue	626	15,214	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	SE Corner of Market and Third East Side of Third Street SS of Market St bwt. Third & Truman St. 3,740 sf of bldg area
		1748 Fred Jackson Way	627		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870	
		322 Market Avenue	628		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	
		320 Market Avenue	629		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870	

## SUBJECT IDENTIFICATION TABLE

Appraisal of 31 Parcels within the Las Deltas Family Project

CA009B - Annex 2

North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition (2)	Unit Size (SF)	Unit Type Total Bldg SF	Comments	
19	409-252-008-1	315 Verde Avenue	634	8,081	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	West side of Verde Avenue mid-block between Fourth and Truman Streets	
		317 Verde Avenue	635		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870		
20	409-171-015-4	1624 Fourth Street	636	10,557	SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	Duplex	East side of 4th Street, mid-block betwn Grove & Silver Avenues.	
		1622 Fourth Street	637		SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	2,310		
21	409-100-004-4	1542 Fourth Street	638	25,288	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	Gutted	
		1540 Fourth Street	639		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	L Shape Lot. Frontage on 5th and 4th	
		1534 Fourth Street	640		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	Street. Located betwn Grove and	
		1532 Fourth Street	641		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	Chesley Avenues. <b>2 units Fire Damage</b>	
		1539 Fifth Street	642		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	Gutted	
		1541 Fifth Street	643		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	5,610 sf of bldg area	
22	409-161-008-1	423 Silver Avenue	644	7,316	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	NW corner of Fifth, Grove and Silver	
		1709 Fifth Street	645		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870		
23	409-272-009-5	1927 Giaranita Street	648	10,208	SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	Duplex	West side of Giaranita Street north of Verde Avenue	
		1925 Giaranita Street	649		SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	2,310		
24	409-292-001-8	1932 Giaranita Street	650	26,529	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	Irregular shaped lot with frontage on Sixth and Giaranita Streets, north of Verde Avenue. Adjacent to creek and school.	
		1934 Giaranita Street	651		SH	P-1	3BD/1.5 BA - Occupied	935	1,870		
		1923 Sixth Street	662		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex		
		1925 Sixth Street	663		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870		
		1929 Sixth Street	664		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex		
		1931 Sixth Street	665		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870		
		1945 Sixth Street	666		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex		7,480 sf of bldg area
		1943 Sixth Street	667		SH	P-1	3BD/1.5 BA - Occupied	935	1,870		
25	409-281-001-1	1844 Giaranita Street	652	17,502	SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	Duplex	SE corner of Verde Ave & Giaranita St.	
		542 Verde Avenue	653		SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	2,310		
		1842 Giaranita Street	654		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex		4,180 sf of bldg area
		1840 Giaranita Street	655		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870		

**SUBJECT IDENTIFICATION TABLE**

Appraisal of 31 Parcels within the Las Deltas Family Project  
CA009B - Annex 2  
North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition (2)	Unit Size (SF)	Unit Type Total Bldg SF	Comments
26	409-110-007-5	1525 Giaramita Street	656	8,384	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	West side of Giaramita Street, mid-block btwn Chelsley & Grove Avenues.
		1527 Giaramita Street	657		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
27	409-120-005-7	1547 Sixth Street	658	7,710	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	West side of 6th Street, mid-block betwn Chelsley & Grove Avenues.
		1549 Sixth Street	659		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
28	409-141-006-0	1639 Sixth Street	660	7,993	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	West side of Sixth Street mid-block between Silver and Grove Avenues
		1641 Sixth Street	661		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
29	409-291-009-2	1932 Sixth Street	668	7,530	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	East side of Sixth Street North of Verde Avenue
		1930 Sixth Street	669		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
30	409-131-003-9	1724 Sixth Street	670	9,967	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	East side of Sixth Street mid-block betwn Market and Silver Avenues
		1722 Sixth Street	671		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
31	409-282-005-1	1817 Seventh Street	672	14,958	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	West side of 7th Street, mid-block betwn Market & Verde Avenues. 3,740 sf of bldg area
		1819 Seventh Street	673		SH	P-1	3BD/1.5 BA Occupied	935		
		1829 Seventh Street	674		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
		1827 Seventh Street	675		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		

- 1) Site area based on public records. 334,836 SF of Land
- 2) All vacant improvements boarded-up 7.69 Acres  
10 du/ac

Property 9B

BR Size	BD Count	SF	Total SF
1	2	578	1,156
2	2	770	1,540
3	61	935	57,035
4	11	1,155	12,705
4- SF	4	1,155	4,620
	80		77,056

4 SF  
38 Duplexes

the existing improvements on the parcel, street address and unit identification number as well as the comments.

The subject lots range in size from 4,998 to 26,529 square feet. The parcels are typically regular in shape and the topography of the parcels is generally level. The streets are improved with sidewalks, curbs and gutters. All utilities are available to the sites.

The immediate environs include vacant lots as well as poor to fair quality single family homes and duplexes. Many of the units are under the same ownership as the subject property. Other homes are privately owned and there are several churches in the area. Uses east of Seventh Street are typically industrial.

## **B. Zoning**

The subject properties are located in Contra Costa County within the North Richmond Redevelopment Area and although the Redevelopment Agency has been dissolved, the guidelines are still applicable. The subject property has a General Plan land use designation of Single Family Residential High Density, (SH). The General Plan land use designation allows between 5.0 to 7.2 single family units per net acre. Attached single family units (duplexes or duets) may be allowed as well as churches, small residential care and child care facilities. The minimum lot size is 4,500 square feet for a single family and 7,000 square feet for a duplex. The building height limit is 30 feet or two stories.

The subject has a zoning designation of Planned Unit District (P-1) within the North Richmond Area.

The subject parcels currently appear to be legally conforming uses.

## **C. Ownership and Sales History**

The appraisers were not provided with title reports for the subject parcels. According to public records, title to the subject property is currently vested in Contra Costa County Housing Authority. There have been no transfers of ownership in the past several decades.

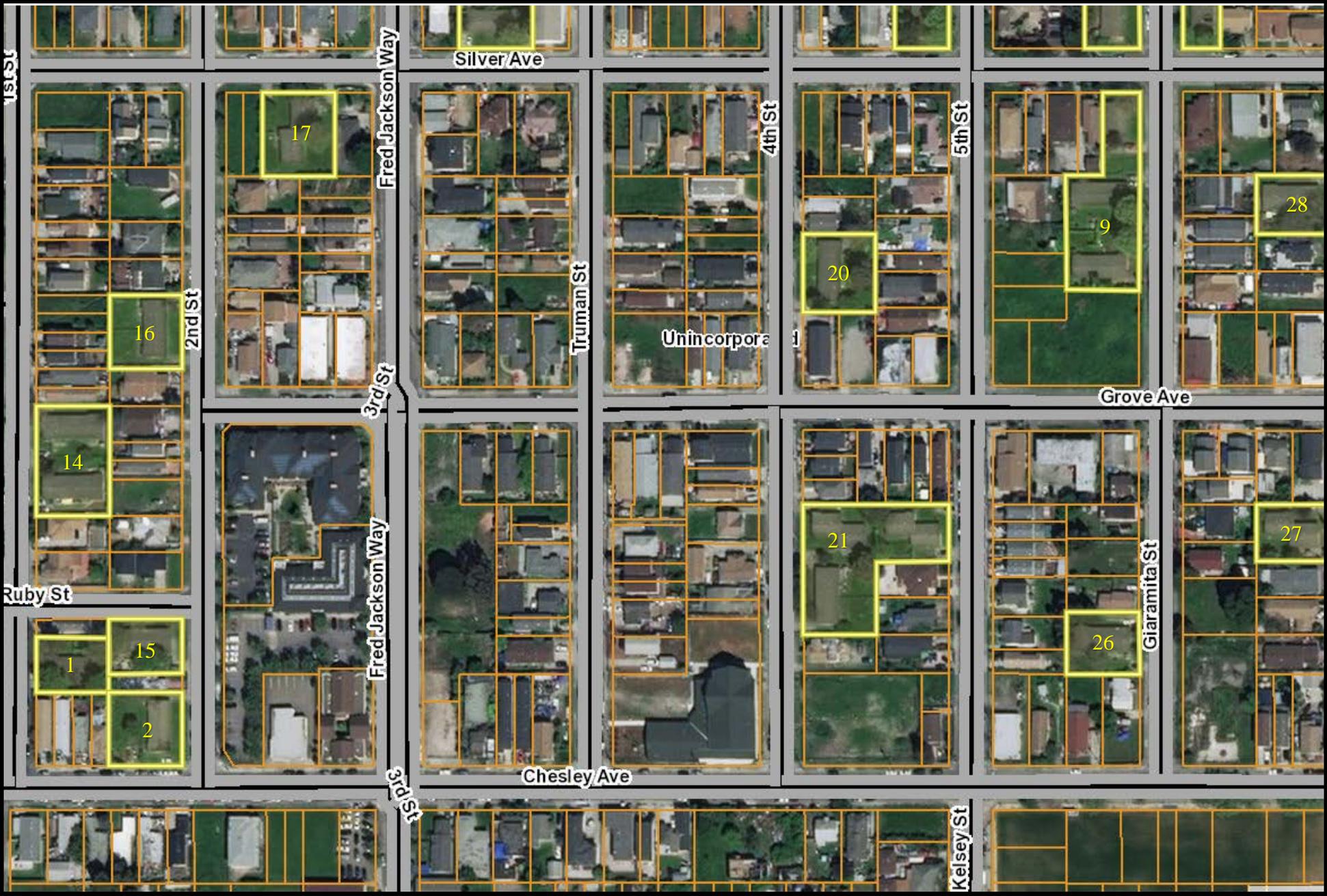
## **D. Existing Improvements**

The subject consists of 31 parcels and is improved with duplexes or single-family rental units for a total of 80 residential units. The subject dwelling units are of wood frame construction on concrete slabs with stucco exteriors. The units have windows which are single pane aluminum frame. The typical interior finishes of the units consist of vinyl flooring and drywall. The one-bedroom units contain 578 square feet. The two-bedroom units contain approximately 770 square feet, the three-bedroom units have 935 square feet and the four bedroom units consist of 1,155

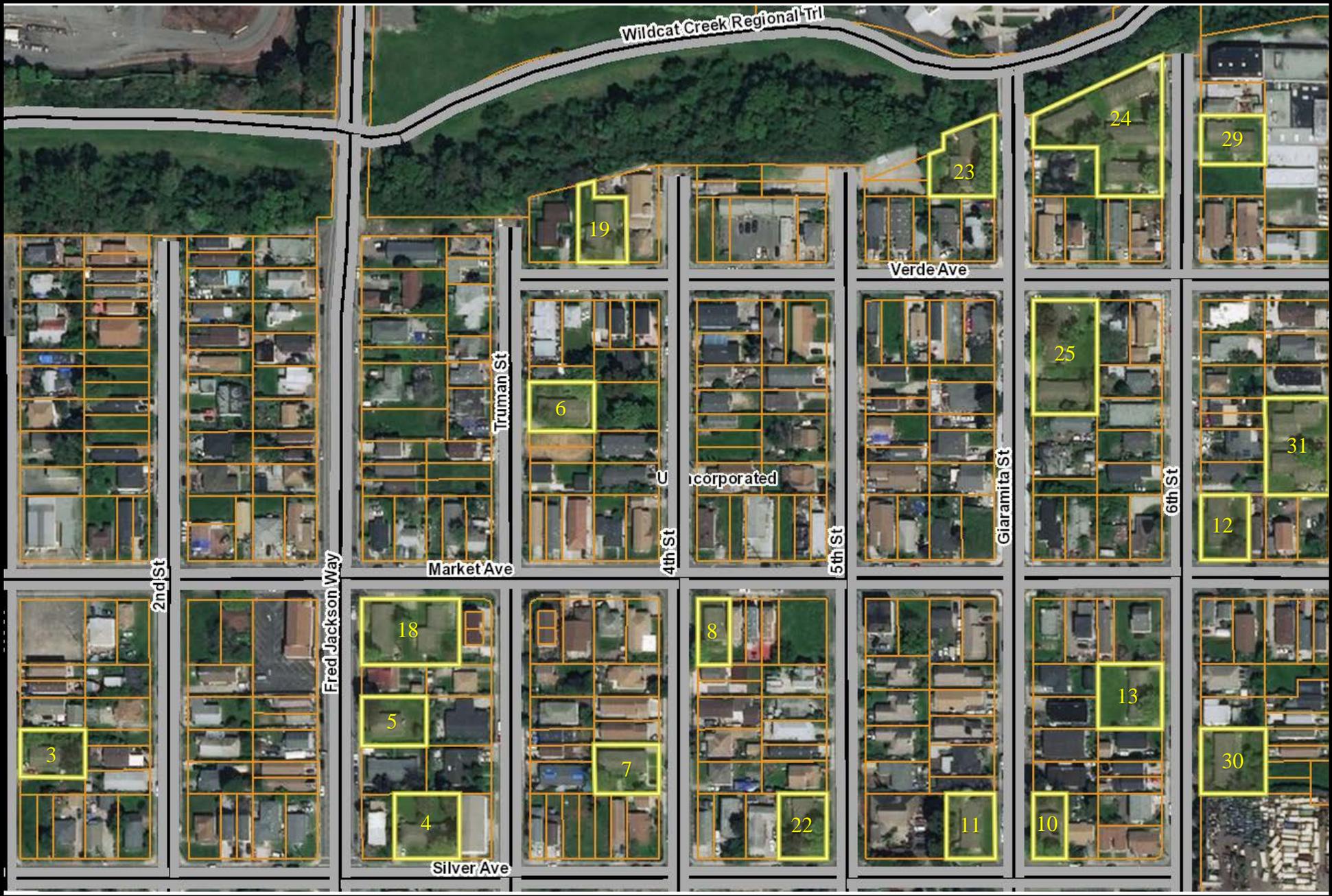
# AERIAL MAP



# AERIAL MAP



# AERIAL MAP



square feet. The subject contains four single family homes with four bedrooms/1.5 baths with 1,155 square feet.

The existing condition of the units are noted on the Subject Identification Table on the preceding page. The subject units were built in 1961 and are generally in very poor condition. The majority of the units are currently boarded-up and uninhabitable. Many of the units have been gutted. Of the 80 units, approximately 7 units are currently occupied, and the other 73 units are vacant.

Many of the units have been vandalized with copper piping and wiring removed. Most of the water heaters appear to have been damaged and there was some water damage observed from broken pipes. Walls have been damaged and in some cases the ceiling has been partially opened. The vacant units are typically boarded-up to prevent squatters or additional damage. The front and rear doors have been removed by VPS (the vacant property security system). Several of the units have been damaged by fire.

Although the interior of the residential units is in very poor condition and essentially gutted, the building foundation and framing appears to be in average condition. The roof structure is tar and gravel and also appears to be in average condition with no signs of leaking.

#### *Estimated Costs of Renovation*

The majority of the units are currently boarded-up and uninhabitable. The vacant units are typically boarded-up to prevent squatters or additional damage. However, in many cases the units have been broken into and there has been additional damage.

Based on our research as well as discussions with brokers and other active participants in the real estate market, a benchmark renovation cost of \$120 per square foot is concluded. This cost is applied to all of the units at the subject as they all require renovation.

### **III. OPINIONS AND CONCLUSIONS**

#### **A. Highest and Best Use Conclusion**

##### *As Vacant*

The subject properties have a General Plan designation of Single Family Residential - High Density (SH) and are zoned Planned Unit (P-1). Low density residential uses are the primary zoning for the subject properties with secondary uses allowed of residential care and child care facilities as well as churches. The subject consists of 31 parcels that range from 4,998 to 26,529 square feet. The site

sizes are sufficient to support a variety of residential development. Overall, physical characteristics do not limit the highest and best use of the subject site.

The subject sites are located in a weak residential market area in the unincorporated area of North Richmond, Contra Costa County. Market conditions do not support speculative development for the subject sites. Therefore, the highest and best use of the subject sites as-if vacant, is considered to be to hold for future development or to be developed by an owner-occupant.

Overall, based on these factors, the highest and best use of the subject scattered sites as-if vacant would be to hold the property until market conditions improve and warrant construction of a new development consistent with the subject's zoning.

### ***As Improved***

The subject properties consist of poor quality residential duplex units that were built in the 1960s. Almost of the subject units are vacant and have been vandalized and gutted. These units require renovation to be habitable.

Based on an estimated benchmark cost of \$120 per square foot, which includes new plumbing, wiring, heating, bathrooms and kitchens, flooring and walls, it is considered financially feasible to renovate most of the vacant units which do not have structural or fire damage.

Several of the units have sustained fire damage and have extensive structural damage. These improvements are considered to have no value and should be demolished. The highest and best use of three subject parcels, Numbers 10, 16 and 17, is to demolish the improvements and hold the land for future development potential given the condition of the improvements on the parcels.

There are an additional 28 parcels at the subject that are improved with 75 units. These improvements are considered to contribute value to the underlying land, and are valued as currently improved, with a deduction made for the estimated costs to renovate the units.

Therefore, the highest and best use of parcels identified as Numbers 1 through 9, 11 through 15 and 18 through 31 is to keep the existing duplex or single-family units and to renovate the residential units.

## **B. Valuation of Individual Parcels at Subject Property**

The approach utilized in estimating the current market value of the subject properties is the Sales Comparison Approach. In this analysis, value is estimated by comparing the subject to similar land sites which have transferred prior to the effective date of appraisal. The index properties show characteristics which are

similar to the property being appraised. The Comparable Sales Table is on the following page.

### ***Land Valuation***

Based on the comparable land sales, and considering the location, density, size, utility, approval status, and market conditions a unit value between \$10.00 and \$20.00 per square foot is estimated for the subject parcels as vacant. A per square foot value of \$20 per square foot is concluded for the smaller subject parcels of approximately 5,000 to 7,500 square feet as vacant. For the larger subject parcels of 7,600 to 15,000 square feet a unit value of \$15 per square is concluded as vacant. A unit value of \$12.50 per square foot is estimated for the subject parcels which contain 15,000 to 20,000 square feet and for parcels greater than 20,000 square feet a unit value of \$10.00 per square foot is concluded as vacant.

### ***Improvement Valuation***

The subject contains parcels with single family homes, as well as 2 to 4 duplexes or between 2 and 8 units.

A unit value of \$325,000 is concluded for the subject single-family units assuming renovation has been completed. Based on the size, location, condition, age and quality of the subject's duplex units a value of \$475,000, or \$237,500 per unit is concluded. This value assumes that the units have been renovated.

For the subject fourplexes a unit value of \$680,000, or \$170,000 per unit is concluded which is within the range of the comparables assuming the units have been renovated. The subject contains one parcel which contains 4 duplexes, or a total of 8 units. A unit value of \$145,000 is concluded as renovated.

Several of the parcels required additional adjustments which are discussed below.

The Subject Parcel Number 9 is a larger parcel that contains a single-family home as well as two duplexes. Given that the single-family home shares the parcel with the duplexes a lower market value is attributable to this single-family unit of \$225,000.

The Subject Parcel Number 11 is a duplex that contains one-bedroom units. Given the smaller size of the property and the lower income potential a lower value of \$375,000 is concluded.

The Subject Parcel Numbers 14 and 25 contains two duplexes which has three- and four-bedroom units as well as relatively large lot size. A unit value of \$750,000 is applied to this comparable as it takes into consideration the additional income potential less the renovation costs.

**COMPARABLE LAND AND SINGLE FAMILY HOME SALES**

Appraisal of 31 Parcels within the Las Deltas Family Project

CA009B - Annex 2

North Richmond, California

Location / #	APN	Sale Date	Sale Price	Size SF/Acre	Price Per Unit / SF	Zoning/ Max. Allowed Density	Comments	Grantor/ Grantee (Document#)
<b>Land Sales</b>								
1	236 Vernon Avenue North Richmond APN: 409-021-028-9	3/19 COE	\$75,000 Contract Price	3,762 SF 0.09 AC	\$19.94	P-1 Contra Costa County 1 Unit	Three offers on property. One Lot	William Malbrough/ NA
2	800 Block Alamo Avenue Richmond APN: 561-252-029-5	3/19 Pending Sale	\$112,500 Asking Price	7,500 SF 0.17 AC	\$15.00	RL-2 City of Richmond 3 Units	Mid-block site One Lot	Chinlakozy, Ulian/ NA
3	560 Alamo Avenue Richmond APN: 561-231-001-0	12/18	\$130,000	5,000 SF 0.11 AC	\$26.00	RL-2 City of Richmond 2 Units	Mid-block site One Lot	De Leon, Celso E V/ YC & JJ LLC #197311
4	1240 York Street Richmond APNs: 561-151-028-9, -029-7, -027-1	10/18	\$250,000	7,500 SF 0.17 AC	\$33.33	RL-2 City of Richmond 2 Units	Mid-block site 3 Lots	Ron Ikebe/ Veronica Coleman #024588
5	1541 Giaramita North Richmond APN: 409-110-005-9	8/17	\$80,000	5,000 SF 0.11 AC	\$16.00	P-1 Contra Costa County 1 Unit	Mid-block vacant site One Lot	Prater, Jane H/ Yaramala, Krishna & Padmavathi #0154135
6	0 Block Gertrude Avenue North Richmond APNs: 409-042-018-5, -019, -020	5/17	\$98,000	7,500 SF 0.17 AC	\$13.07	P-1 Contra Costa County 3 Units	Mid-block site- 3 Lots Buyer plans to develop with three units	Domenico, Plinio D/ Montoya, Ricardo C/De Ceja, Wendy G #093923
<b>Single Family Units</b>								
7a	1853 Truman Street North Richmond APN: 409-240-005-2	2/19	\$283,250	987 SF Bldg. 0.06 AC 2,720 SF	\$287	P-1 Contra Costa County 3BD/1BA	Fixer Blt in 1949 Single Family	Ramiro S. Barrera/ Arturo & Yanira R Benavides #015991
7b		10/18	\$265,000	987 SF Bldg. 0.06 AC 2,720 SF	\$268	P-1 Contra Costa County 3BD/1BA	Fixer Blt in 1949 Single Family	Frankie M. Fulmore/ Ramiro S. Barrera #0168878
8	321 Market Avenue North Richmond APN: 409-240-024-3	12/18	\$410,000	1,000 SF Bldg. 0.08 AC 3,600 SF	\$410	P-1 Contra Costa County 3BD/1BA	Updated Blt in 1965 Single Family	Aaron & Ladonnike Morgan/ Audrey Davidson #0194226
9	425 Chesley Avenue North Richmond APN: 409-100-010-1	11/18	\$310,000	1,016 SF Bldg. 0.07 AC 2,850 SF	\$305	P-1 Contra Costa County 3BD/1BA	Avg Condition Blt in 1944 Single Family	Juan C. Cabrera/ Juan and Raquel Ruiz #0192434
10	423 Market Avenue North Richmond APN: 409-261-010-6	11/18	\$475,000	1,244 SF Bldg. 0.06 AC 2,500 SF	\$382	P-1 Contra Costa County 3BD/2BA	Above Avg./New Construction Blt in 2018 Single Family	Jinotega Inc./ Juan A Meza #0189935

## COMPARABLE MULTIFAMILY BUILDING SALES

Appraisal of 31 Parcels within the Las Deltas Family Project

CA009B - Annex 2

North Richmond, California

Location / # APN	Sale Date	Sale Price	Size SF/Acre	Price Per Unit / SF	Zoning/ Unit Type Avg Unit Size SF (GBA)	Comments	Grantor/ Grantee (Document#)
<b><u>Duplex</u></b>							
1 724 Acacia Avenue Richmond APN: 534-191-003-1	10/18	\$375,000	2,070 SF Bldg. 0.09 AC 4,000 SF	\$187,500 Per Unit \$181	RL2- City of Richmond 2 Units - 2BD/1BA 1,035	Duplex 1986 Blt Poor Condition	Bank of New York/ Newton RPM Ltd. #0163494
2 1645 14th Street San Pablo APN: 410-251-020-5	9/18	\$480,000	2,070 SF Bldg. 0.08 AC 3,484 SF	\$240,000 Per Unit \$232	City of San Pablo 2 Units - 2BD/1BA 1,035	Duplex 1952 Blt Average Condition	Solomon Gorlock/ Juan and Josefina M Torres #203207
3 119 18th Street Richmond APN: 540-220-015-7	9/18	\$520,000	1,573 SF Bldg. 0.13 AC 5,650 SF	\$260,000 Per Unit \$331	RM2- City of Richmond 2 Units - 1BD/1BA 787	Duplex 1906 Blt Average Condition	Gundersen, Mark/ Molina-Ortiz, Silvestre R/Aguilera, Olivia P #0139955
4 587 6th Street Richmond APN: 534-301-004-6	9/18	\$540,000	1,876 SF Bldg. 0.09 AC 3,840 SF	\$270,000 Per Unit \$288	RM1- City of Richmond 2 Units - 3BD/1.5BA 938	Duplex Blt in 1952 Average Condition	Bang Jong S living Trust/ North County LLC #010713
5 1627 Lincoln Avenue Richmond APN: 530-290-008-8	6/18	\$510,000	1,559 SF Bldg. 0.11 AC 5,000 SF	\$255,000 Per Unit \$327	RM1- City of Richmond 3BD/2BA, 1BD/1BA 780	Duplex 1944 Blt Average Condition	Duke Partners II LLC/ Sean E Haggai #0125253
<b><u>Triplex and Fourplexes</u></b>							
6 1625 Portola Avenue Richmond APN: 514-162-025-1	1/19	\$662,500	2,602 SF Bldg. 0.09 AC 3,936 SF	\$220,833 Per Unit \$255	RM2- City of Richmond 3 Units - 2BD/1BA 867	Triplex Blt in 1984 Average Condition	Scott M. Blasingame/ Jesus S. Mendez #0002619
7 305 Ripley Avenue Richmond APN: 534-212-012-7	3/19	\$720,000	2,102 SF Bldg. 0.09 AC 3,800 SF	\$180,000 Per Unit \$343	RM1- City of Richmond 4 Units - 1BD/1BA 526	4 Unit 1927 Blt Above Average Condition	Moazeni, Behzad/ Rasouli, Ladan Trust/ NA
8 301 Ripley Avenue Richmond APN: 534-212-013-5	1/19	\$630,000	2,102 SF Bldg. 0.09 AC 3,800 SF	\$157,500 Per Unit \$300	RM1- City of Richmond 4 Units - 1BD/1BA 526	4 Unit 1927 Blt Average Condition	Moazeni, Behzad/ Rasouli, Ladan Trust/ Tewdros, Aron #012782
9 465 21st Street Richmond APN: 514-120-005-4	11/18	\$550,000	3,431 SF Bldg. 0.12 AC 5,300 SF	\$137,500 Per Unit \$160	CM5- City of Richmond 4 Units - 2BD/1BA 858	4 Unit Blt in 1954 Average Condition	McMacgregor LLC/ Ahsbaba, Ahmad/ Sedighi Farideh #190982
<b><u>Multiplexes</u></b>							
10 1333 Market Avenue San Pablo APN: 411-041-003-4	11/18	\$1,240,000	3,988 SF Bldg. 0.12 AC 5,227 SF	\$177,143 Per Unit \$311	CMU- City of San Pablo 7 Units - 6 1BD/1BA, 1 2BD/1BA 570	7 Unit Blt in 1962 Good Condition	Selbie C Wright Trust/ Garcia, Estevan/Lindstrom-Garice, Julie L. #179493
11 203 Bissell Avenue Richmond APN: 538-190-021-5	7/18	\$875,000	3,932 SF Bldg. 0.08 AC 3,655 SF	\$109,375 Per Unit \$223	RM2- City of Richmond 4- Studio, 4 1BD/1BA 492	8 Unit Blt in 1908 Poor Condition	Eustolia P De Fregoso/ Hamilton, B/ Wu S H F #0112249
12 417 Verde Avenue North Richmond APN: 409-262-010-5	5/18	\$1,100,000	5,410 SF Bldg. 0.24 AC 10,500 SF	\$137,500 Per Unit \$203	P1, Contra Costa County 8 units -4 3BD/1BA, 4 2BD/1BA 676	8 Unit Blt in 1957 Fair Condition	Verde Ave, LLC/ JWT Capital Holding Group One,LLC #202656
13 2023 Chanslor Avenue Richmond APN: 540-190-009-6	3/18	\$1,130,000	6,264 SF Bldg. 0.19 AC 8,438 SF	\$141,250 Per Unit \$180	R-3- City of Richmond 8 2BD/1BA 783	8 Unit Blt in 1964 Average Condition	Tackabary Family Trust 2017/ Davis, William E Jr. & Silvia G. #041392
14 146 19th Street Richmond APN: 540-200-017-7	2/17	\$1,190,000	5,966 SF Bldg. 0.19 AC 8,438 SF	\$132,222 Per Unit \$199	City of Richmond 9 units -1 1BD/1BA, 8 2BD/1BA 663	9 Unit Blt in 1961 Average Condition	Community Commerce Bank/ MW General Ptshp #024643

The Subject Parcel Number 21 is a larger parcel which contains 25,288 square feet. The parcel has three duplexes, in which one duplex is fire damaged (Units 640 and 641). The fire damage to the duplex on this portion of the site is considered surplus land, and the cost of demolition is considered to offset the value of this portion of the land. No additional value is allocated to the surplus land. The concluded value of Parcel 21 includes the two duplexes less renovation costs.

#### ***Deduction for Renovation/Demolition Costs***

All but one of the subject units are not occupied and have been boarded up. The units are in poor condition and the costs to repair the units was previously estimated at approximately \$120 per square foot, based our discussions with brokers and real estate representatives. Currently the renovation cost is lower than the as renovated value of the properties. Therefore, this cost when required is deducted from the concluded value of the properties as renovated to derive an as-is value.

Further, in order to estimate only land value, the cost to demolish the improvements is based on Marshall Valuation Service and is estimated at approximately \$10.00 per square foot. This is equal to approximately \$11,000 for a single-family house and approximately \$19,000 for each duplex. This cost includes asbestos and lead abatement as well as remediation costs. These costs are utilized in the analysis and are deducted from the value conclusions to derive an as-is value as land.

#### ***As- Is Value Market Values***

The valuation table for the subject properties are summarized on the table following the value conclusions. The table includes our estimation of the improved value with renovation costs which are deducted from the units, to derive an as-is value of the improvements in their existing uninhabitable condition. In addition, demolition costs are applied to the units which have structural or more significant damage to derive a land value.

### **C. Discounted Market (Bulk) Value**

The bulk market value of the subject parcels is estimated. The bulk (discounted) market value estimate is defined as the sale of all 31 legal subject lots in a single transaction. It assumes that the project is sold to a single buyer. The bulk market value is determined by discounting the gross retail valuation over a projected absorption period, with deductions made to account for the cost of sales and entrepreneurial profit. The discounted analysis necessitates certain assumptions concerning the cost of sales, absorption rate, profit, discount rate and inflation.

The aggregate retail market value of the 31 individual parcels calculated on the table on the following page is \$7,160,000. The summary of assumptions include that the absorption rate is 3 parcels per month, which is equal to an average sale of

## DISCOUNTED BULK (MARKET) VALUE OF SUBJECT PROPERTY

Appraisal of 31 Parcels within the Las Deltas Family Project

CA009B - Annex 2

North Richmond, California

**ASSUMPTIONS:**

31 Parcels	0.00% Inflation/Appreciation Rate
\$230,968 Avg. retail value per parcel	0.00% Concessions
\$7,160,000 Aggregate retail value of 31 Pa	5.00% Marketing/Escrow Expense
\$89,500 Avg retail value per unit.	1.00% Administrative Costs
3.00 Parcel per mo absorption -	
2.6 Avg No of Units per Parcel	
80 Units	

MONTH	1	2	3	4	5	6	7	8	9	10	11
<b><u>GROSS INCOME</u></b>											
Parcels Sold Per Month	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	1.00
Cumulative Parcels Sold	3.00	6.00	9.00	12.00	15.00	18.00	21.00	24.00	27.00	30.00	31.00
Remaining Unsold Parcels	28.00	25.00	22.00	19.00	16.00	13.00	10.00	7.00	4.00	1.00	0.00
Gross Sales Income	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$230,968
<b>TOTAL GROSS SALES INCOME:</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$230,968</b>
<b><u>LESS: COSTS OF SALES</u></b>											
Marketing	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$11,548)
Administration	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$2,310)
Special Assessments (Per Parcel/Yr)	\$919.81	(\$2,376)	(\$2,146)	(\$1,916)	(\$1,686)	(\$1,456)	(\$1,226)	(\$996)	(\$767)	(\$537)	(\$307)
Property Tax @	1.2591%	(\$6,388)	(\$5,770)	(\$5,152)	(\$4,534)	(\$3,915)	(\$3,297)	(\$2,679)	(\$2,061)	(\$1,443)	(\$824)
		<b>(\$50,339)</b>	<b>(\$49,491)</b>	<b>(\$48,642)</b>	<b>(\$47,794)</b>	<b>(\$46,946)</b>	<b>(\$46,098)</b>	<b>(\$45,250)</b>	<b>(\$44,401)</b>	<b>(\$43,553)</b>	<b>(\$42,705)</b>
<b>NET SALES PROCEEDS BEFORE PROFIT</b>	<b>\$642,565</b>	<b>\$643,413</b>	<b>\$644,261</b>	<b>\$645,109</b>	<b>\$645,957</b>	<b>\$646,805</b>	<b>\$647,654</b>	<b>\$648,502</b>	<b>\$649,350</b>	<b>\$650,198</b>	<b>\$216,827</b>
Discount Rate	20.0%	0.9836	0.9675	0.9516	0.9360	0.9207	0.9056	0.8907	0.8761	0.8618	0.8476
Present Value		\$632,031	\$622,490	\$613,093	\$603,836	\$594,718	\$585,736	\$576,890	\$568,175	\$559,592	\$551,137
DISCOUNTED BULK VALUE OF UNITS:	<b>\$6,088,477</b>										
ROUNDED	<b>\$6,090,000</b>		85.0%	Of Aggregate Retail Value							

**\$196,000 per Parcel**

*Watts, Cohn and Partners, Inc., March 2019*

*19-WCP-018B*

7.7 dwelling units per month. Marketing expenses are estimated at 5% and administrative costs are estimated at 1%. An overall yield rate of 20% is estimated for the subject utilizing an all-inclusive IRR. This results in a rounded, bulk sale value estimate for the subject property if sold to a single buyer of \$6,090,000.

#### **D. Values Conclusions**

##### *As-Is Market Values of 31 Individual Parcels*

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the as-is fee simple individual market values of the subject property which consists of 31 noncontiguous parcels in Las Deltas Annex 2, as of March 12, 2019, are shown on the following table on the following page and are estimated to be:

**VALUATION OF SUBJECT PROPERTIES**  
 Appraisal of 31 Parcels within the Las Deltas Family Project  
 CA009B - Annex 2  
 North Richmond, California

#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	Value Conclusions	Demolition/Repair Costs (2)	As-Is Market Value
1	409-052-009-1	1520 First Street 1518 First Street	584 585	935 935	1,870	7,463	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
2	409-052-003-4	121 Chesley Avenue 1511 Second Street	586 587	770 935	1,705	10,040	\$475,000 Duplex	(\$204,600) cost to renovate	<b>\$270,000</b> \$27 (Land Value PSF)
3	409-200-016-7	1714 First Street 1710 First Street	588 589	935 935	1,870	7,500	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
4	409-191-009-3	317 Silver Avenue 325 Silver Avenue	592 593	935 935	1,870	10,026	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$25 (Land Value PSF)
5	409-191-013-5	1730 Fred Jackson Way	594	1,155	1,155	7,578	\$325,000 Single Family	(\$138,600) cost to renovate	<b>\$190,000</b> \$25 (Land Value PSF)
6	409-251-022-3	1844 Truman Street 1840 Truman Street	595 596	935 935	1,870	7,500	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
7	409-162-018-9	1725 Fourth Street 1727 Fourth Street	599 600	935 935	1,870	7,500	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
8	409-161-001-6	1744 Fourth Street	602	1,155		4,998	\$325,000 Single Family	(\$138,600) cost to renovate	<b>\$190,000</b> \$38 (Land Value PSF)
9	409-142-005	1649 Giaranita Street 1643 Giaranita Street 1639 Giaranita Street 1623 Giaranita Street 1619 Giaranita Street Total SF	603 604 605 606 607	1,155 1,155 935 935 935	1,155 2,090	21,299	\$225,000 Single Family \$680,000 2- Duplexes \$905,000 Total	(\$613,800) cost to renovate	<b>\$290,000</b> \$14 (Land Value PSF)
10	409-151-011-7	1710 Giaranita Street	608	1,155	1,155	5,000	\$100,000 land value	(\$11,550) demo costs at \$10 psf	<b>\$90,000</b>
11	409-152-007-4	1711 Giaranita Street 525 Silver Avenue	610 609	578 578	1,156	7,580	\$375,000 Duplex	(\$138,720) cost to renovate	<b>\$240,000</b> \$32 (Land Value PSF)
12	409-282-019-2	1814 Sixth Street 611 Market Avenue	612 613	1,155 770	1,925	7,500	\$475,000 Duplex	(\$231,000) cost to renovate	<b>\$240,000</b> \$32 (Land Value PSF)
13	409-151-005-9	1741 Sixth Street 1737 Sixth Street	614 615	935 935	1,870	9,983	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$25 (Land Value PSF)
14	409-060-018-2	1572 First Street 1574 First Street 1560 First Street 1558 First Street	616 617 618 619	1,155 935 1,155 935	2,090 2,090	15,065	\$750,000 2- Duplexes	(\$501,600) cost to renovate	<b>\$250,000</b> \$17 (Land Value PSF)
15	409-052-001-8	1529 Second Street 114 W Ruby Street	620 621	935 935	1,870	7,499	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
16	409-060-009-1	1601 Second Street 1605 Second Street	622 623	935 935	1,870	9,865	\$147,975 land value	(\$18,700) demo costs at \$10 psf	<b>\$130,000</b>
17	409-182-002-9	220 Silver Avenue 218 Silver Avenue	624 625	1,155 1,155	2,310	11,365	\$170,475 land value	(\$23,100) demo costs at \$10 psf	<b>\$150,000</b>
18	409-191-001-0	308 Market Avenue 1748 Fred Jackson Way 322 Market Avenue 320 Market Avenue	626 627 628 629	935 935 935 935	1,870 1,870	15,214	\$680,000 2- Duplexes	(\$448,800) cost to renovate	<b>\$230,000</b> \$15 (Land Value PSF)
19	409-252-008-1	315 Verde Avenue 317 Verde Avenue	634 635	935 935	1,870	8,081	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$31 (Land Value PSF)
20	409-171-015-4	1624 Fourth Street 1622 Fourth Street	636 637	1,155 935	2,090	10,557	\$475,000 Duplex	(\$250,800) cost to renovate	<b>\$220,000</b> \$21 (Land Value PSF)

**VALUATION OF SUBJECT PROPERTIES**  
 Appraisal of 31 Parcels within the Las Deltas Family Project  
 CA009B - Annex 2  
 North Richmond, California

#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	Value Conclusions	Demolition/Repair Costs (2)	As-Is Market Value
21	409-100-004-4	1542 Fourth Street	638	935	1,870	25,288	\$680,000	(\$448,800)	<b>\$230,000</b> \$9 (Land Value PSF)
		1540 Fourth Street	639	935			NA	2 -Duplexes	
		1534 Fourth Street	640	935	\$0				
		1532 Fourth Street	641	935	Surplus Land			\$0	
		1539 Fifth Street	642	935	1,870		\$680,000	(\$448,800)	
		1541 Fifth Street	643	935					
22	409-161-008-1	423 Silver Avenue 1709 Fifth Street	644 645	935 935	1,870	7,316	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$34 (Land Value PSF)
23	409-272-009-5	1927 Giaranita Street 1925 Giaranita Street	648 649	1,155 1,155	2,310	10,208	\$475,000 Duplex	(\$277,200) cost to renovate	<b>\$200,000</b> \$20 (Land Value PSF)
24	409-292-001-8	1932 Giaranita Street 1934 Giaranita Street 1923 Sixth Street 1925 Sixth Street 1929 Sixth Street 1931 Sixth Street 1945 Sixth Street 1943 Sixth Street	650 651 662 663 664 665 666 667	935 935 935 935 935 935 935 935	1,870 1,870 1,870	26,529	\$1,160,000 4- Duplexes	(\$897,600) cost to renovate	<b>\$260,000</b> \$10 (Land Value PSF)
25	409-281-001-1	1844 Giaranita Street 542 Verde Avenue 1842 Giaranita Street 1840 Giaranita Street	652 653 654 655	1,155 1,155 935 935	2,310 1,870	17,502	\$750,000 2- Duplex	(\$501,600) cost to renovate	<b>\$250,000</b> \$14 (Land Value PSF)
26	409-110-007-5	1525 Giaranita Street 1527 Giaranita Street	656 657	935 935	1,870	8,384	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$30 (Land Value PSF)
27	409-120-005-7	1547 Sixth Street 1549 Sixth Street	658 659	935 935	1,870	7,710	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$32 (Land Value PSF)
28	409-141-006-0	1639 Sixth Street 1641 Sixth Street	660 661	935 935	1,870	7,993	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$31 (Land Value PSF)
29	409-291-009-2	1932 Sixth Street 1930 Sixth Street	668 669	935 935	1,870	7,530	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
30	409-131-003-9	1724 Sixth Street 1722 Sixth Street	670 671	935 935	1,870	9,967	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$25 (Land Value PSF)
31	409-282-005-1	1817 Seventh Street 1819 Seventh Street 1829 Seventh Street 1827 Seventh Street	672 673 674 675	935 935 935 935	1,870 1,870	14,958	\$680,000 2- Duplexes	(\$448,800) cost to renovate	<b>\$230,000</b> \$15 (Land Value PSF)

Total:

\$7,160,000

- 1) Square Foot of land area based on public records.
- 2) Demolition Costs provided by Marshall Valuation Service at \$10 per square foot.  
Cost to renovate unit is estimated at \$120 psf.

***Bulk Discounted Market Value of Subject 31 Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fee simple market value of the subject property 31 legal parcels sold in a single transaction (bulk) as of March 12, 2019, are estimated to be:

**SIX MILLION NINETY THOUSAND DOLLARS**

**(\$6,090,000)**

Further, it is our opinion that the subject properties could be sold at the above value conclusions within a 12-month active marketing period. The exposure period is also concluded to be 12 months.

**IV. REPORT SUMMARY AND LIMITING CONDITIONS****A. Client, Purpose, Intended Use and Intended User**

The client for this appraisal is Mr. Joseph Villareal with the Housing Authority of Contra Costa County. Per your request the appraisal is presented as a Restricted Appraisal Report, which summarizes our findings, with the data and analysis included in the appraisers file. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

**B. Date of Appraisal**

The effective date of valuation is March 12, 2019.

The date of the report is March 29, 2019.

**C. Scope of Appraisal**

Information pertaining to the subject improvements age, size, use and history was provided by the current property owner and verified where possible by public records, as well as based on the visual inspection by the appraiser.

The appraiser contacted Contra Costa County Planning Department for the zoning of the subject property, likelihood of any change in zoning and/or use, and any planned updates to the General Plan and/or zoning designations affecting the subject property.

The subject's market area was researched for market trends and land sales/comparables. Sources contacted included commercial and residential real estate agents.

For the subject property, the Sales Comparison Approach value was used in order to estimate the market value in as-is condition. The Income and Cost Approaches are not considered applicable indicators of value for this property type. The scope of this report is to utilize the appropriate standard approaches to value in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) to arrive at a market value conclusion.

#### **D. Appraisal Reporting Format**

This report is a Restricted Appraisal Report in accordance with Standards Rules of the Uniform Standards of Professional Appraisal Practice (USPAP) Standard 2-2 (b). Supporting documentation concerning the data, reasoning, and analyses is retained in the appraisers work file. The appraisers' opinions and conclusions set forth in this report cannot be understood properly without additional information in the appraisers' work file.

#### **E. Definition of Terms**

##### **1. *Market Value (OCC 12 CFR 34.42 (g)) (OTS 12 CFR, Part 564.2 (g))2015***

Market Value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specific date and the passing of title from seller to buyer under conditions whereby:

- a) Buyer and seller are typically motivated;
- b) Both parties are well informed or well advised, and acting in what they consider their own best interest;
- c) A reasonable time is allowed for exposure in the open market;
- d) Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- e) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

2. ***Fee Simple Interest (The Appraisal of Real Estate, 13th Edition, 2013, p.114)***

A fee simple interest in valuation terms is defined as "... absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat." It is an inheritable estate.

**F. Assumptions and Limiting Conditions**

***Extraordinary and Hypothetical Conditions***

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would effect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

***General Limiting Conditions***

3. No responsibility is assumed for legal matters. It is assumed that title of the property is marketable, and it is free and clear of liens, encumbrances and special assessments other than as stated in this report.
4. Plot plans and maps if any are included to assist the reader in visualizing the property. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser is assumed by the appraiser.
5. All information has been checked where possible and is believed to be correct but is not guaranteed as such.
6. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering studies which might be required to discover such factors. It is assumed that no soil contamination exists as a result of chemical drainage or leakage in connection with any production operations on or near the property.

7. In this assignment, the existence (if any) of potentially hazardous materials used in the construction or maintenance of the improvements or disposed of on the site has not been considered. These materials may include (but are not limited to) the existence of formaldehyde foam insulation, asbestos insulation, or toxic wastes. The appraiser is not qualified to detect such substances; the client is advised to retain an expert in this field.
8. Any projections of income and expenses are not predictions of the future. Rather, they are an estimate of current market thinking of what future income and expenses will be. No warranty or representation is made that these projections will materialize.
9. Possession of any report prepared, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with the proper written qualification and only in its entirety, and only for the contracted intended use as stated herein.
10. Neither all nor part of the contents of the appraisal shall be conveyed to the public through advertising, public relations, new sales, or other media without the written consent and approval of the appraiser, particularly as to the valuation conclusions, the identity of the appraisers, or any reference to the Appraisal Institute or the MAI designation.
11. Information regarding any earthquake and flood hazard zones for the subject property was provided by outside sources. Accurately reading flood hazard and earthquake maps, as well as tracking constant changes in the zone designations, is a specialized skill and outside the scope of the services provided in this appraisal assignment. No responsibility is assumed by the appraisers in the misinterpretation of these maps. It is strongly recommended that any lending institution reverify earthquake and flood hazard locations for any property for which they are providing a mortgage loan.
12. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of the subject development to determine whether or not it is in conformity with the various detailed requirements of the ADA.

## **CERTIFICATION**

We, the undersigned, hereby certify that, to the best of our knowledge and belief: the statements of fact contained in this report are true and correct; the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions; we have no present or

**Watts, Cohn and Partners, Inc.**

Commercial Real Estate Appraisal

19-WCP-018B-Restricted

7. In this assignment, the existence (if any) of potentially hazardous materials used in the construction or maintenance of the improvements or disposed of on the site has not been considered. These materials may include (but are not limited to) the existence of formaldehyde foam insulation, asbestos insulation, or toxic wastes. The appraiser is not qualified to detect such substances; the client is advised to retain an expert in this field.
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**Watts, Cohn and Partners, Inc.**

Commercial Real Estate Appraisal

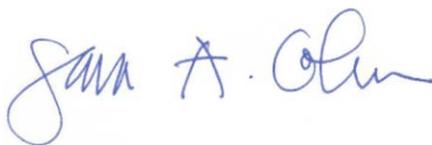
19-WCP-018B-Restricted

prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved; we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; our engagement in this assignment was not contingent upon developing or reporting predetermined results, our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan; our analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, and is in compliance with FIRREA; Sara Cohn and Mark Watts have made a personal inspection of the property that is the subject of this report; no one provided significant real property appraisal assistance to the persons signing this report. The use of this report is subject to the requirements of the Appraisal Institute related to review by its duly authorized representatives. As of the date of this report Sara Cohn has completed the requirements under the continuing education program of the Appraisal Institute. In accordance with the Competency Rule in the USPAP, we certify that our education, experience and knowledge are sufficient to appraise the type of property being valued in this report. We have not provided services regarding the property that is the subject of this report in the 36 months prior to accepting this assignment.

We are pleased to have had this opportunity to be of service. Please contact us if there are any questions regarding this appraisal.

Sincerely,

WATTS, COHN AND PARTNERS, INC.



Sara Cohn, MAI  
Certified General Real Estate Appraiser  
State of California No. AG014469

Phone: 415-777-2666 x 102  
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Mark Watts  
Certified General Real Estate Appraiser  
State of California No. AG015362

Phone: 415-777-2666 x 101  
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**Watts, Cohn and Partners, Inc.**

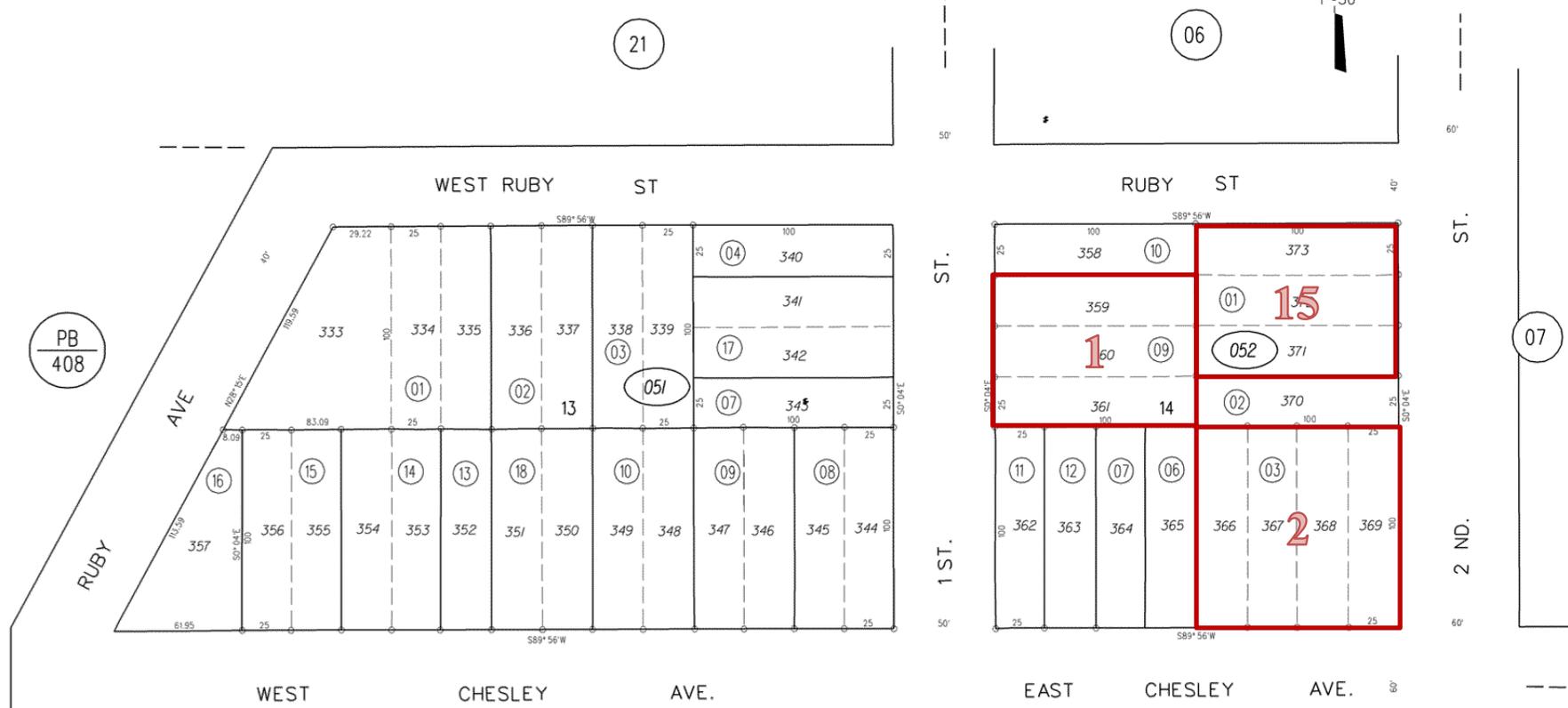
Commercial Real Estate Appraisal

19-WCP-018B-Restricted

**ADDENDA**

# PARCEL MAP

TRUMAN ADDITION TO RICHMOND M.B. 8-198



PB  
408

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

04

P.B.  
561

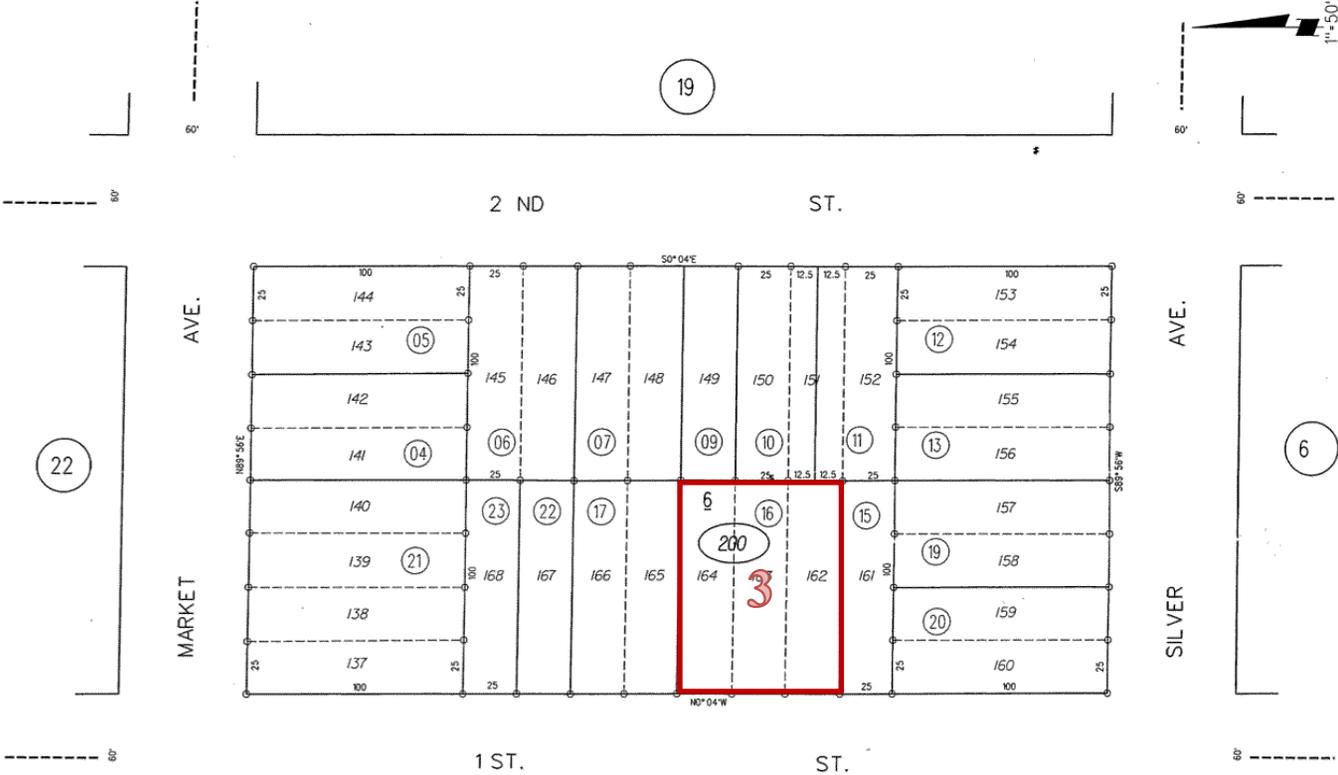
051  
052  
12

1/22/04

1961 ROLL 1/20  
ASSESSOR'S MAP  
BOOK 409 PAGE 05  
CONTRA COSTA COUNTY, CALIF.

# PARCEL MAP

TRUMAN ADDITION TO RICHMOND M.B. 8-196



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200 23  
12/23/03

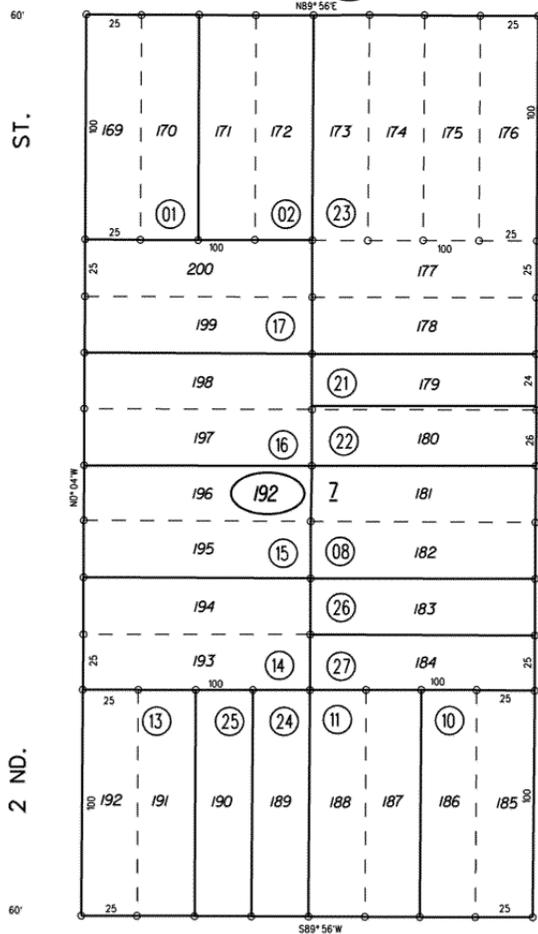
1961 ROLL 149  
ASSESSOR'S MAP  
BOOK 409 PAGE 20  
CONTRA COSTA COUNTY, CALIF.

# PARCEL MAP

TRUMAN ADDITION TO RICHMOND MB 8-198

MARKET

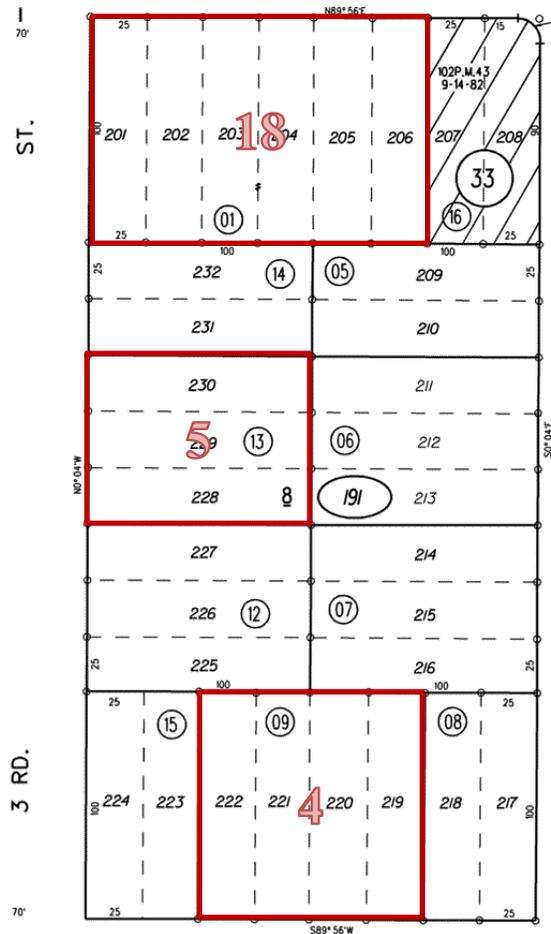
23



SILVER

24

AVE.

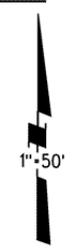


TRUMAN

AVE.

18

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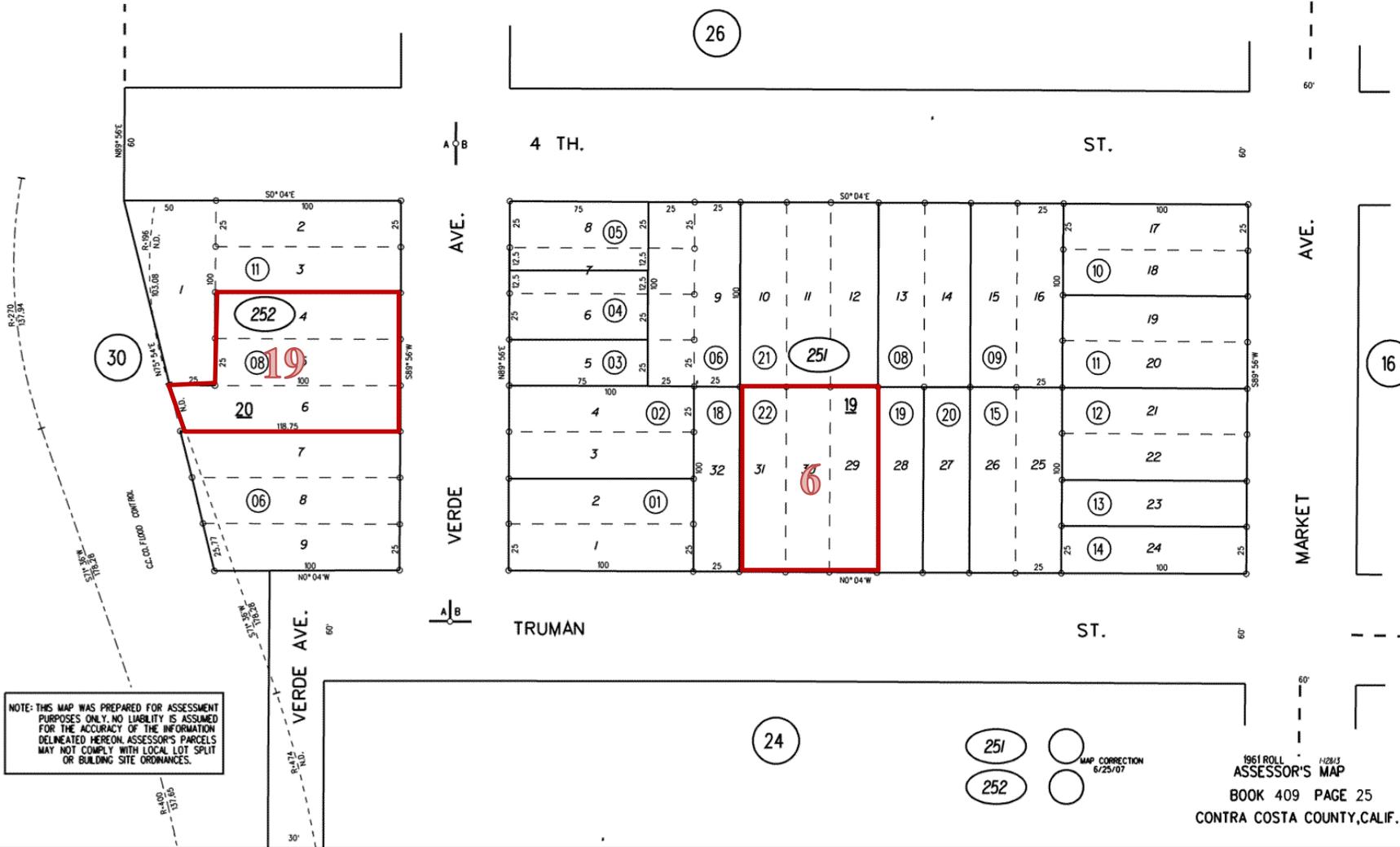


16

191  
192  
27  
7/18/05

# PARCEL MAP

A- NORTH RICHMOND TRACT NO 1 ADDITION MB 12-274  
 B- NORTH RICHMOND LAND & FERRY CO TRACT NO 1 MB 3-59



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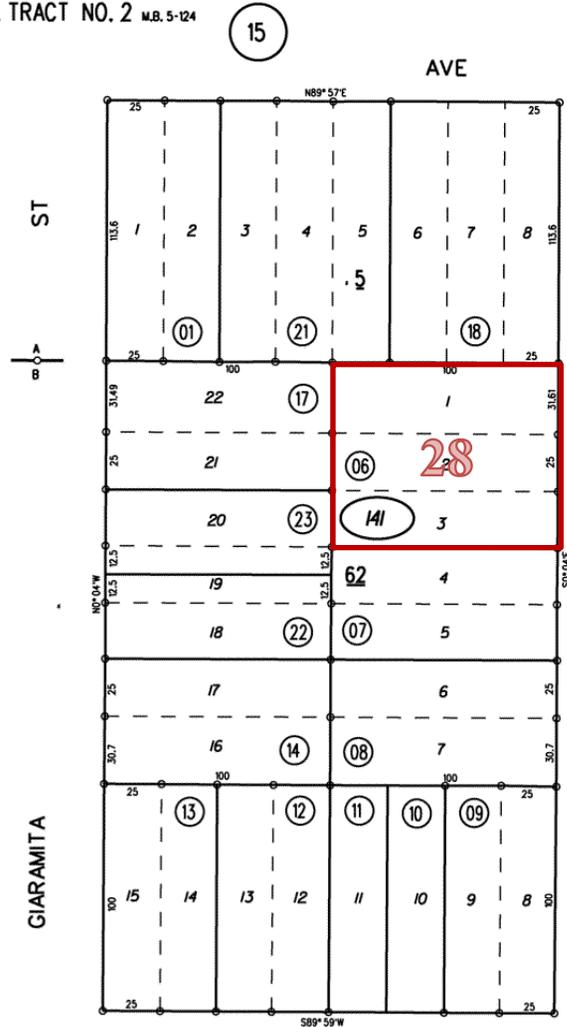
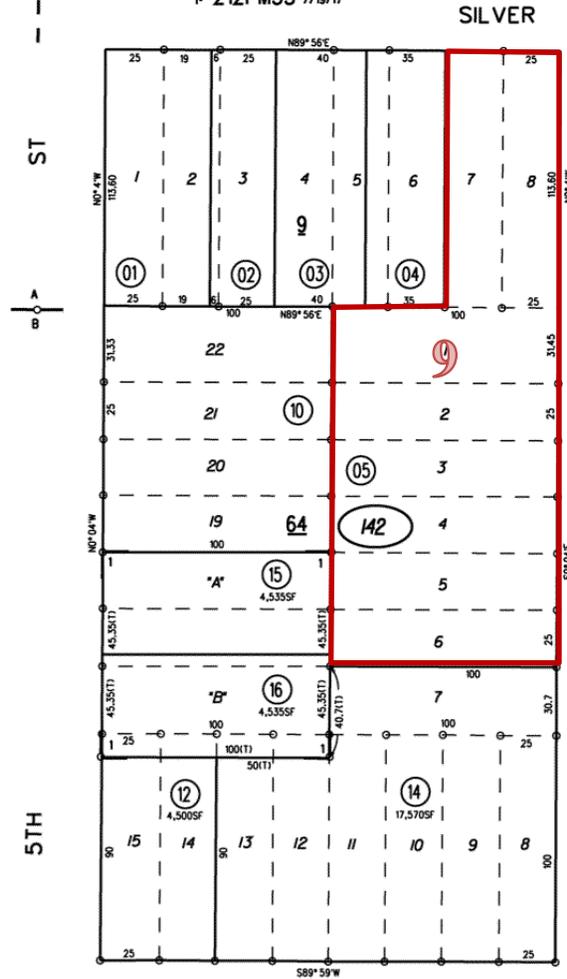
251  
 252

1961 ROLL 1/28/13  
 ASSESSOR'S MAP  
 BOOK 409 PAGE 25  
 CONTRA COSTA COUNTY, CALIF.



# PARCEL MAP

A- NORTH RICHMOND LAND & FERRY CO. TRACT NO. 1 M.B. 3-59  
 B- NORTH RICHMOND LAND & FERRY CO. TRACT NO. 2 M.B. 5-124  
 1- 212PM33 7/19/17



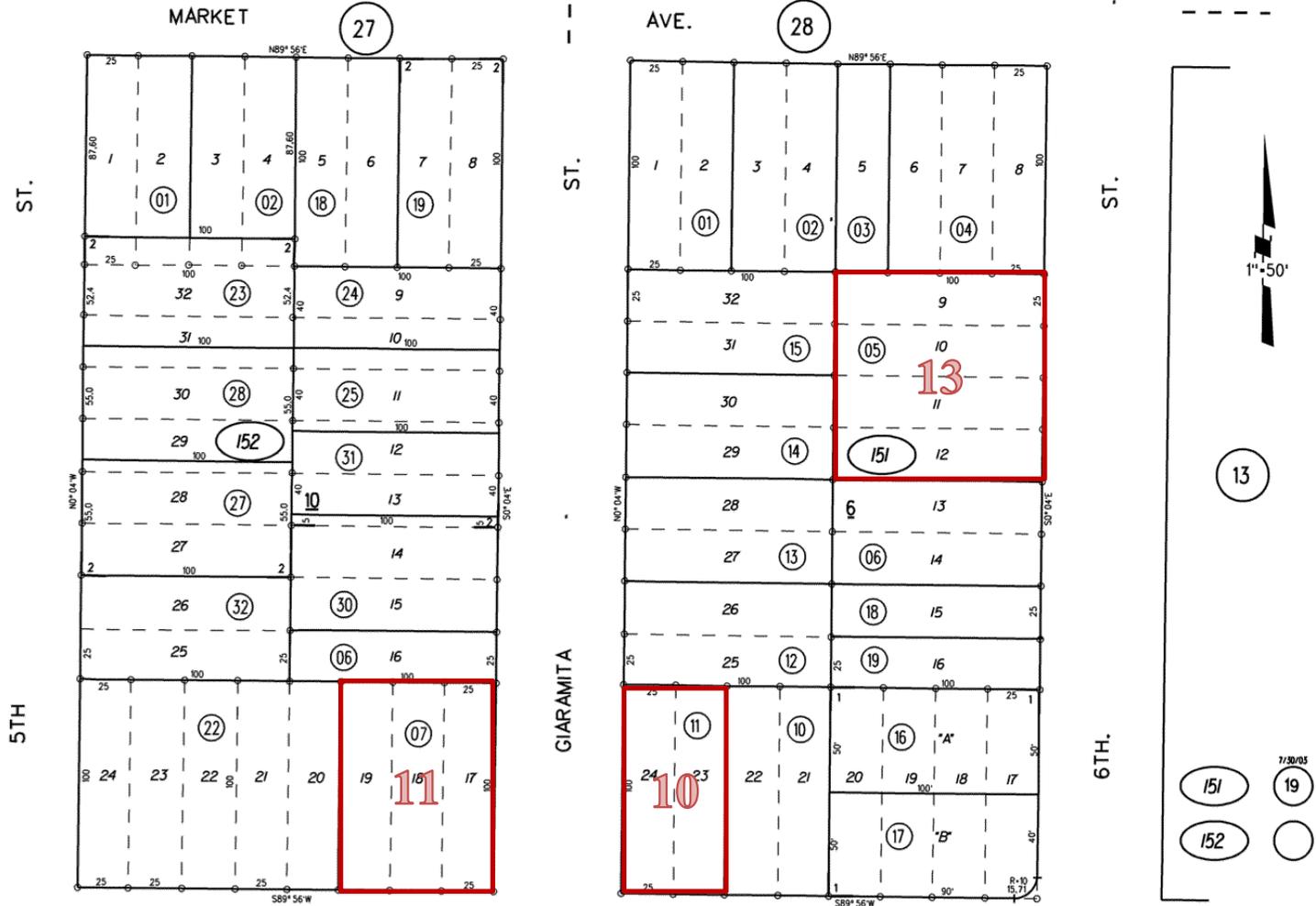
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# PARCEL MAP

NORTH RICHMOND LAND & FERRY CO. TRACT NO. 1 M.B. 3-59

1- 113P.M. 33&34 12-7-84

2- 90L.S.M.41 5-15-89

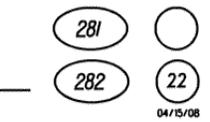
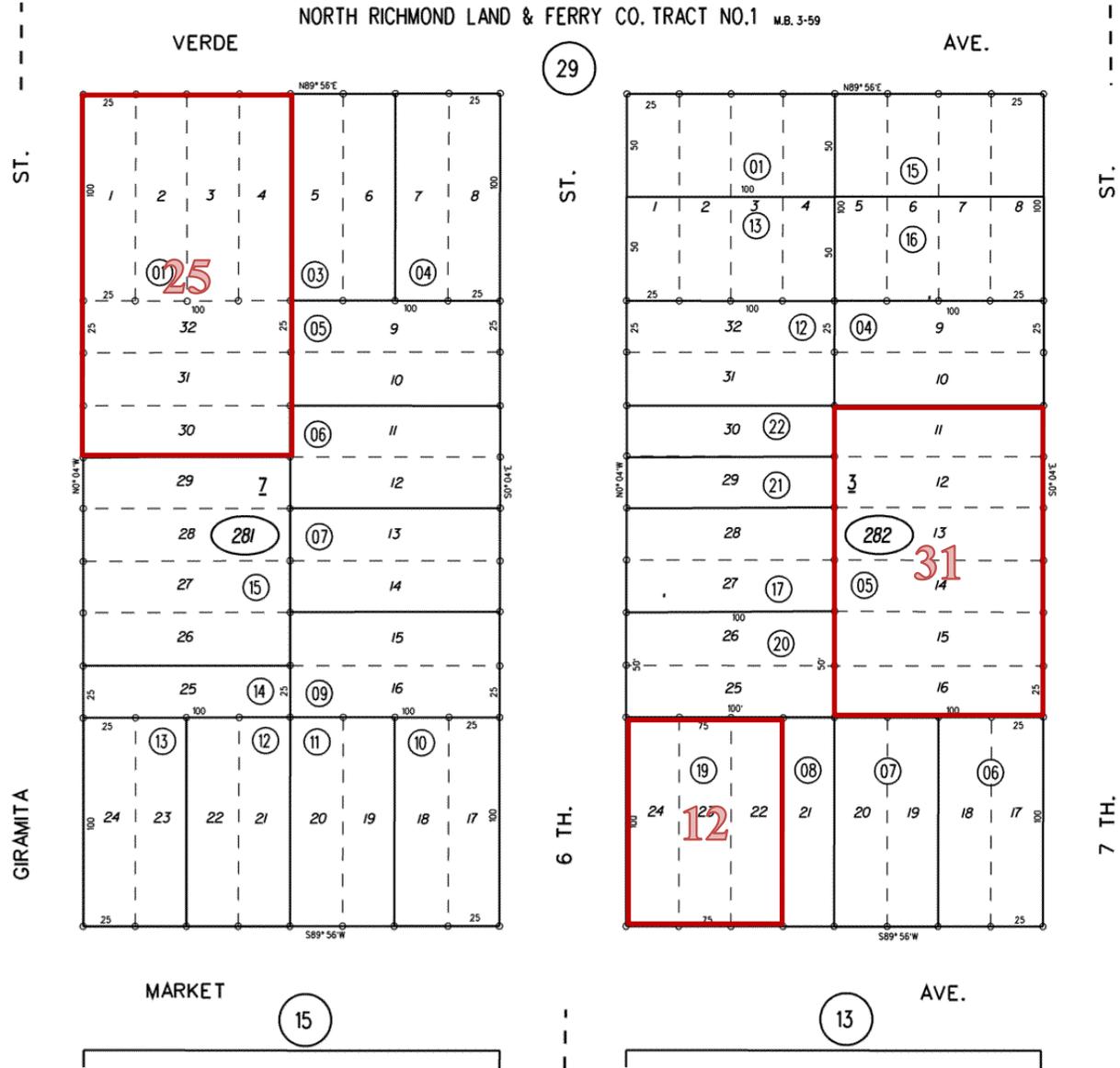


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# PARCEL MAP

NORTH RICHMOND LAND & FERRY CO. TRACT NO.1 M.B. 3-59

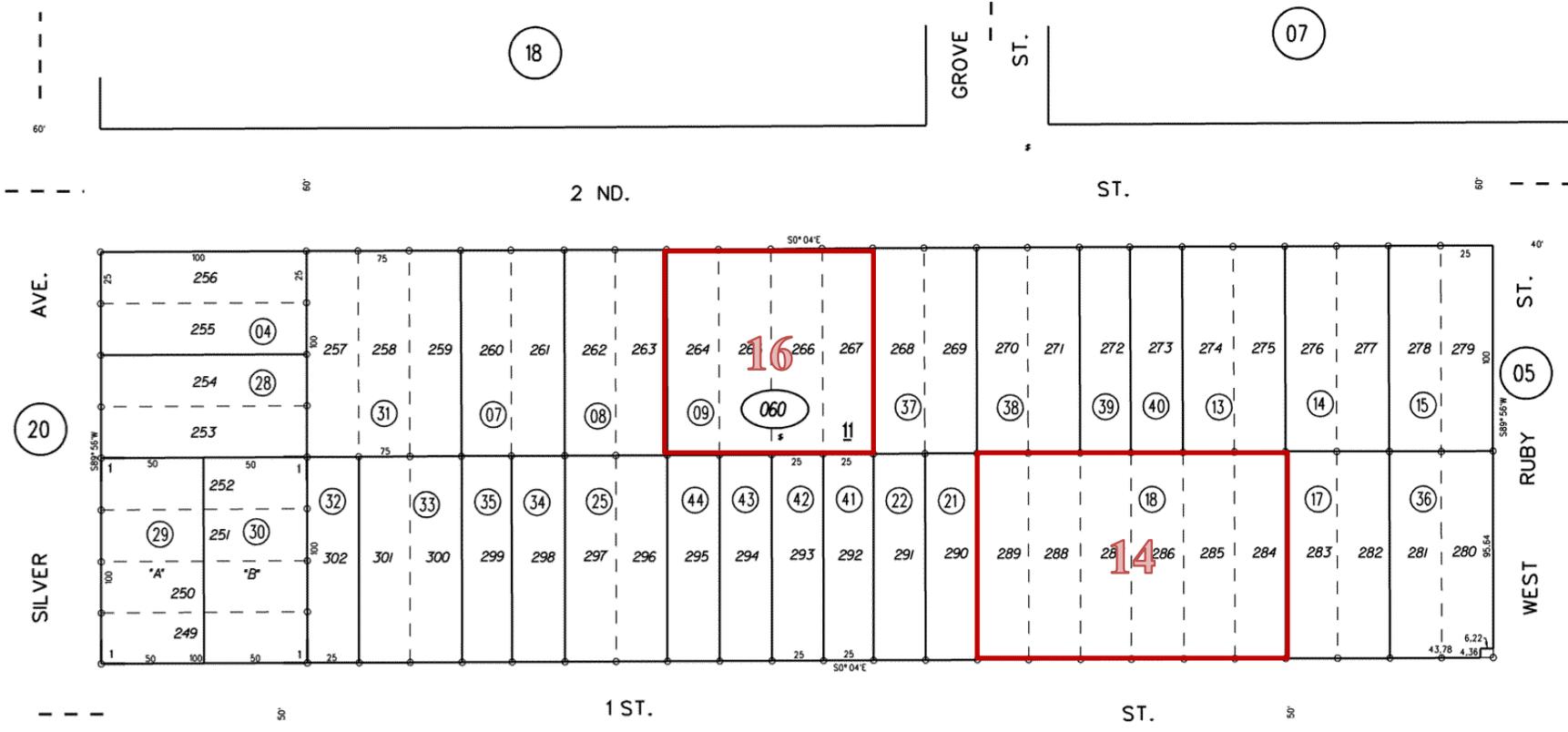
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# PARCEL MAP

TRUMAN ADDITION TO RICHMOND M.B. 8-198  
 1- 125PM32 12-22-86

J-4

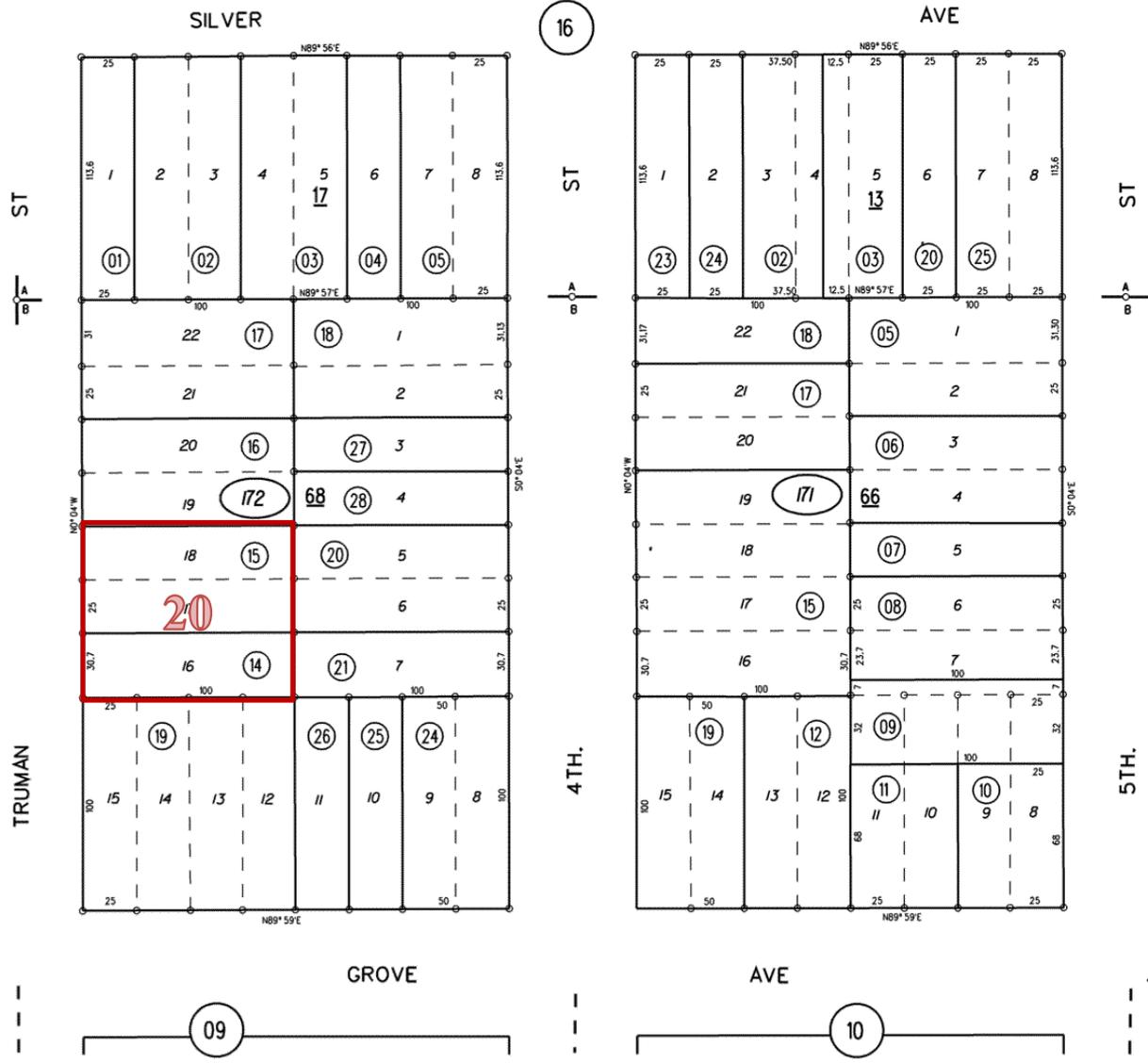


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ASSESSOR'S MAP  
 BOOK 409 PAGE 06  
 CONTRA COSTA COUNTY, CALIF.

# PARCEL MAP

A: NORTH RICHMOND LAND & FERRY CO TRACT NO 1 MB 3-59 7/11/1910  
 B: NORTH RICHMOND LAND & FERRY CO TRACT NO 2 MB 5-124 9/19/1911



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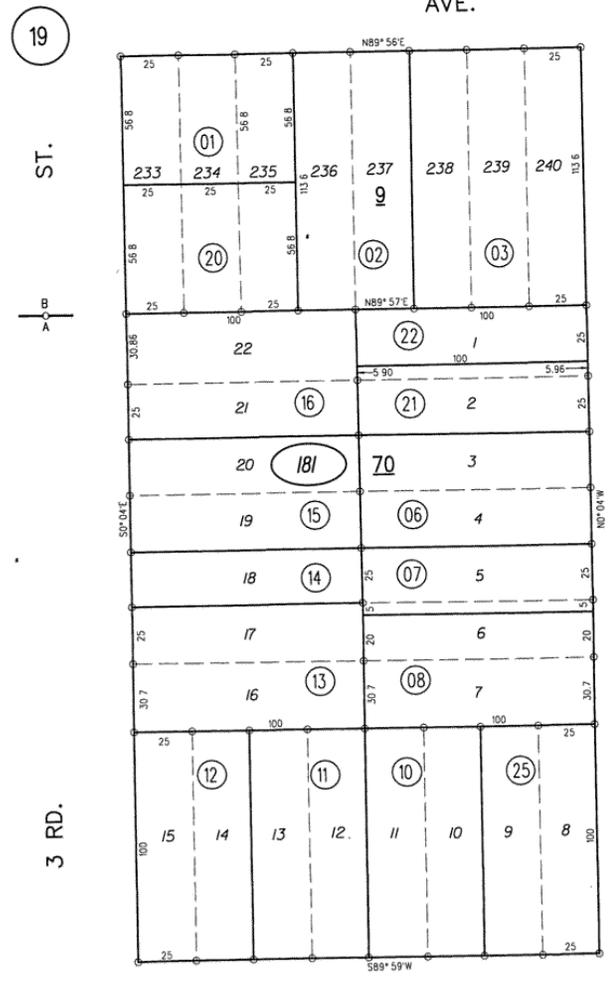
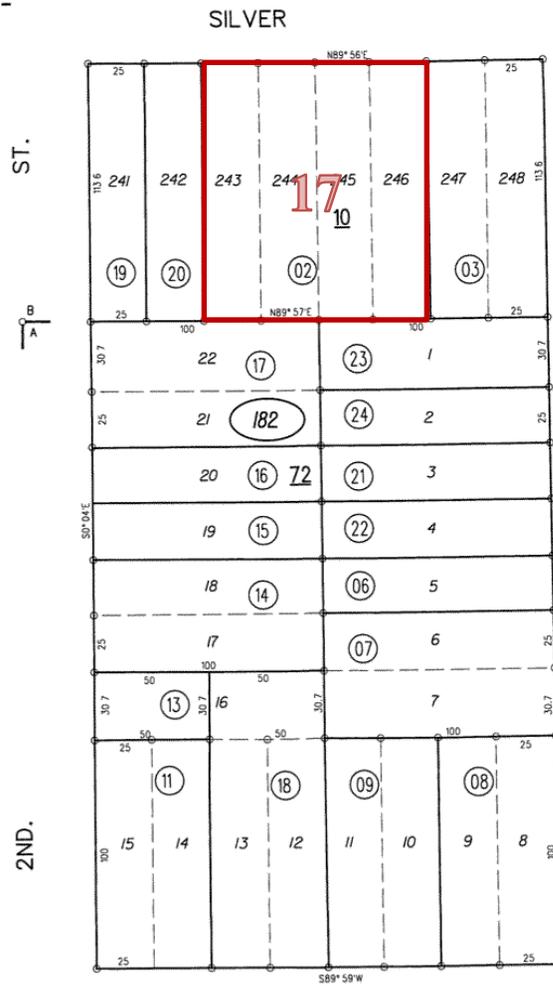


145  
 ASSESSOR'S MAP  
 BOOK 409 PAGE 17  
 CONTRA COSTA COUNTY, CALIF.

171 25  
 172 28  
4/12/10  
3/20/07

# PARCEL MAP

A- NORTH RICHMOND LAND & FERRY CO TRACT NO. 2 MB 5-124  
 B- TRUMAN ADDITION TO RICHMOND MB 8-198



06

07

19

17

08

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ASSESSOR'S MAP  
 BOOK 409 PAGE 18  
 CONTRA COSTA COUNTY, CALIF.

1"=50'

9/13/06

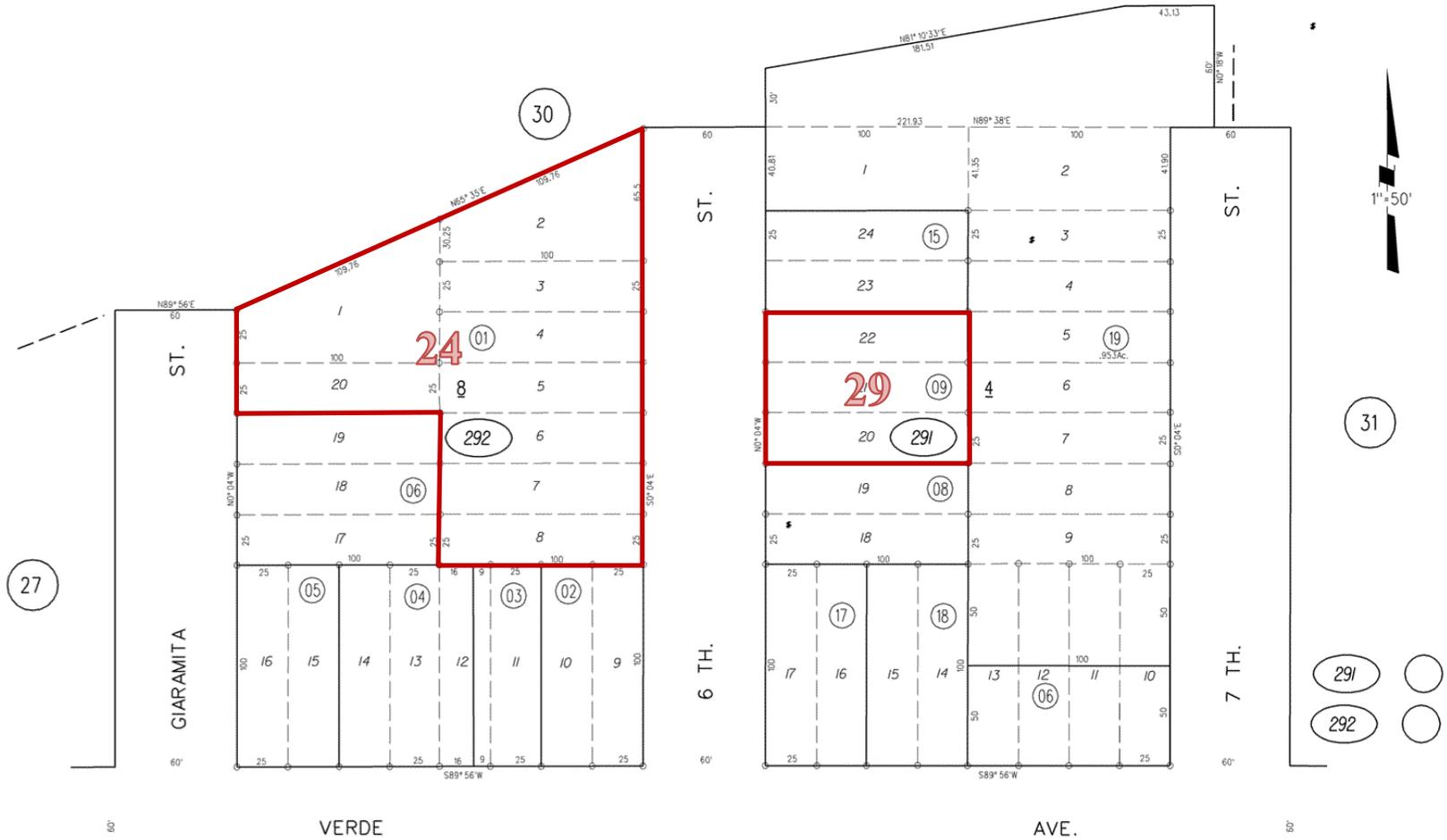




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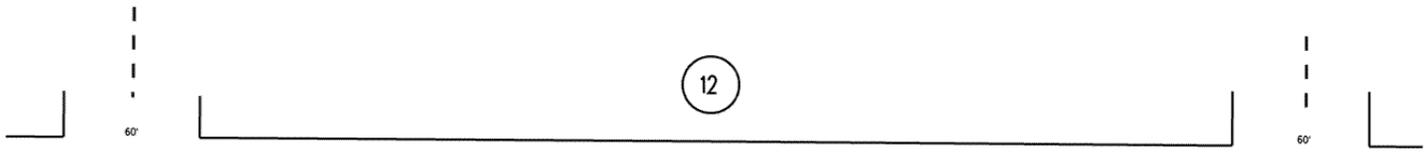
TAX CODE AREA



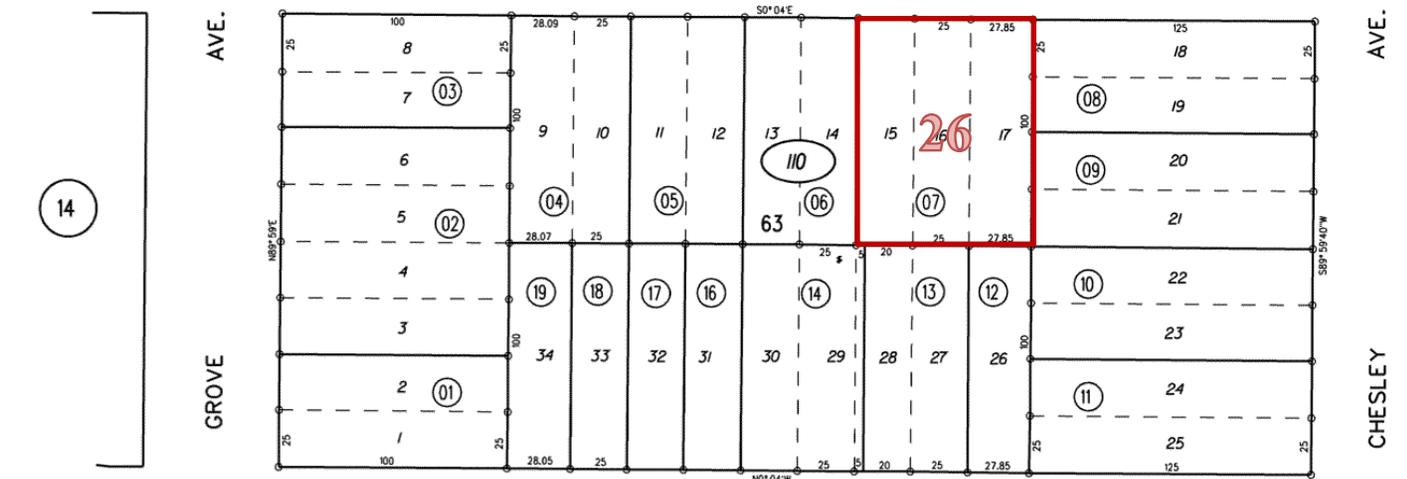
DATE	CHANGE	BY
05/11/95	CREATE 019	KR

# ASSESSOR'S MAP

NORTH RICHMOND LAND & FERRY CO. TRACT NO. 2 MB 5-124



GIARAMITA ST.



14

P.B.  
561

5 TH. ST.

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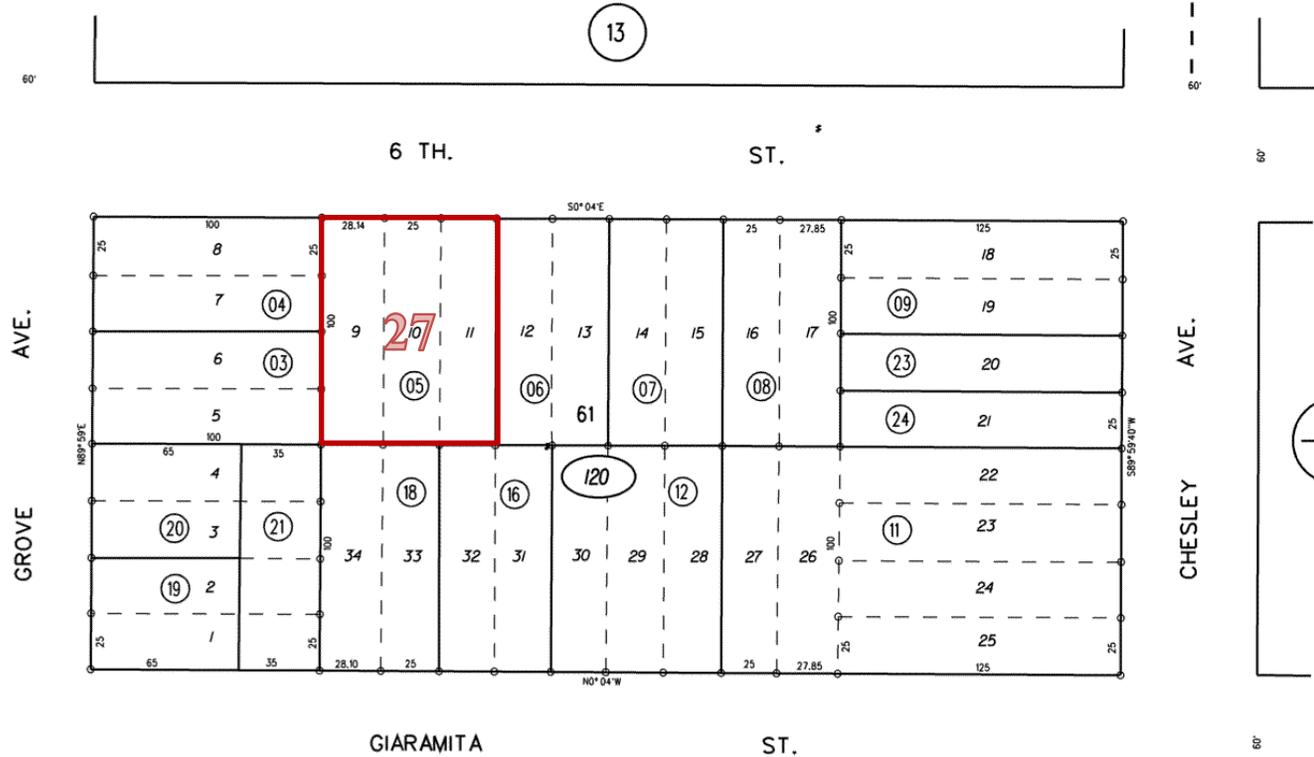
10

110 19  
1/20/05

1961 ROLL 145  
ASSESSOR'S MAP  
BOOK 409 PAGE 11  
CONTRA COSTA COUNTY, CALIF.

# PARCEL MAP

NORTH RICHMOND LAND & FERRY CO TRACT NO. 2 MB 5-124



14

P.B.  
561

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1961 ROLL  
ASSESSOR'S MAP  
BOOK 409 PAGE 12  
CONTRA COSTA COUNTY, CALIF.  
Sanborn Date : 01/15/1999

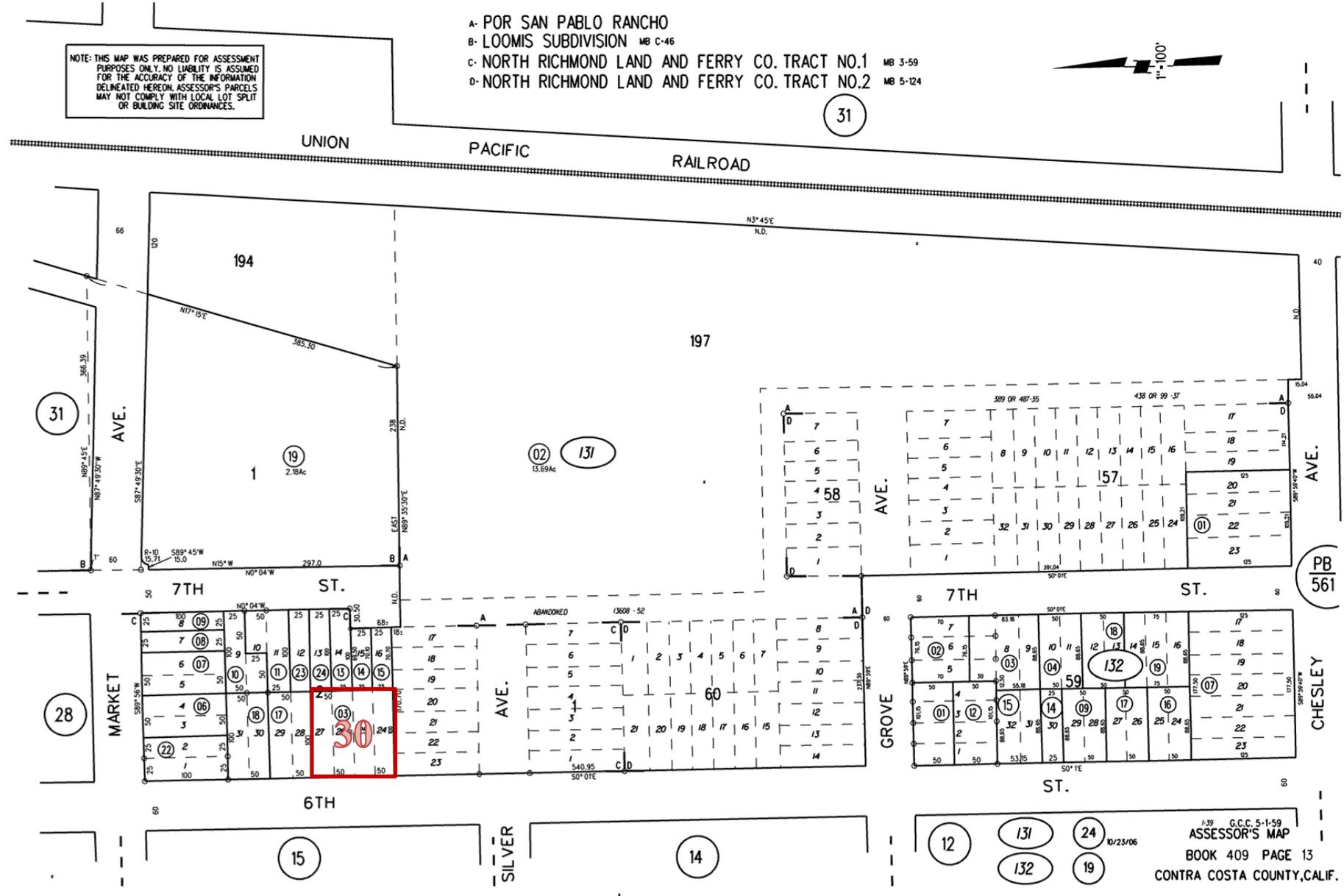
# ASSESSOR'S MAP

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- A- POR SAN PABLO RANCHO
- B- LOOMIS SUBDIVISION MB C-46
- C- NORTH RICHMOND LAND AND FERRY CO. TRACT NO.1 MB 3-59
- D- NORTH RICHMOND LAND AND FERRY CO. TRACT NO.2 MB 5-124



31



PB 561

CHESLEY

1:39 G.C.C. 5-1-59  
 ASSESSOR'S MAP  
 BOOK 409 PAGE 13  
 CONTRA COSTA COUNTY, CALIF.  
 10/23/06

## SUBJECT PHOTOGRAPHS



1529 Second Street



1529 Second Street Interior



1529 Second Street Kitchen



1529 Second Street Bathroom

## SUBJECT PHOTOGRAPHS



1529 Second Street Interior



317 Silver Avenue



317 Silver Avenue Interior



317 Silver Avenue Interior

## SUBJECT PHOTOGRAPHS



317 Silver Avenue Kitchen



317 Silver Avenue Interior



1549 Sixth Street



1549 Sixth Street Kitchen

## SUBJECT PHOTOGRAPHS



1549 Sixth Street Interior



1623 Giaramita Street



1623 Giaramita Street Interior



1623 Giaramita Street Interior

## SUBJECT PHOTOGRAPHS



1730 Fred Jackson Way



1932 Giaramita Avenue



1923 Sixth Street



1931 Sixth Street

## SUBJECT PHOTOGRAPHS



1925 Sixth Street



1925 Sixth Street Kitchen



1925 Sixth Street Bathroom



1925 Sixth Street Interior

## SUBJECT PHOTOGRAPHS



1539 Fifth Street



1639 Sixth Street



611 Market Avenue



423 Silver Avenue

## SUBJECT PHOTOGRAPHS



1725 Fourth Street



315 Verde Avenue



1844 Truman Street

## COMPARABLE MULTIFAMILY BUILDING SALES PHOTOGRAPHS



724 Acacia Avenue  
Richmond



1645 14<sup>th</sup> Street  
San Pablo



119 18<sup>th</sup> Street  
Richmond



587 6<sup>th</sup> Street  
Richmond

## COMPARABLE MULTIFAMILY BUILDING SALES PHOTOGRAPHS



1627 Lincoln Avenue  
Richmond



1625 Portola Avenue  
Richmond



305 Ripley Avenue  
Richmond



301 Ripley Avenue  
Richmond

# COMPARABLE MULTIFAMILY BUILDING SALES PHOTOGRAPHS



465 21<sup>st</sup> Street  
Richmond



1333 Market Avenue  
San Pablo



203 Bissell Avenue  
Richmond



417 Verde Avenue  
North Richmond

## COMPARABLE MULTIFAMILY BUILDING SALES PHOTOGRAPHS



2023 Chanslor Avenue  
Richmond



146 19<sup>th</sup> Street  
Richmond

**QUALIFICATIONS OF SARA A. COHN, MAI**  
California Certified General Real Estate Appraiser No. AG014469

**EXPERIENCE**

Sara A. Cohn is a Partner with Watts, Cohn and Partners, Inc. a new firm providing commercial real estate valuation. From 1988 to 2016, she worked for Carneghi and Partners and was a Senior Project Manager/Partner in their San Francisco office. Carneghi and Partners, and now Watts, Cohn and Partners, provide real estate appraisal and consulting services in the San Francisco Bay Area. Clients include financial institutions, government agencies, law firms, development companies and individuals. Typical assignments include both valuation and evaluations of a broad variety of property types, uses and ownership considerations.

Ms. Cohn has over 30 years of appraisal experience. She has completed a wide variety of valuation and evaluation analyses. Ms. Cohn has extensive knowledge of the San Francisco Bay Area and has appraised many property types including office buildings, industrial properties, retail centers, hotels, residential projects, mixed-use properties and development sites. Recent work has involved the analysis of commercial buildings, residential subdivisions, valuation of affordable housing developments with bond financing and/or Low-Income Housing Tax Credits (LIHTCs), assessment districts, as well as co-housing projects.

**EDUCATION**

Bachelor of Arts, University of California, Berkeley, 1978

Successful completion of all professional appraisal courses offered by the Appraisal Institute as a requirement of membership.

Continued attendance at professional real estate lectures and seminars.

**PROFESSIONAL AFFILIATION AND STATE CERTIFICATION**

Appraisal Institute - MAI Designation (Member Appraisal Institute) No. 12017  
Continuing Education Requirement Complete

State of California Certified General Real Estate Appraiser No. AG014469  
Certified Through March 2021

State of California Licensed Landscape Architect No. 2102

Member, Board of Directors, Northern California Chapter of the Appraisal Institute,  
2008-2010

Seminars Co-Chair, Northern California Chapter of the Appraisal Institute, 2005-2007

## **QUALIFICATIONS OF MARK A. WATTS**

Mark A. Watts is a Partner with Watts, Cohn and Partners, Inc.

Following is a brief summary of his background and experience:

### **EXPERIENCE**

#### **Commercial Real Estate Appraisal Experience**

Mr. Watts has been a commercial real estate appraiser since 1987, and has over 20 years experience in the analysis of commercial real estate. He has completed valuation assignments on a variety of projects, including industrial facilities, residential subdivisions, apartments, shopping centers, cemeteries and recreational facilities. He has also performed feasibility studies and assisted owners in making asset management decisions.

Mr. Watts has provided litigation support and served as an expert witness in court. He has also served in arbitrations as an expert witness. He has been qualified as an expert in San Francisco and San Mateo County Superior Courts.

He served on the San Francisco County Assessment Appeals Board from 2011 to 2016.

#### **Commercial Real Estate Investment Experience**

Simultaneous to his work as a commercial appraiser, Mr. Watts has been an active real estate investor/developer. He is experienced in the acquisition, redevelopment and management of commercial properties. He has witnessed and experienced many real estate cycles and stays abreast of current trends. His personal experience as an investor makes him uniquely qualified to appraise commercial real estate.

Over the last 20 years he has completed more than 30 investment real estate transactions, an average of 1.5 transactions per year. He has negotiated with buyers and sellers directly as a principal. He has completed nearly a dozen 1031 exchanges. Beginning with a small initial capital investment, he has built a large real estate portfolio. Based on his ownership experience, Mr. Watts is keenly aware that the success or failure of an acquisition is closely related to its location. Likewise, he is sensitive to locational differences in the appraisal of real estate.

Mr. Watts has broad experience with the construction, maintenance and repair of real estate. He has demolished and re-built two structures from the ground up. He has completed fire damage repairs and remediated toxic mold. He has remodeled kitchens and baths. He has replaced foundations on structures, made additions, and made other improvements. As the quality and condition of real estate has a strong correlation with its value, his experience enables superior judgement of these attributes in his work as a commercial real estate appraiser.

#### **Community Involvement**

Mr. Watts served on the Board of Managers of the Stonestown Family YMCA from 2002 to 2017. This is an approximately 30,000 square foot health club facility. He was active on the Facilities Committee. He served as the Board Chair in 2008. He has been a member of the Olympic Club in San Francisco since 1976. He served the Forest Hill Neighborhood Association as President from 2013 to 2017.

### **EDUCATION**

Bachelor of Arts, University of California, Davis

### **PROFESSIONAL AFFILIATION**

State Accredited Affiliate of the Appraisal Institute  
State of California Certified General Real Estate Appraiser No. AG015362

**WATTS, COHN and PARTNERS, INC.**

COMMERCIAL REAL ESTATE APPRAISAL

**APPRAISAL OF:**

**LAS DELTAS FAMILY PROJECT  
NORTH RICHMOND, CALIFORNIA**

*CA006*

**PREPARED FOR:**

**HOUSING AUTHORITY OF CONTRA COSTA COUNTY  
MARTINEZ, CA**

**MARCH 2019**

**19-WCP-018C-SUMMARY**

# WATTS, COHN and PARTNERS, INC.

COMMERCIAL REAL ESTATE APPRAISAL

March 29, 2019

Mr. Joseph Villarreal  
Executive Director  
Housing Authority of Contra Costa County  
3133 Estudillo Street  
P.O. Box 2759  
Martinez, CA 94553

Re: 19-WCP-018C-Summary Appraisal  
Las Deltas Family Housing  
North Richmond, California  
**CA006A Las Deltas**

Dear Mr. Villarreal:

At your request and authorization, Watts, Cohn and Partners, Inc. has made an appraisal of the above referenced property. The subject properties appraised are a portion of the Las Deltas Family Project, located on 3 contiguous parcels on the blocks bounded by Silver Avenue, North Jade Street, Ruby Avenue and First Street in North Richmond, Contra Costa County, California. The subject contains a total of 6.48 acres, or 282,356 square feet of land area on 3 parcels.

The subject parcels are improved with 20 duplexes, or a total of 40 units and several administrative/community buildings of which only the preschool is occupied. The residential units consist of one, two, three, and four-bedroom units. Currently, only one unit is occupied with the remaining 39 units vacant. The remaining tenant is in the process of moving. The improvements were built in approximately 1952 and are of poor condition and quality. The vacant units are boarded-up and most of the units have been vandalized with wiring and copper removed. In addition, several of the units have sustained fire damage and approximately 36 townhouse style units were demolished in late 2018 due to safety issues. The existing improvements are considered to add no value to the underlying land. The property interest appraised is fee simple.

The purpose of this appraisal is to estimate the as-is fee simple market value of the subject property. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

**582 Market Street, Suite 512 | San Francisco, CA 94104 | 415-777-2666**

Mark Watts | mark@wattscohn.com | Sara Cohn, MAI | sara@wattscohn.com

A more complete description of the subject property appraised, as well as the research and analysis leading to our opinions of value, is contained in the attached report. Chapter I provides a basic summary of salient facts and conditions upon which this appraisal is based and reviews the value conclusions.

## **EXTRAORDINARY ASSUMPTIONS AND LIMITING CONDITIONS**

### ***Extraordinary and Hypothetical Conditions***

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would affect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

## **VALUATION SUMMARY**

### ***As-Is Market Values of 3 Individual Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the as-is individual fee simple market values of the subject property, which consists of 3 contiguous parcels in Las Deltas CA006, as of March 12, 2019, are estimated to be:

Parcel Number: 409-210-023-1	\$1,790,000
Parcel Number 409-210-022-3	\$1,520,000
Parcel Number 409-210-023-9	\$920,000

### ***Bulk Market Value of Subject 3 Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fee simple market value of the subject property, three legal parcels sold in a single transaction (bulk) as of March 12, 2019, is estimated to be:

**FOUR MILLION TWO HUNDRED THIRTY THOUSAND DOLLARS**

**(\$4,230,000)**

**Watts, Cohn and Partners, Inc.**

Commercial Real Estate Appraisal

19-WCP-018C- Summary

Further, it is our opinion that the subject properties could be sold at the above value conclusions within a 12-month active marketing period. The exposure period is also concluded to be 12 months.

*This letter must remain attached to the appraisal report, identified on the footer of each page as 19-WCP-018C-Summary, plus related exhibits, in order for the value opinion set forth to be considered valid.*

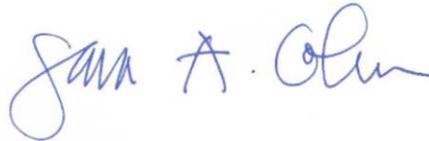
## **CERTIFICATION**

We, the undersigned, hereby certify that, to the best of our knowledge and belief: the statements of fact contained in this report are true and correct; the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions; we have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved; we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; our engagement in this assignment was not contingent upon developing or reporting predetermined results, our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan; our analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, and is in compliance with FIRREA; Sara Cohn and Mark Watts have made a personal inspection of the property that is the subject of this report; no one provided significant real property appraisal assistance to the persons signing this report. The use of this report is subject to the requirements of the Appraisal Institute related to review by its duly authorized representatives. As of the date of this report Sara Cohn has completed the requirements under the continuing education program of the Appraisal Institute. In accordance with the Competency Rule in the USPAP, we certify that our education, experience and knowledge are sufficient to appraise the type of property being valued in this report. We have not provided services regarding the property that is the subject of this report in the 36 months prior to accepting this assignment.

We are pleased to have had this opportunity to be of service. Please contact us if there are any questions regarding this appraisal.

Sincerely,

WATTS, COHN and PARTNERS, INC.



Sara Cohn, MAI  
Certified General Real Estate Appraiser  
State of California No. AG014469

Phone: 415-777-2666 x 102  
Email: sara@wattscohn.com



Mark Watts  
Certified General Real Estate Appraiser  
State of California No. AG015362

Phone: 415-777-2666 x 101  
Email: mark@wattscohn.com

**Watts, Cohn and Partners, Inc.**  
582 Market Street, Suite 512  
San Francisco, CA 94104  
www.wattscohn.com

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**LIST OF EXHIBITS**

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**ADDENDA**

**Subject Photographs  
Comparable Photographs  
Qualifications of Appraisers**

I. REPORT SUMMARY

A. Property Appraised

The subject properties appraised are a portion of the Las Deltas Family Project, located on 3 contiguous parcels on the blocks bounded by Silver Avenue, North Jade Street, Ruby Avenue and First Street in North Richmond, Contra Costa County, California. The subject contains a total of 6.48 acres, or 282,356 square feet of land area on 3 parcels.

The subject parcels are improved with 20 duplexes, or a total of 40 units and several administrative/community buildings of which only the preschool is occupied. The residential units consist of one, two, three and four bedroom units. Currently, only one unit is occupied with the remaining 39 units vacant. The remaining tenant is in the process of moving. The improvements were built in approximately 1952 are of poor condition and quality. The vacant units are boarded-up and most of the units have been vandalized with wiring and copper removed. In addition, several of the units have sustained fire damage and approximately 36 townhouse style units were demolished in late 2018 due to safety issues. The existing improvements are considered to add no value to the underlying land.

The property interest appraised is fee simple.

B. Property Identification

Assessor's Parcel Nos.	409-210-023-1, 409-210-022-3 & 409-210-024-9
General Plan	ML - Multiple Family Residential Low Density
Zoning	P-1: Planned Unit District
Census Tract No.	3650.02
Zip Code	94801-1412
Flood Zone	X (Insurance is NOT Required)
Earthquake Fault Zone	No

C. Client, Purpose, Intended Use and Intended User

The client for this appraisal is Mr. Joseph Villarreal, Executive Director of the Housing Authority of Contra Costa County in Martinez, California. The purpose of this appraisal is to estimate the as-is fee simple market value of the subject property. It is our understanding that the intended use/user of this appraisal is for the exclusive use by the Housing Authority of Contra Costa County for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

**D. Scope of Work**

Information pertaining to the subject improvements age, size, use and history was provided by the current property owner and verified where possible by public records, as well as based on the visual inspection by the appraiser.

The appraiser contacted Contra Costa County Planning Department for the zoning of the subject property, likelihood of any change in zoning and/or use, and any planned updates to the General Plan and/or zoning designations affecting the subject property.

The subject's market area was researched for market trends and land sales/comparables. Sources contacted included residential and commercial real estate agents.

For the subject property, the Sales Comparison Approach value was used in order to estimate the market value in as-is condition. The Income and Cost Approaches are not considered applicable indicators of value for this property type. The scope of this report is to utilize the appropriate standard approaches to value in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) to arrive at a market value conclusion.

**E. Appraisal Reporting Format**

This appraisal report is presented in a narrative format. This report is intended to be an Appraisal Report prepared in conformance with USPAP Standard 2-2(a).

**DI. Appraisal and Report Dates**

The effective date of valuation and date of inspection is March 12, 2019.

The date of this report is March 29, 2019.

**DII. Definition of Terms**

**1. Market Value (OCC 12 CFR 34.42 (g)) (OTS 12 CFR, Part 564.2 (g))**

"Market value" means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- a. Buyer and seller are typically motivated;

- b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
- c. A reasonable time is allowed for exposure in the open market;
- d. Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

2. *Fee Simple Interest (The Appraisal of Real Estate, 13th Edition, 2013, p.114)*

A fee simple interest in valuation terms is defined as “... absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” It is an inheritable estate.

**H. Value Conclusions**

*As-Is Market Values of 3 Individual Parcels*

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the as-is individual fee simple market values of the subject property which consists of 3 contiguous parcels in Las Deltas CA006 as of March 12, 2019, are estimated to be:

Parcel Number: 409-210-023-1	\$1,790,000
Parcel Number 409-210-022-3	\$1,520,000
Parcel Number 409-210-023-9	\$920,000

*Bulk Market Value of Subject 3 Parcels*

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fee simple market value of the subject property, three legal parcels sold in a single transaction (bulk) as of March 12, 2019, is estimated to be:

**FOUR MILLION TWO HUNDRED THIRTY THOUSAND DOLLARS**

**(\$4,230,000)**

Further, it is our opinion that the subject properties could be sold at the above value conclusions within a 12-month active marketing period. The exposure period is also concluded to be 12 months.

**I. Assumptions and Limiting Conditions**

*Extraordinary and Hypothetical Conditions*

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would affect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

*General Assumptions*

3. It is the client's responsibility to read this report and to inform the appraiser of any errors or omissions of which he/she is aware prior to utilizing this report or making it available to any third party.
4. No responsibility is assumed for legal matters. It is assumed that title of the property is marketable, and it is free and clear of liens, encumbrances and special assessments other than as stated in this report.
5. Plot plans and maps are included to assist the reader in visualizing the property. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser is assumed by the appraisers.
6. All information has been checked where possible and is believed to be correct but is not guaranteed as such.
7. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. It is assumed that no additional soil contamination exists, other than as outlined herein, as a result of chemical drainage or leakage in connection with any production operations on or near the property.

8. In this assignment, the existence (if any) of potentially hazardous materials used in the construction or maintenance of the improvements or disposed of on the site has not been considered. These materials may include (but are not limited to) the existence of formaldehyde foam insulation, asbestos insulation, or toxic wastes. The appraiser is not qualified to detect such substances. The client is advised to retain an expert in this field.
9. Any projections of income and expenses in this report are not predictions of the future. Rather, they are an estimate of current market thinking of what future income and expenses will be. No warranty or representation is made that these projections will materialize.
10. The appraiser is not required to give testimony or appear in court in connection with this appraisal unless arrangements have been previously made.
11. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with the proper written qualification, only in its entirety, and only for the contracted intended use as stated herein.
12. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, news sales, or other media without the written consent and approval of the appraiser, particularly as to the valuation conclusions, the identity of the appraiser, or any reference to the Appraisal Institute or the MAI designation.
13. Information regarding any earthquake and flood hazard zones for the subject property was provided by outside sources. Accurately reading flood hazard and earthquake maps, as well as tracking constant changes in the zone designations, is a specialized skill and outside the scope of the services provided in this appraisal assignment. No responsibility is assumed by the appraisers in the misinterpretation of these maps. It is recommended that any lending institution re-verify earthquake and flood hazard locations for any property for which they are providing a mortgage loan.

**II. AREA AND NEIGHBORHOOD DESCRIPTION**

**A. Contra Costa County**

Contra Costa County is located on the east side of San Francisco Bay, directly south of Suisun Bay. It is one of the nine counties comprising the greater San Francisco Bay Area. Contra Costa County continues to capture a significant portion of the region's population and employment growth.

Contra Costa County covers an area of approximately 798 square miles. The county is divided into three distinct regions by ranges of hills. The western portion along San Francisco Bay provides water access and is largely industrial in nature. Population and development density are greatest along the bay where most of the original development took place. This western portion of the East Bay is older and predominantly urban in character. The central portion is developing as a regional commercial/financial headquarters center. Eastern Contra Costa County has undergone change from primarily agricultural and undeveloped to a suburban area over the past decade.

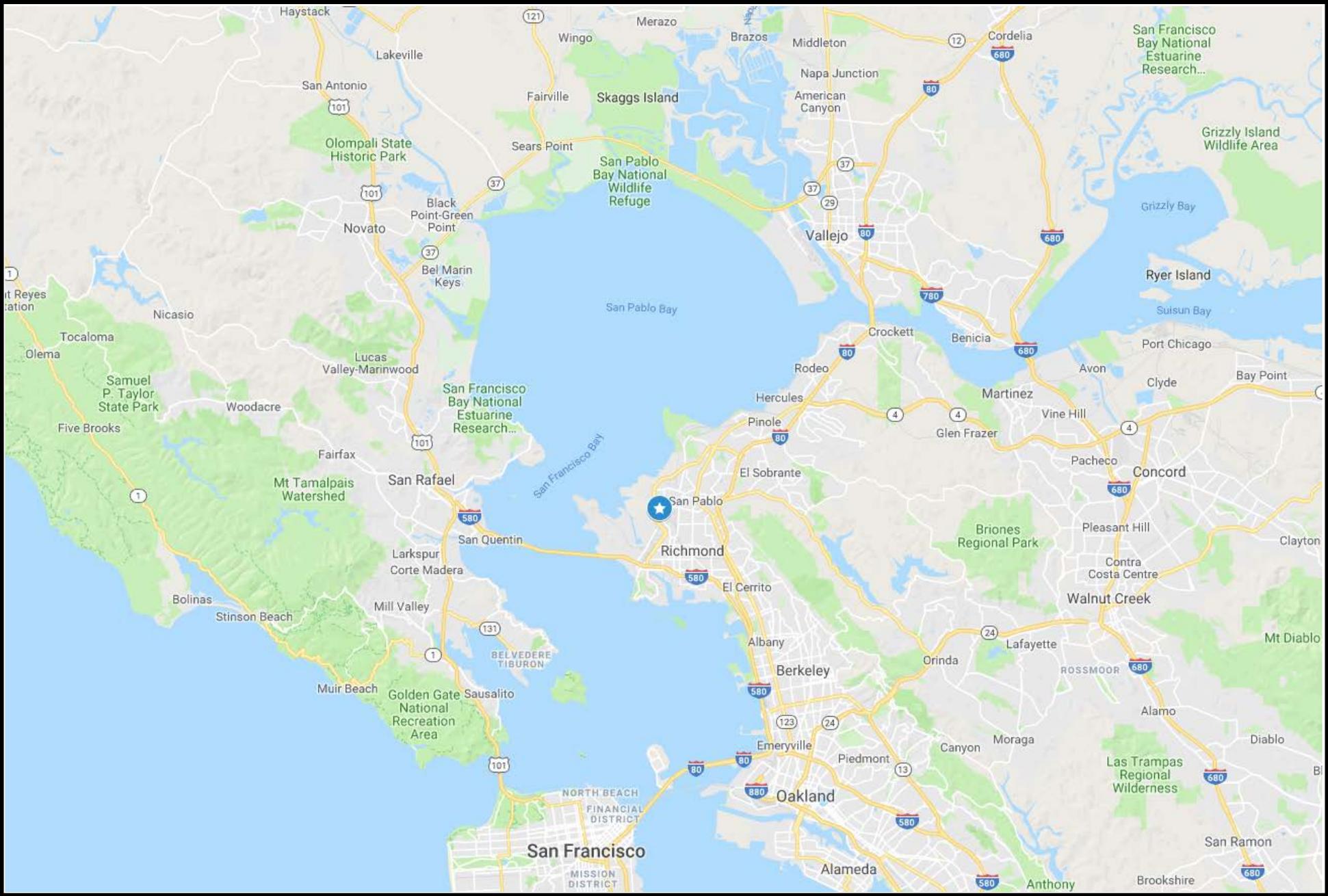
The central portion of Contra Costa County has historically been a bedroom community for workers employed in San Francisco and Alameda Counties. During the last several years, major office development has occurred in central Contra Costa County, resulting in a regional employment center stretching south along the Interstate 680 corridor from Martinez to San Ramon and on to Pleasanton in Alameda County. The communities in central Contra Costa County are largely built out and remain predominantly residential.

Contra Costa County is well served by major transportation systems. Freeways connect the area to San Francisco, Oakland and San Jose, while the former two can also be reached using the Bay Area Rapid Transit (BART) system. The California State Department of Finance most recently published estimates show a population of 1,149,363 as of January 1, 2018. This represents a 0.9 percent increase over the 2017 population figure.

Contra Costa County is also relatively affluent. As estimated by the Association of Bay Area Governments (ABAG), in their latest publication, Projections 2016 (data sourced from the most recent 2010-2014 U.S. Census Bureau), the mean household income was estimated at \$107,290 for 2014 and expected to increase. Major employment is found in management, business, science, and arts occupations, service occupations, and sales and office occupations, which together account for 84 percent of the total employment in the County.

According to the California Economic Development Department, the unemployment rate for Contra Costa County was 3.0 percent as of December 2018 (most recent available), which is a slight decrease from 3.2 percent a year prior. This is based on a labor force of 578,800 with 17,200 unemployed. According to

# REGIONAL MAP



the California State Employment Development Department, the unemployment figure for the State of California for December 2018 was 4.1 percent. The unemployment rate for Contra Costa County has been lower than the average for the state and national range over the past several years.

**B. City of Richmond**

The city of Richmond was incorporated in 1905 and has historically been industrially oriented. The city benefitted from its deep harbors, which have been used for shipping port terminals, and had one of the largest wartime shipbuilding yards during World War II. These shipyards were closed in 1945, but industrial development continued to occupy vacated shipyard buildings along the waterfront.

In general, land uses in the city are characterized by older industrial and residential neighborhoods. The location of the city resulted in its development as an industrial transportation hub. Shipping and railroad access have created extensive industrial development along the southern and western portions of Richmond. These older uses are now slowly being redeveloped to commercial, light industrial and residential uses.

The city of Richmond is situated in the western portion of Contra Costa County. As of January 1, 2018, the population of the city was estimated at 110,967 according to the California State Department of Finance. The population increased 0.8 percent from a year prior.

In terms of income and employment, Richmond reflects levels below that of Contra Costa County as a whole. As of December 2018 (most recent available) the City of Richmond had an unemployment rate of 3.4 percent, a slight decrease from 3.5 percent year over year. This is slightly higher than the Contra Costa County average of 3.0 percent. Richmond's median household income is \$57,107 according to the 2012-2016 American Community Survey, which is significantly lower than the County wide median income of \$82,881.

Richmond has the highest level of manufacturing employment in the county. There are over 300 manufacturing plants in the Richmond area. The major industry in the area is petroleum products and petrochemicals. Chevron USA and Kaiser Permanente are the major non-public employers in the area. Other significant industries are steel fabrication, shipping and warehousing. Heavy industrial and manufacturing uses remain an important component of the Richmond economy although the number of these heavy industrial uses has generally been declining over the past few decades.

The Hilltop Mall shopping center contains anchor tenants such as Macys and Sears department stores, and Wal-Mart. Although the shopping center has been struggling given the decline in retail sales, the shopping center was recently purchased, and the owners plan to redevelop the center with a movie theater, food hall,

entertainment related tenants, a supermarket, a 24-hour fitness and multifamily residential units.

Richmond is well served by the Bay Area transportation facilities. Interstate 80 runs predominantly north-south through the eastern portion of the city. Interstate 580 extends west through Richmond and across the Richmond/San Rafael bridge. The Hoffman Expressway, connecting Interstates 580 and 80, greatly enhances access between Richmond and Marin County to the west. The Richmond Parkway connects with the Richmond/San Rafael Bridge in the southwestern part of the city. This thoroughfare connects Interstate 80 in the northern portion of the city with Interstate 580 and continues to the Richmond/San Rafael bridge near Point Richmond. The city is also served by BART rail service and the County Connection public bus service.

On January 10, 2019 the City of Richmond expanded their trans-bay transportation options by opening a ferry service between the Richmond Ferry Terminal and the San Francisco Ferry Building. The new ferry terminal is located in south Richmond, adjacent to the Richmond Marina Bay and the Harbor Channel. Transit time between Richmond and San Francisco is reportedly 35 minutes, with four runs during morning and evening commute hours. The new \$20 million dollar terminal at Harbour Way South is proving popular with ridership exceeding expectations. The ferry terminal is also seen as a trigger for economic development as there is new housing projects underway in this area as well as planned restaurants and services.

***North Richmond***

The subject is located in North Richmond, which is located within unincorporated West Contra Costa County. Contra Costa County currently provides municipal government services to unincorporated North Richmond, including public works, planning, law enforcement, and fire services. North Richmond is governed by the County of Contra Costa and a community council known as the North Richmond Municipal Advisory Council.

Annexing North Richmond into the City of Richmond has been discussed in recent years, however as reported by the East Bay Times, efforts have stalled as North Richmond residents have “overwhelmingly expressed that they didn’t want the community to be incorporated by the city.” Per the article by the East Bay Times: “The chief concern among North Richmond residents was having to pay more in taxes and fees, Richmond city officials said. If the 3,717-person community were annexed, property taxes would rise \$140 per \$100,000 of a home’s assessed value. North Richmond residents would also have to pay a 1-percent higher sales tax, from the current 8.25 percent to 9.25 percent, and a utility users’ tax that would be 5 to 10 percent higher.” Consequentially, annexation efforts have been halted for the time being.

North Richmond is developed with a mix of industrial uses east of the Richmond Parkway and vacant land west of the Parkway. Residential uses are situated in the central portion between Wildcat Creek to the north, Richmond Parkway to the west and south, and the railroad tracks to the east (parallel to Rumhill Boulevard to the east). Commercial uses are located generally to the south, near Richmond Parkway and 7<sup>th</sup> Street, and west of 6<sup>th</sup> Street. There is a general lack of neighborhood serving retail in North Richmond, and the national grocery store chains are mostly located to the west in the City of San Pablo or to the South in the City of Richmond.

Overall, North Richmond is generally underserved due to its status as an unincorporated portion of Contra Costa County. The majority of the Contra Costa County vital municipal services are located twenty miles to the east in Martinez, resulting in large service gaps. Annexation into the City of Richmond was suggested as a way to provide better service to the area, however North Richmond residents recently voted against annexation due to tax and budget concerns.

Public transportation access in North Richmond is provided via two main buses that run along Third Street and a North Richmond Shuttle. Freeway access to and from Interstate 580 and Interstate 80 is good. Richmond Parkway is a major thoroughfare with two to three lanes in each direction, signalized intersections and limited access from adjoining properties.

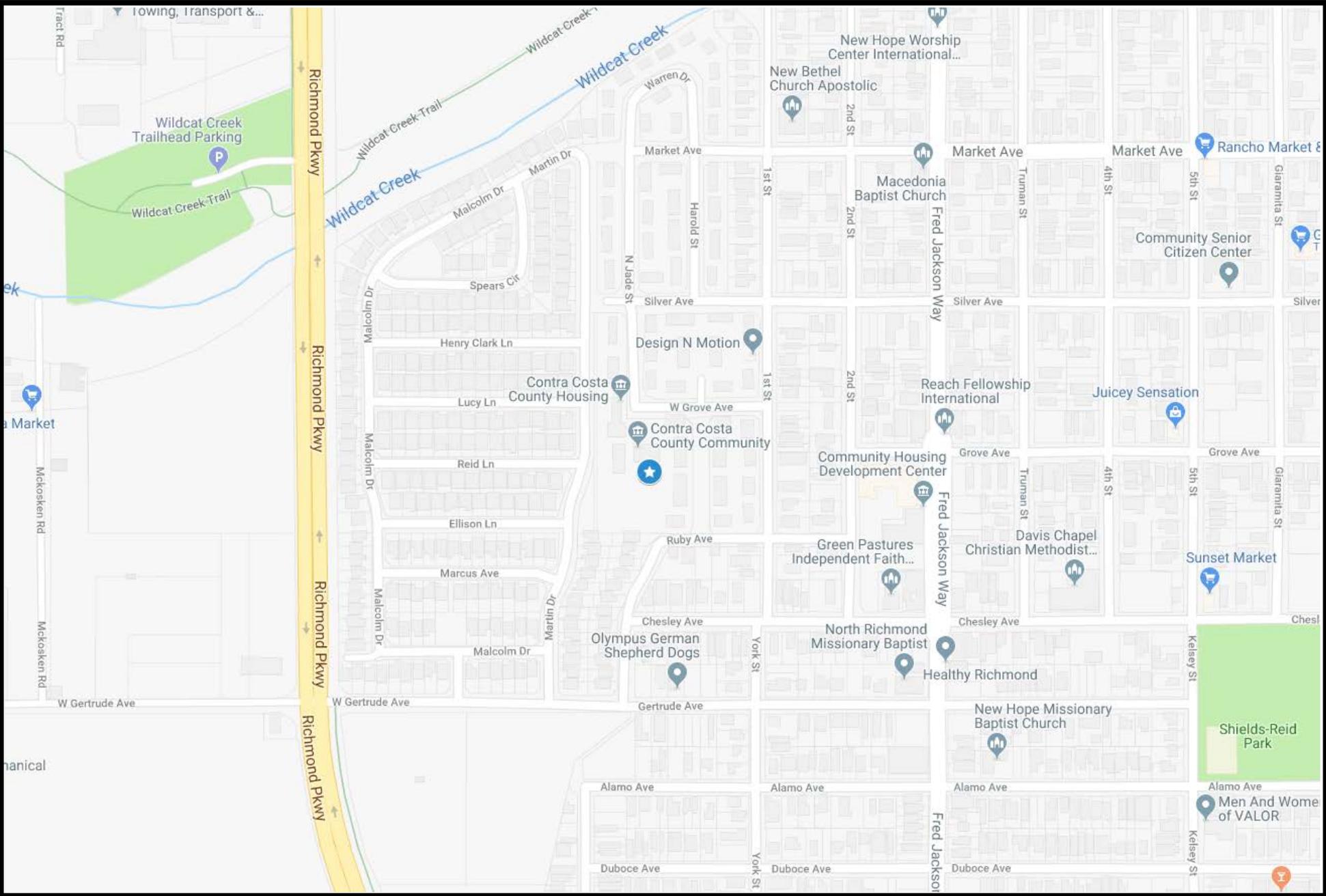
**C. Neighborhood Description and Environs**

The subject is part of the Las Deltas public housing project which currently contains a total of approximately 178 units. The project was originally built in the 1950s and 1960s to provide low cost rental housing and was developed with 244 units. The property is older and in poor to fair condition.

The subject property is located in an unincorporated portion of West Contra Costa County, in North Richmond. The subject neighborhood is roughly bordered by Wildcat Creek to the north, Richmond Parkway to the west and south, freight train spur tracks to the south, and the Amtrak train tracks to the east (east of 7<sup>th</sup> Street). The subject neighborhood is primarily residential and comprised of single-family residences and multifamily uses. Nearby commercial uses are limited to two small neighborhood market with more commercial uses located in neighboring communities of Richmond and San Pablo.

To the north of the neighborhood is mostly vacant land that is interspersed with industrial uses such as recycling centers and towing yards. To the south of the subject neighborhood is industrial use with large warehouses. At the eastern border of the neighborhood is Annie's Annual and Perennials nursery located off of Market Avenue to the east of 7<sup>th</sup> Street as well as other industrial buildings. To the east of the neighborhood across the train tracks is also mostly residential, with some commercial uses and grocery stores located along Rumhill Boulevard.

# NEIGHBORHOOD MAP



To the immediate west of the subject is a newer home development called Bella Flora. Homes in this development range in size from approximately 1,475 to 2,067 square feet and were built from 1990 to 2006. The average lot size of the development is approximately 2,600 to 4,000 square feet square feet. Most recently homes have sold in this development between \$550,000 and \$575,000. Based on Redfin the median list price for homes in the Bella Flora development is approximately \$566,500 or \$281 per square foot.

The subject's Walkscore ([www.walkscore.com](http://www.walkscore.com)) is 43, which is a "Car Dependent", indicating that most errands require a car. It also has a Transit Score of 30 which indicates that while there is some transit, there are only a few nearby public transportation options. Walk Score uses a proprietary algorithm to measure the proximity of a property to basic services.

The outlook for the area is transitional, with older structures in the area slowly being replaced or renovated with new residential homes.

### III. MARKET OVERVIEW

#### A. Contra Costa County Residential Market Trends

The subject property is comprised of duplexes and is located in North Richmond. As an unincorporated part of Contra Costa County, precise market statistics were limited for the subject neighborhood. However, the subject is located within the sphere of influence of the City of Richmond, and adjacent to the City of San Pablo.

The subject is located in North Richmond, in an area roughly bounded by Richmond Parkway to the west, Wildcat Creek to the North, Rumhill Boulevard to the east, and Gertrude Avenue to the south. According to data sourced from Paragon MLS, there were a total of 26 listings in the primary subject market area in 2018. Listings spent an average of 35 days on the market, with the longest time on market recorded as 210 days. Of the 26 listings, 20 homes sold. List prices ranged from \$246,000 to \$609,950 equating to an average list price of \$434,894 or a median list price of \$409,000. Sales prices ranged from \$225,000 to \$585,000. This equates to an average sales price of \$435,062 and a median sales price of \$439,000.

The above data includes sales of the homes located within the Bella Flora development, located west of Martin Drive, which was built in 1990 – 2006, and is comprised of newer, larger homes. Excluding the sales of the homes within the Bella Flora development, there have been 16 listings in the subject neighborhood in 2018. Listing prices ranged from \$246,000 to \$445,000, equating to an average list price of \$358,337 and a median list price of \$369,500. Of the 16 listings there were 11 sales, ranging from \$225,000 to \$475,000. This equates to an average sales price of \$353,437 and a median sales price of \$365,000. The sales were on the market for an average of 28 days.

In 2019, year to date, there has been one sale and one pending sale in the subject neighborhood. The pending sale is listed at \$369,000 and the sale property sold for its listing price of \$260,000.

The table below summarizes the average sales price for the subject and adjacent neighborhoods, according to market statistics provided by the Contra Costa County Association of Realtors. The subject is located in both the “Richmond – North & East” neighborhood, as well as the “Richmond North & West/Parchester” neighborhood.

Neighborhood	Single-Family			Townhouse-Condo		
	Jan 2018	Jan 2019	% Change	Jan 2018	Jan 2019	% Change
Richmond - El Sobrante	\$ 682,154	\$604,160	-12.9%	\$335,263	\$ -	N/A
Richmond - Hilltop/College	\$ 516,543	\$472,500	-9.3%	\$388,609	\$399,500	2.7%
Richmond View	\$ 714,812	\$687,250	-4.0%	\$ -	\$ -	N/A
Richmond - North & East	\$ 525,293	\$ 482,125	-9.0%	\$ -	\$ -	N/A
Richmond North & West/Parchester	\$ 406,354	\$ 433,167	6.2%	\$417,212	\$ -	N/A
Richmond - South	\$ 427,496	\$ 421,400	-1.4%	\$416,250	\$ -	N/A
Richmond - Point/Bayfront	\$ 976,193	\$ -	N/A	\$533,461	\$ 546,143	2.3%
Richmond - Annex	\$ 638,156	\$ 500,000	-27.6%	\$ -	\$ -	N/A
Richmond - Country Club	\$ 651,539	\$ -	N/A	\$ -	\$ -	N/A

As shown on the above table, single family home sales in the subject's CCAR neighborhood are on the low end of the range, with average sale prices ranging from \$406,000 to \$525,000.

In the Richmond North & West/Parchester neighborhood, there were a total of 21 new listings and 12 closed sales in 2018 of detached single-family houses. The average sales price was reportedly \$394,834, which is well below the Contra Costa County average. There was an average 24 days on market until sale. There were 2 total attached townhouse-condo listings in the neighborhood in 2018 with no closed sales.

The subject is far below the county average in terms of sales. The Contra Costa County Association of Realtors (CCAR) reports that there 7,047 active listings of single-family homes in Contra Costa County in 2018, and 2,243 listings of townhouses/condos. Of those listings, there were a total of 4,781 closed sales of single-family homes in 2018, as compared to 2,073 sales of townhouses/condos.

According to Zillow, the median home price in the City of Richmond is \$529,700 as of January 2019. Home values have gone up 11.3 percent over the past year and Zillow predicts they will rise 8.4 percent within the next year. The median list price per square foot in the City of Richmond is \$426. The median price of homes currently listed in the City of Richmond is \$499,000, while the median price of homes that sold is \$532,800. The median rent price in the City of Richmond is \$2,600.

Overall, relatively little product has sold in the past few years in the subject immediate neighborhood, at prices far below the metro and county averages.

## B. Residential Construction Trends

The subject is located in North Richmond, in unincorporated Contra Costa County, however as stated above, it is located within the City of Richmond's sphere of influence. Historically, North Richmond area has seen limited new development due to its peripheral location and weak demographics. While the greater East Bay

market has seen spikes in demands, the subject is located in the North Richmond, which due to its longer commute has remained relatively affordable. CoStar reports that “limited demand has caused development in the [subject Richmond/Martinez] submarket to lag behind that in other parts of the East Bay.” According to CoStar, the subject’s Richmond/Martinez submarket, “marks the far northeast boundary of the East Bay Metro and comprises a mix of industrial cities and bedroom communities. The submarket lacks the wealth or urban amenities of popular neighbors to the immediate south, but recently saw its first developments since before the recession.”

The City of Richmond, however, has seen an influx of new development as a result of increasing demand for housing in the larger East Bay market. While the Richmond area has always been a peripheral location due to its distance from San Francisco and general commute difficulties, on January 10, 2019 the City of Richmond expanded their trans-bay transportation options by opening a ferry service between the Richmond Ferry Terminal and the San Francisco Ferry Building. The new ferry terminal is located in south Richmond, adjacent to the Richmond Marina Bay and the Harbor Channel. Transit time between Richmond and San Francisco is reportedly 35 minutes, with four runs during morning and evening commute hours. This is expected to draw commuters who would have otherwise shunned the hour-long vehicular commute from Richmond into San Francisco and have been priced out of other Bay Area markets.

Currently, the City of Richmond has several major projects active in their residential pipeline. There are three major projects under construction in Richmond. The NOMA project by William Lyon Homes is located at 830 Marina Way South and will contain approximately 197 townhomes and Live/Work units, as well as a 3,000 square foot business incubator, fitness center and parking. The Terraces at Nevin (located at Nevin Avenue between 21<sup>st</sup> and 23<sup>rd</sup> Streets) is a multifamily residential project of (2) six-story apartment buildings with a total of 289 units. The Waterline, located between Canal Boulevard and Seacliff Drive in southern Point Richmond, is comprised of (60) market rate two- and three-bedroom flats and townhomes.

Richmond currently has three currently approved major projects as well: the Miraflores Residential Development located in Park Plaza adjacent to East Richmond, has been approved for 190 units; the Quarry Residential Project has been approved for 200 new condos; and Latitude at 1500 Dornan Drive has been approved for 295 condos, 21 single family homes, 2,000 square feet of retail space and a 1.9 acre shoreline park. There are four other major projects currently proposed as well. The 12<sup>th</sup> and Macdonald development has been proposed for 256 units and approximately 25,000 square feet of commercial space. Marina Way South Residential Project by New West Communities has proposed 399 units and 1,800 square feet of retail space. Richmond Central is an affordable housing development proposed for 172 below market rate apartments. The Point Molate Development is still under discussion but is expected to dramatically redevelop the 266-acre site.

There is very little current or recent development in the North Richmond neighborhood. Richmond currently has one multifamily affordable project under construction, Heritage Point Development. The \$27 million-dollar project is located at 1500 Fred Jackson Way and will consist of a four story, 42 multifamily units with approximately 4,500 square feet of commercial space. It is proposed to be completed by late 2019 and is situated across from the Community Heritage Senior Apartments. The project is being developed by Community Housing Development Corporation (CDHC) in conjunction with the Contra Costa Housing Authority.

Overall, the demand for housing in the East Bay remains strong, and the subject's submarket is expected to benefit from the overall demand as more centralized areas become more expensive.

### **C. Conclusion**

The Contra Costa County and Richmond housing and rental market is relatively stable, with moderate gains in rents and low, relatively level vacancy rates. From a supply perspective, there are new developments in the pipeline in the greater subject market area. Demand in the greater East Bay has grown, and Richmond is expected to benefit from the overflow. However, North Richmond has limited new product coming online in the near future, and their status in unincorporated Contra Costa County has led to municipal service gaps that discourage prospective buyers. Long term, the outlook is good that steady demand will continue for market rate housing and rental units.

**IV. PROPERTY DATA AND ANALYSIS**

**A. Site Description**

The subject property consists of 3 contiguous parcels that are part of the Las Deltas Family Project in North Richmond. The subject parcels are situated on the blocks bounded by North Jade Street to the west, Silver Avenue to the north, First Street to the west and Ruby Avenue to the south. The Subject Identification Table on the following page lists the subject properties and notes the lot area, the condition of the existing improvements on the parcel, street address and unit identification number as well as the comments.

The subject lots range in size from 56,323 to 132,161 square feet, or from 1.29 to 3.03 acres. The parcels are generally regular in shape. The topography of the parcels is generally level. The parcels are divided by North Jade Street and West Grove Avenue. The streets are improved with sidewalks, curbs and gutters. All utilities are available to the sites.

The immediate environs include vacant lots as well as poor quality, single family homes and duplexes. Many of the units are under the same ownership as the subject property. Other homes are privately owned and there are several churches in the area. Uses east of Seventh Street are typically industrial.

**B. Environmental Observations**

An environmental assessment of the subject property was not provided. Upon inspection of the subject property, the appraisers did not observe any evidence of toxic contamination on the property. This appraisal assumes that the site and improvements are free of toxic contaminants. The reader is referred to the limiting condition to this effect in chapter one of this report.

**C. Flood Zone and Seismic Information**

According to Flood Map 06013C0228G, dated September 30, 2015, the subject is located in Flood Zone X, an area that is determined to be outside the 100- and 500-year floodplains.

The subject property is not located in the Alquist Priolo zone. According to governmental geological evaluations, the entire San Francisco Bay Area is located in a seismic zone. No active faults are known to exist on the subject property. Inasmuch as similar seismic conditions generally affect competitive properties, no adverse impact on the subject property is considered.

**SUBJECT IDENTIFICATION TABLE**  
Appraisal of 3 Parcels within the Las Deltas Family Project  
CA006  
North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition	Unit Type		Comments		
								Unit Size (SF)	Total Bldg SF			
1	409-210-023-1	1645 N Jade Street	395		ML	P-1	4BD/1.5 BA - Boarded up	1,155	Duplex	L-shaped site with frontage on Jade Street		
		1635 N Jade Street	396		ML	P-1	4BD/1.5 BA - Boarded up	1,155	2,310	West Grove Avenue and West Ruby Street		
		1621 N Jade Street	397		ML	P-1	4BD/1.5 BA- Boarded up	1,155	Duplex			
		1611 N Jade Street	398		ML	P-1	4BD/1.5 BA- Boarded up	1,155	2,310	4 Duplexes		
		131 W Grove Avenue	431		ML	P-1	1BD/1 BA -Boarded up	578	Duplex			
		117 W Grove Avenue	432		ML	P-1	2BD/1BA - Boarded Up	770	1,348	7,481 sf of Residential bldg area		
		1595 N Opal Street	433		ML	P-1	Land/ Unit Demolished					
		1593 N Opal Street	434		ML	P-1	Land/ Unit Demolished					
		1589 N Opal Street	435		ML	P-1	Land/ Unit Demolished					
		1587 N Opal Street	436		ML	P-1	Land/ Unit Demolished					
		1583 N Opal Street	437	132,161	ML	P-1	Land/ Unit Demolished					
		1581 N Opal Street	438	3.03	ML	P-1	Land/ Unit Demolished					
		1575 N Opal Street	439		ML	P-1	Land/ Unit Demolished					
		1573 N Opal Street	440		ML	P-1	Land/ Unit Demolished					
		1569 N Opal Street	441		ML	P-1	Land/ Unit Demolished					
		1567 N Opal Street	442		ML	P-1	Land/ Unit Demolished					
		1563 N Opal Street	443		ML	P-1	Land/ Unit Demolished					
		1561 N Opal Street	444		ML	P-1	Land/ Unit Demolished					
		130 W Ruby Avenue	445		ML	P-1	3BD/1.5 BA Boarded Up	935	Duplex			
		116 W Ruby Avenue	446		ML	P-1	1BD/1BA- Boarded Up	578	1,513			
		North Jade Street	NA		ML	P-1	Admin- Office/Maintenance- Vacant		Community	3,735 Square Feet		
		North Jade Street	NA		ML	P-1	Maintenance Storage- Vacant		Community	1,025 Square Feet		
		West Grove Avenue	NA		ML	P-1	Project Pride- Vacant		Community	3,128 Square Feet		
		West Grove Avenue	NA		ML	P-1	Preschool/Headstart Occupied		Community	3,950 Square Feet		
		2	409-210-022-3	1608 N Jade Street	399		ML	P-1	1BD/1BA Vacant- Boarded up	578	Duplex	Block bounded by Silver and W Grove
				1616 N Jade Street	400		ML	P-1	3BD/1.5 BA Vacant- Boarded up	935	1,513	Avenues and N Jade and First Streets
				1624 N Jade Street	401		ML	P-1	3BD/1.5 BA Vacant- Boarded up	935	Duplex	
1632 N Jade Street	402				ML	P-1	1BD/1BA Vacant- Boarded up	578	1,513	10 Duplexes		
1642 N Jade Street	403				ML	P-1	1BD/1BA Vacant- Boarded up	578	Duplex			
1648 N Jade Street	404				ML	P-1	3BD/1.5 BA Vacant- Boarded up	935	1,513	16,724 sf of Residential bldg area		
40 Silver Avenue	405				ML	P-1	4BD/1.5 BA- Boarded up	1,155	Duplex			
44 Silver Avenue	406				ML	P-1	4BD/1.5 BA- Boarded up	1,155	2,310			
50 Silver Avenue	407				ML	P-1	4BD/1.5 BA- Boarded up	1,155	Duplex	Had been converted to Community Bldg.		
54 Silver Avenue	408				ML	P-1	4BD/1.5 BA- Boarded up	1,155	2,310	Vacant		
1649 First Street	409				ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex			
1643 First Street	410			93,872	ML	P-1	1BD/1BA- Boarded Up	578	1,513			
1633 First Street	411			2.16	ML	P-1	1BD/1BA- Boarded Up	578	Duplex			
1625 First Street	412				ML	P-1	3BD/1.5 BA - Boarded Up	935	1,513			
1617 First Street	413				ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex			
1609 First Street	414				ML	P-1	1BD/1BA- Boarded Up	578	1,513			
40 W Grove Avenue	415				ML	P-1	1BD/1BA- Boarded Up	578	Duplex			
54 W Grove Avenue	416				ML	P-1	3BD/1.5 BA - Boarded Up	935	1,513			
1620 Opal Court	417				ML	P-1	Land/ Unit Demolished					
1622 Opal Court	418				ML	P-1	Land/ Unit Demolished					
1628 Opal Court	419				ML	P-1	Land/ Unit Demolished					
1630 Opal Court	420				ML	P-1	Land/ Unit Demolished					
1636 Opal Court	421				ML	P-1	Land/ Unit Demolished					
1638 Opal Court	422				ML	P-1	Land/ Unit Demolished					
1639 Opal Court	423				ML	P-1	Land/ Unit Demolished					
1637 Opal Court	424				ML	P-1	Land/ Unit Demolished					
1631 Opal Court	425				ML	P-1	Land/ Unit Demolished					
1629 Opal Court	426				ML	P-1	Land/ Unit Demolished					
1623 Opal Court	427				ML	P-1	Land/ Unit Demolished					
1621 Opal Court	428				ML	P-1	Land/ Unit Demolished					
116 W Grove Avenue	429				ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex			
130 W Grove Avenue	430				ML	P-1	1BD/1BA- Boarded Up	578	1,513			

**SUBJECT IDENTIFICATION TABLE**  
Appraisal of 3 Parcels within the Las Deltas Family Project  
CA006  
North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition	Unit Type		Comments
								Unit Size (SF)	Total Bldg SF	
3	409-210-024-9	54 W Ruby Avenue	447	56,323 1.29	ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	West side of First Street between West Grove Avenue and West Ruby Streets  6 Duplexes  9,078 sf of bldg area
		40 W Ruby Avenue	448		ML	P-1	1BD/1BA- Boarded Up	578	1,513	
		1562 N Opal Street	449		ML	P-1	Land/ Unit Demolished			
		1564 N Opal Street	450		ML	P-1	Land/ Unit Demolished			
		1568 N Opal Street	451		ML	P-1	Land/ Unit Demolished			
		1570 N Opal Street	452		ML	P-1	Land/ Unit Demolished			
		1574 N Opal Street	453		ML	P-1	Land/ Unit Demolished			
		1576 N Opal Street	454		ML	P-1	Land/ Unit Demolished			
		1580 N Opal Street	455		ML	P-1	Land/ Unit Demolished			
		1582 N Opal Street	456		ML	P-1	Land/ Unit Demolished			
		1586 N Opal Street	457		ML	P-1	Land/ Unit Demolished			
		1588 N Opal Street	458		ML	P-1	Land/ Unit Demolished			
		1592 N Opal Street	459		ML	P-1	Land/ Unit Demolished			
		1594 N Opal Street	460		ML	P-1	Land/ Unit Demolished			
		55 W Grove Avenue	461		ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	
		41 W Grove Avenue	462		ML	P-1	1BD/1BA- Boarded Up	578	1,513	
		1599 First Street	463		ML	P-1	1BD/1BA- Boarded Up	578	Duplex	
		1591 First Street	464		ML	P-1	3BD/1.5 BA - Boarded up	935	1,513	
		1587 First Street	465		ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	
		1581 First Street	466		ML	P-1	1BD/1BA- Boarded Up	578	1,513	
		1573 First Street	467		ML	P-1	1BD/1BA- Occupied	578	Duplex	
		1567 First Street	468		ML	P-1	3BD/1.5 BA - Boarded up	935	1,513	
		1559 First Street	469		ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	
1551 First Street	470	ML	P-1	1BD/1BA- Boarded Up	578	1,513				

1) Site area based on public records.

282,356 sf  
6.48 Acres  
11.72 density

Property 6			
BR Size	BD Count	SF	Total SF
1	16	578	9,248
2	1	770	770
3	15	935	14,025
4	8	1,155	9,240
4- SF	0	1,155	0
20 Duplexes	40		33,283
	<u>36</u>		
	76		

6- Six plexes (2 BD) which were demolished/ 36 units  
Total original number of units on site

#### D. Zoning Designation

The subject properties are located in Contra Costa County within the North Richmond Redevelopment Area and although the Redevelopment Agency has been dissolved, the guidelines are still applicable. The subject property has a General Plan land use designation of Multiple Family Residential Low Density, (ML). The General Plan land use designation allows between 7.3 to 11.9 units per net acre. The minimum lot size is 10,000 square feet. Primary land uses include attached single-family residences such as duplexes or duets, multiple family residential such as condominiums, apartments, mobile home parks. Secondary land uses allowed include churches, small residential care and child care facilities.

The subject has a zoning designation of Planned Unit District (P-1) within the North Richmond Area. This zoning designation is meant to provide *“a large-scale integrated development or a general plan special area of concern provides an opportunity for, and requires cohesive design when flexible regulations are applied; whereas the application of conventional regulation, designed primarily for individual lot development, to a large-scale development or special area may create a monotonous and inappropriate neighborhood. The planned unit district is intended to allow diversification in the relationship of various uses, buildings, structures, lot sizes and open space while insuring substantial compliance with the general plan and the intent of the county code in requiring adequate standards necessary to satisfy the requirements of the public health, safety and general welfare. These standards shall be observed without unduly inhibiting the advantages of large-scale site or special area planning.”*

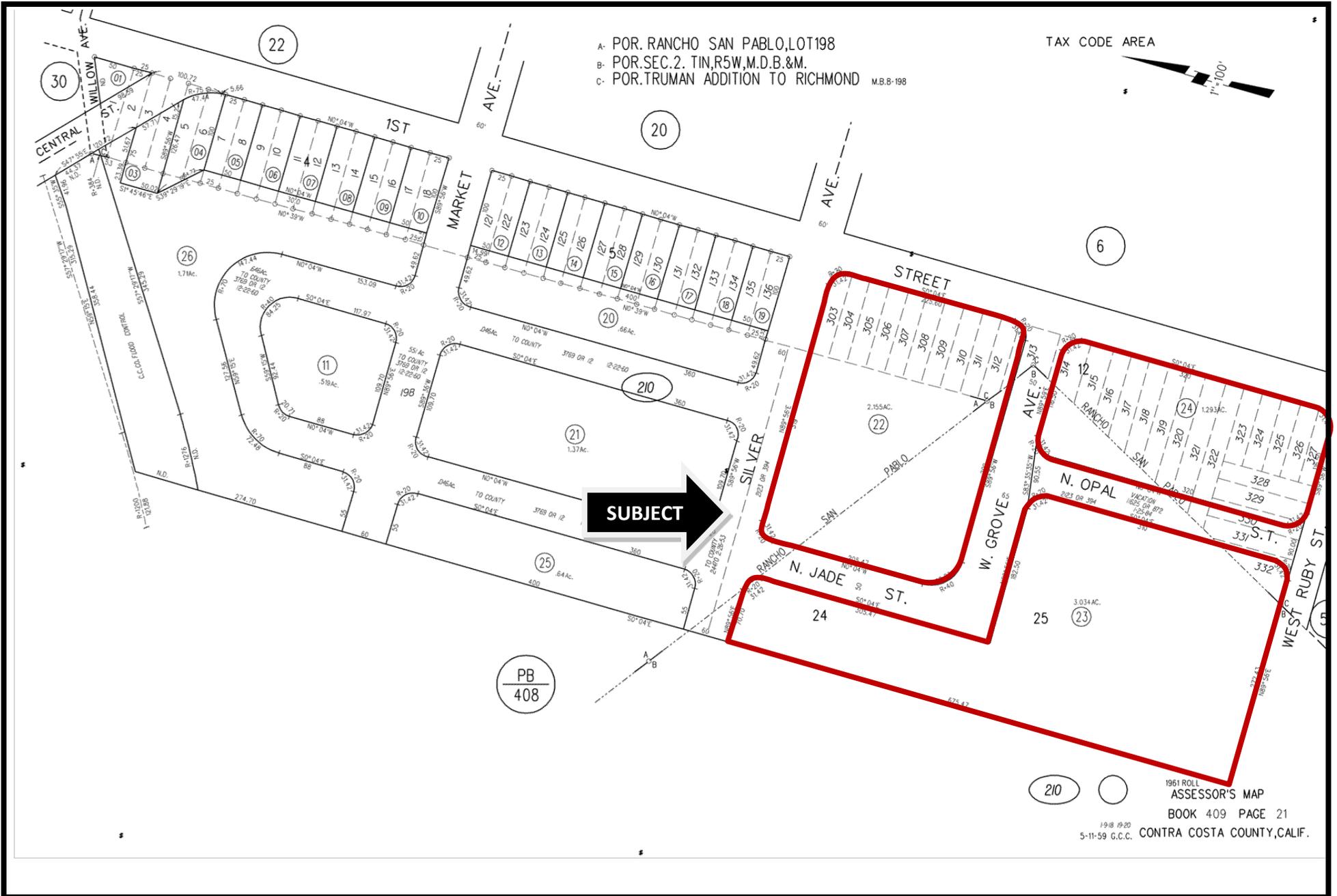
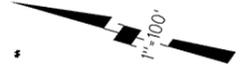
This zoning district allows the following permitted uses; a) any land uses with final plan approval for development which are in harmony, serve to fulfill the function of the development, and consistent with the General Plan; b) detached single-family dwelling on each legally established lot with the accessory structures and uses normally auxiliary to it. Allowed uses also include duplexes, secondary units, and child care for less than 12 children. Based on the North Richmond Redevelopment Plan area development guidelines, single family lots require a minimum of 4,500 square feet, a duplex requires 7,000 square feet and a multi-family project requires a minimum lot area of 10,000 square feet. The maximum building height is 30 feet or two stories.

Interim uses are also allowed under this zoning designation where no preliminary development plan is approved. These include any nonconforming use existing at the time of the establishment of the P-1 District which may be repaired, rebuilt, or enlarged. Administrative use permits can also be granted. The subject property is currently zoned P-1 and has a General Plan of Multiple Family Residential Low Density. Any planned development would need to be reviewed by the County Planning Department and a Development Permit is required for residential construction over three units. The subject parcels currently appear to be legally conforming uses.

# PARCEL MAP

- A. POR. RANCHO SAN PABLO, LOT 198
- B. POR. SEC. 2. TIN, R5W, M.D.B. & M.
- C. POR. TRUMAN ADDITION TO RICHMOND M.B. 8-198

TAX CODE AREA



**SUBJECT**

PB  
408

210

1961 ROLL  
ASSESSOR'S MAP  
BOOK 409 PAGE 21  
1948 1920  
5-11-59 G.C.C. CONTRA COSTA COUNTY, CALIF.

**E. Easements and Restrictions**

The appraisers were not provided with a preliminary title report for the subject property. Inspection of the property and review of the parcel maps indicated that there are several public utility easements affecting the subject parcels, which is common for this type of property. None of the noted easements or restrictions appear to adversely impact the utility or marketability of the subject property.

The subject property is currently owned by the Housing Authority of Contra Costa County. The subject is potentially affected by regulatory agreements recorded on the site which restrict the development and/or use. This appraisal assumes that there are no rent restrictions encumbering the subject property.

**F. Ownership and Sales History**

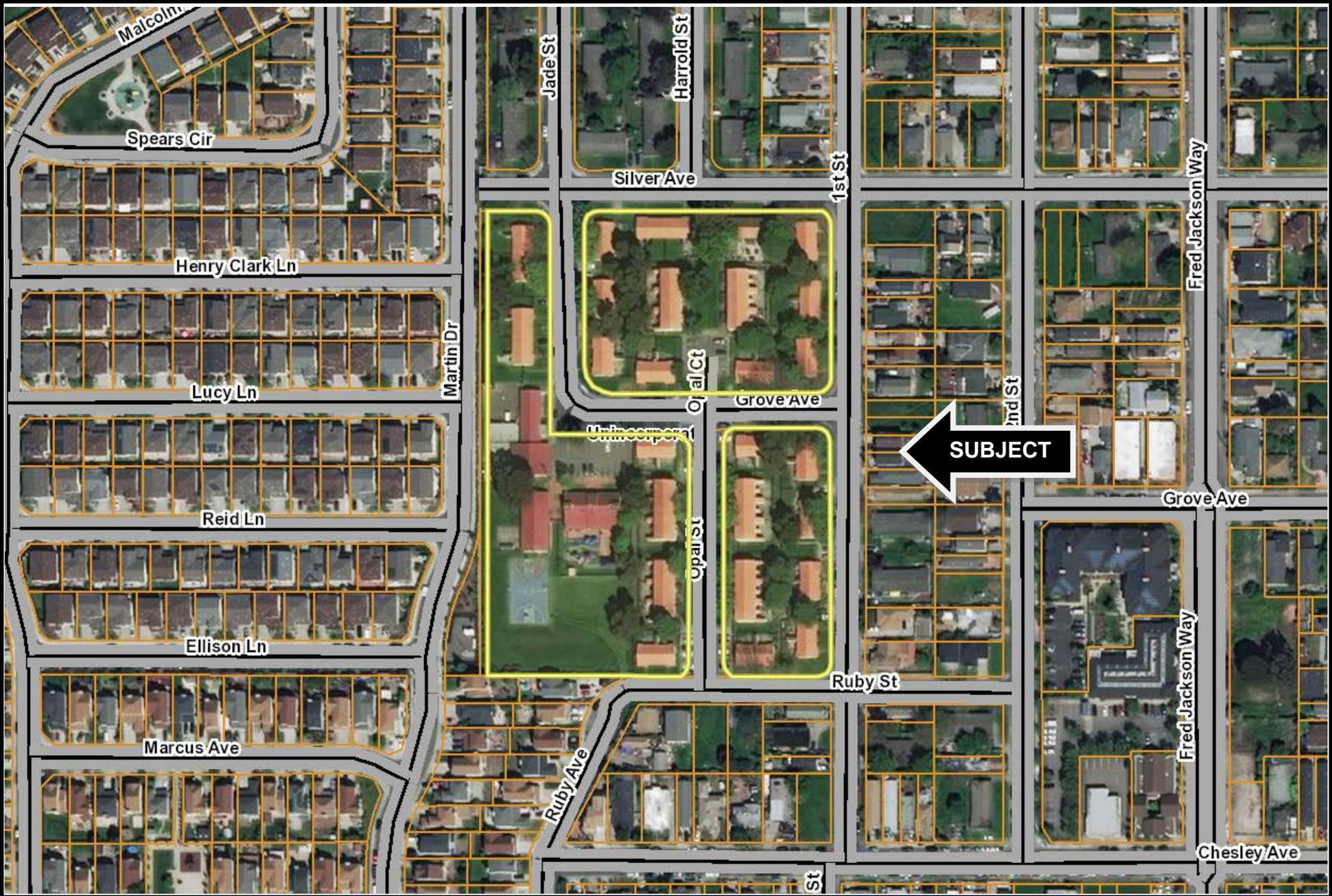
The appraisers were not provided with title reports for the subject parcels. According to public records, title to the subject property is currently vested in Contra Costa County Housing Authority. There have been no transfers of ownership in the past several decades.

**G. Assessed Valuation and Real Estate Taxes**

Under California property tax laws instituted by the passage of Proposition 13, property taxes can only be increased a maximum of two percent annually unless a property is sold, or additional value is added through new construction or alteration. Upon sale, property is taxed on the basis of one percent of the reassessed value, most often equal to the purchase price, plus existing bond indebtedness. The tax rate for the subject tax rate area for the 2018-2019 fiscal year is reportedly 1.2591 percent. The tax rate is broken down as follows:

CONTRA COSTA COUNTY 2018-2019 DETAIL OF TAX RATES						
TAX RATE AREA	TRA RATE	DESCRIPTION	SPECIAL RATE	DISTRICT RATE	GROUP RATE	TRA RATE
85075	1.2591	COUNTYWIDE TAX		1.0000	1.0000	
		BART		0.0052		
		BART BOND 2016		0.0018		
		BART				0.0070
		EAST BAY REG PK BD		0.0021		0.0021
		WEST CC UNIF BD 98		0.0047		0.0047
		WCC UNIF BOND 2000		0.0183		
		WCCUSD 2002 BOND		0.0600		
		WCC UNIF BOND 2005		0.0600		
		WCCUSD 2010 BOND		0.0480		
		WEST CONTRA COSTA UNIF				0.2390
		WCCUSD 2012 BOND		0.0480		0.0480
		COMM COLL 2002 BND		0.0030		
		COMM COLL 2006 BND		0.0065		
		COMM COLL 2014 BND		0.0015		
COMMUNITY COLLEGE				0.0110	1.2591	

# AERIAL MAP



For the current 2018-2019 tax year, the subject parcel has total assessed values and property taxes as follows:

Subject	Land	Improvements	Tax Rate	Gross Value	Special	Total
1 409-210-023-1	\$ 131,841	\$ 997,127	0%	\$ 1,128,968	\$ 8,534	\$ 8,534
2 409-210-022-3	\$ 103,390	\$ 419,303	0%	\$ 522,693	\$ 8,534	\$ 8,534
3 409-210-024-9	\$ 68,919	\$ 302,086	0%	\$ 371,005	\$ 8,534	\$ 8,534
<b>TOTAL</b>	<b>\$ 304,150</b>	<b>\$ 1,718,516</b>		<b>\$ 2,022,666</b>	<b>\$ 25,602</b>	<b>\$ 25,602</b>

Source: Contra Costa County Tax Collector

The subject property has received an exemption for 99% of the total assessed value of the land and improvements from ad valorem taxes due to the non-profit management/ownership of the subject. However, the special assessments are not exempt and total \$25,602. The special assessments include West County Wastewater District Sewer Charges. According to the County Tax Collector, as of the date of this appraisal, all taxes due have been paid in full.

#### H. Description of Existing Improvements

The subject consists of 3 contiguous parcels and is improved with 20 duplexes units. The subject dwelling units are of wood frame construction on concrete slabs with stucco exteriors. The units have gas wall heaters, and the windows are single pane aluminum frame. The interior finishes of the units consist of vinyl flooring and drywall. The one-bedroom units contain 578 square feet. The two-bedroom units contain approximately 770 square feet, the three-bedroom units have 935 square feet and the four-bedroom units consist of 1,155 square feet. The units have a dryer connection and a connection for a washing machine in the kitchen area. The roofing is seam metal panels which were installed in the mid-1980s. The duplexes have a concrete driveway for parking one vehicle at each unit. The units have rear yard with cyclone fencing and a concrete patio

The existing condition of the units are noted on the Subject Identification Table on the preceding page. The subject units were built in 1952 and are generally in very poor condition. Most of the units are currently boarded up and uninhabitable. Many of the units have been gutted. Of the 40 units, approximately one unit is currently occupied, and the other 39 units are vacant.

Many of the units have been vandalized with copper piping and wiring removed. Most of the water heaters appear to have been damaged and there was some water damage observed from broken pipes. Walls have been damaged and in some cases the ceiling has been partially opened. The vacant units are typically boarded-up to prevent squatters or additional damage. The front and rear doors have been removed by VPS (the vacant property security system). Several of the units have been damaged by fire.

## SUBJECT PHOTOGRAPHS



Administrative Offices



Administrative Building



Parking Lot and Neighboring Improvements



Vacant Land

## SUBJECT PHOTOGRAPHS



W Grove Avenue and N Opal Street



Former Six-plex Site



Former Six-plex Site



Subject Neighborhood

## SUBJECT PHOTOGRAPHS



1625 North Jade Street



1621 North Jade Street



1621 North Jade Street Interior



1621 North Jade Street Interior

## SUBJECT PHOTOGRAPHS



Preschool Exterior



Preschool Exterior



Preschool



Preschool Kitchen Area

The subject originally contained a total of (6) six-unit townhouse style buildings. Due to the condition of the units and safety issues these (36) two-bedroom units were demolished in December 2018.

The subject property includes five administrative/community buildings which are located on two parcels. The Youth Empowerment Center is located within Units 407 and 408 on Silver Avenue on Subject Parcel Number 2 and was converted from two duplex units. The building has an office, community room, kitchen and bathroom. The building is currently vacant and in poor condition. The four other buildings are located on Subject Parcel Number 1 with three of the buildings vacant. The vacant buildings had been used as a maintenance structure, administrative offices and community building. These buildings appear to be at the end of their economic life and are considered to have no value.

The remaining building is occupied by Headstart and is a preschool. It is located at 135 West Grove Street. The preschool building has several offices, two classrooms, a crib room a nursery play area, laundry room two children restrooms and a kitchen. The center has a fenced playground area. The preschool contains approximately 3,950 square feet and is in average condition. The preschool is currently rented on a month to month basis as the lease expired in June 2017.

***Estimated Costs of Renovation***

The majority of the units are currently boarded-up and uninhabitable. The vacant units are typically boarded-up to prevent squatters or additional damage. However, in many cases the units have been broken into and there has been additional damage. Essentially the units will need to be completely gutted and renovated to become occupiable. In 2014 the subject property representative indicated that the costs to repair vacant units ranged from \$25,000 to \$90,000 depending of the level of renovation needed and if there was structural damage. These costs have only increased over the past five years.

The appraiser acknowledges that the costs to renovate a residential unit can vary greatly depending on the type of buyer such as an owner user, institutional or speculator, as well as the ultimate scope of the renovation. According to EMG which completed a Physical Needs Assessment for a portion of Las Deltas, on December 2018, the estimated base cost for the renovation of the residential units was approximately \$120,000 per unit. Adding contractor fees of 15% the cost is approximately \$138,000 per unit. These costs did not include roof replacement, parking upgrades or ADA installations.

Discussions with broker in the market area indicated that the costs to gut renovate a red tagged single family home in San Pablo was estimated by a contractor at a cost of \$140,000. The home contained 1,100 square feet and had two bathrooms. Other information provided to the appraiser by contractors indicated costs in the

range of \$100,000 to \$120,000 per unit based on two bathrooms and an average three-bedroom unit of approximately 1,000 square feet.

The subject contains approximately 33,283 square feet of residential improvements, with an average unit size of 832 square feet. Based on our research as well as discussions with brokers and other active participants in the real estate market, a benchmark renovation cost of \$120 per square foot is concluded. In the valuation analysis, this cost is deducted from all of the units at the subject as they would all require renovation to be habitable.

**I. Conformance to American Disabilities Act (ADA)**

An ADA compliance survey was not provided for review, nor was one performed by the appraiser. The reader is directed to the limiting condition in Chapter I of this report, which states that any effect on value of potential ADA noncompliance has not been considered in this appraisal.

## V. HIGHEST AND BEST USE AND VALUATION METHODOLOGY

### A. Highest and Best Use

The highest and best use is that use, from among reasonably probable and legal alternative uses, found to be legally permissible, physically possible, financially feasible, and which results in the highest land value.

The four criteria the highest and best use must meet are physical possibility, legal permissibility, financial feasibility, and maximum productivity. Analysis of the subject's highest and best use is made as if the site were vacant, and as improved with the existing improvements.

#### 1. *As-If Vacant*

##### a) *Physically Possible*

The subject neighborhood contains primarily residential structures as well as vacant lots. The subject consists of 3 contiguous parcels that range from 1.29 to 3.03 acres. The site sizes are sufficient to support a variety of residential development. Overall, physical characteristics do not limit the highest and best use of the subject site.

##### b) *Legally Permissible*

The subject properties have a General Plan designation of Multiple Family Residential - Low Density (ML) and are zoned Planned Unit (P-1). Duplexes or attached residential or apartment uses are the primary zoning for the subject properties with secondary uses allowed of residential care and child care facilities as well as churches. Based on the legal parameters, with consideration given to conformance with the surrounding neighborhood, the highest and best use of the subject property, as if vacant, appears to be low density multifamily residential development.

##### c) *Financially Feasible*

The subject sites are located in a weak residential market area in the unincorporated area of North Richmond, Contra Costa County. Market conditions currently support speculative development for the subject sites. This is supported by an adjacent residential development that was built over the past 10 years. The maximum productive use is that use, from among financially feasible uses, that provides the highest rate of return or value. Therefore, the highest

and best use of the subject sites as-if vacant, is considered to be for residential development.

*d) Maximally Productive/Highest and Best Use Conclusion*

Overall, based on these factors, the highest and best use of the subject sites as-if vacant would be for the construction of a new residential development consistent with the subject's zoning.

**2. *As-Improved***

The subject properties consist of poor quality residential duplex units that were built in the 1950s. Almost all of the subject units are vacant and most have been vandalized. As is demonstrated in the valuation chapter, given the age, condition and quality of the units, as well as the cost to repair the improvements, the existing vacant improvements are considered to have lower value than land and should be demolished. This conclusion is further supported by the fact that 36 townhouse style units on the subject property were demolished in late 2018.

The subject lots are relatively large in size and are contiguous. It is likely that the property would appeal to a developer and could be redeveloped to form a new residential subdivision. Based on these factors, the highest and best use is to demolish the existing improvements and redevelop the property with a residential project.

**B. Valuation Methodology**

The valuation of any parcel of real estate is derived principally through three approaches to the market value. From the indications of these analyses, and the weight accorded to each, an opinion of value is reached. Each approach is more particularly described below.

**1. *Cost Approach***

This approach is the summation of the estimated value of the land, as if vacant, and the reproduction or replacement cost of the improvements. From these are deducted the appraiser's estimate of physical deterioration, functional obsolescence, and economic obsolescence, as observed during inspection of the property and its environs. The Cost Approach is based on the premise that, except under the most unusual circumstances, the value of a property cannot be greater than the cost of constructing a similar building on a comparable site.

**2. *Sales Comparison Approach***

This approach is based on the principal of substitution, i.e., the value of a property is governed by the prices generally obtained for similar properties. In analyzing the market data, it is essential that the sale prices be reduced to common denominators to relate the degree of comparability to the property under appraisal. The difficulty in this approach is that two properties are never exactly alike.

**3. *Income Approach***

An investment property is typically valued in proportion to its ability to produce income. Hence the Income Approach involves an analysis of the property in terms of its ability to provide a net annual income. This estimated income is then capitalized at a market-oriented rate commensurate with the risks inherent in ownership of the property, relative to the rate of return offered by other investments.

The Sales Comparison approach is used in estimating the market value of the subject as land and as improved. A deduction is made for the repair or demolition costs to derive an as-is market value. The Cost Approach is not used, because purchasers in the subject marketplace do not give weight to this approach.

The following chapters further discuss the methodologies used in valuing the subject property.

**VI. VALUATION BY THE SALES COMPARISON APPROACH**

The approach utilized in estimating the current market value of the subject properties is the Sales Comparison Approach. In this analysis, value is estimated by comparing the subject to similar land sites which have transferred prior to the effective date of appraisal. The index properties show characteristics which are similar to the property being appraised. The Comparable Sales Table is on the following page.

Those transactions which are considered appropriate to indexing the value of the subject parcels are summarized on the table. The prices paid for the comparable properties are shown on an absolute basis and on a price per square foot basis, which is the most common unit value used for land. In valuing the subject site, adjustments are made as necessary to each comparable for location, accessibility, functional utility, date of sale, terms of sale, and size.

For valuing the existing improvements, the prices paid for the comparables is shown on an absolute basis and per unit basis. Adjustments are made for location, age, condition, quality and size.

**A. Presentation and Analysis of Comparable Land Sales**

The subject three parcels are relatively large and contain between 1.29 and 3.03 acres. No sale data was available for larger parcels in northern Richmond and our search was expanded to include other market areas, somewhat similar to the subject property. The table on the following page show land sales in other parts of Richmond as well as listings in Vallejo and Pittsburg for multifamily land.

Land Sales 1 and 2 pertain to recent sales of entitled land in the Hilltop neighborhood and Marina Bay neighborhood of Richmond. The comparables were purchased for \$37 per square foot. Both properties are superior to the subject in terms of location and both have a higher density. In addition, both comparables hare located in the City of Richmond which has superior city services. A lower price per square foot is indicated.

Land Sale 3 is an older sale of property located at 2200 Nevin Avenue in Richmond. The property consists of two parcels which are separated by 22<sup>nd</sup> Street. At the time of sale the property was proposed for a 289 unit below market rate residential development. The property was purchased for \$24 per square foot including demolition costs. Although this is an older sale which warrants an upward adjustment for current stronger market conditions, the comparable has a superior location in the City of Richmond and a significantly higher density. The comparable supports a lower unit value for the subject parcels.

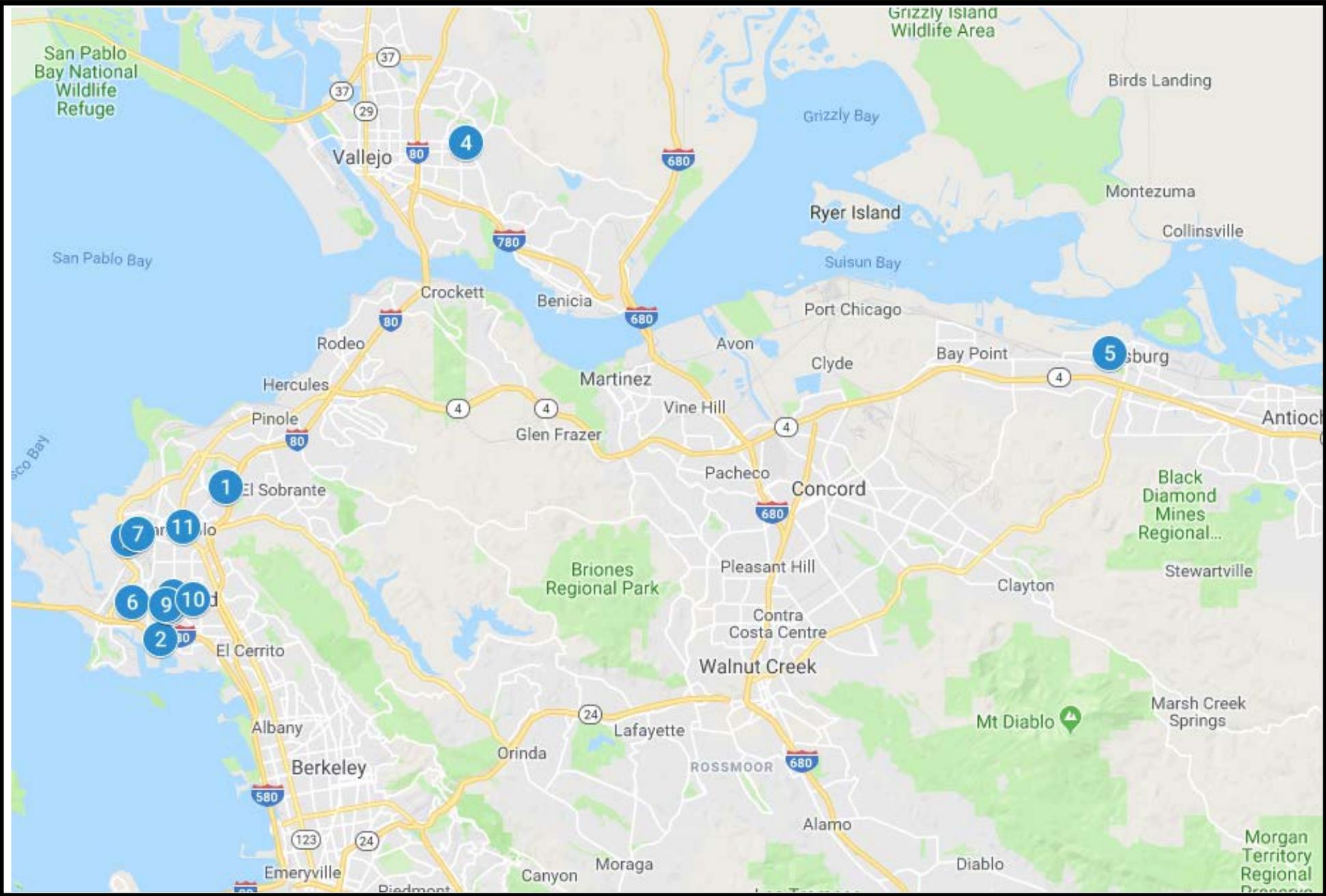
Land Sales 4 and 5 pertain to listings of properties in Vallejo and Pittsburg. Land Sale 4 is listed for sale at \$11 per square foot. This property is located on a sloping hillside and will require additional costs for site work. Land Sale 5 is listed for sale at \$21 per square foot and is a higher density site in Pittsburg. Given that this is an

**RESIDENTIAL COMPARABLE SALES**  
Appraisal of 3 Parcels within the Las Deltas Family Project  
CA006  
North Richmond, California

Location / # APN	Sale Date	Sale Price	Size SF/Acre	Price Per SF of Land	Zoning/ Units Allowed/Proposed Density	Comments	Grantor/ Grantee (Document#)
<b><u>Land Sales</u></b>							
<b>1a</b> 3151 Garrity Way Richmond APN: 405-290-069	7/18	<b>\$3,500,000</b> Entitled	95,396 SF 2.19 AC	<b>\$37</b>	CR - City of Richmond 98 Units 45 Du/Acre	Located at Hilltop neighborhood Proposed for apt units. Vacant Land	Home Sweet Home LLC/ Zhangs Management Group LLC #107514
<b>1b</b> 3151 Garrity Way	Listing	<b>\$4,800,000</b> Entitled		\$50			
<b>2</b> 830 Marina Way South Richmond APN: 560-190-007-8	11/17	<b>\$16,250,000</b> Entitled	436,035 SF 10.01 AC	<b>\$37</b>	PA - City of Richmond 197 Units 20 Du/Acre	Former Industrial Site Proposed for apt units. Vacant Land	Development Solutions Seascape/ William Lyon Hms Inc. #214851
<b>3</b> 2200 Nevin Avenue Richmond APN: 514-090-018-3, 514-080-013	4/15	\$1,690,000 <u>\$93,750</u> <b>\$1,783,750</b> Unentitled	74,813 SF 1.72 AC (1)	\$23 <b>\$24</b>	MFR-3/C-2 - City of Richmond 289 Units 168 Du/Acre	Proposed for affordable housing	Adams Carl Trust/ Affordable Housing Land Consultants #300640
<b>4</b> Tennessee Street & Avian Drive Vallejo APNs: 0069-430-010, various	Listing	<b>\$1,400,000</b> Entitled	121,968 SF 2.80 AC	<b>\$11</b>	PDR - City of Vallejo 28 Units 10 Du/Acre	Sloping hillside site	G Annas & Fatemeh Maroofi/ NA
<b>5</b> 505 W. 10th Street Pittsburg APNs: 082-260-009, -012, -044, 243-001, -002 and -178	Listing	<b>\$2,200,000</b> Entitled	102,797 SF 2.36 AC	<b>\$21</b>	M - City of Pittsburg 54 Units 23 Du/Acre	Vacant land mixed-Use development	Amerasla Real Estate Fund LLC/ NA
<b><u>Multifamily Unit Sales</u></b>							
<b>6</b> 203 Bissell Avenue Richmond APN: 538-190-021-5	7/18	<b>\$875,000</b>	3,932 SF Bldg. 0.08 AC 3,655 SF	<b>\$109,375</b> Per Unit \$223	RM2 - City of Richmond 4 - Studio, 4 - 1BD/1BA 492	8 Unit Blt in 1908 Poor Condition	Eustolia P De Fregoso/ Hamilton, B/ Wu S H F #0112249
<b>7</b> 417 Verde Avenue North Richmond APN: 409-262-010-5	6/18	<b>\$1,100,000</b>	5,410 SF Bldg. 0.24 AC 10,500 SF	<b>\$137,500</b> Per Unit \$203	P1 - Contra Costa County 4 - 3BD/1BA, 4 - 2BD/1BA 676	8 Unit Blt in 1957 Fair Condition	Verde Ave, LLC/ JWT Capital Holding Group One, LLC #202656
<b>8</b> 2023 Chanslor Avenue Richmond APN: 540-190-009-6	3/18	<b>\$1,130,000</b>	6,264 SF Bldg. 0.19 AC 8,276 SF	<b>\$141,250</b> Per Unit \$180	R-3 - City of Richmond 8 - 2BD/1BA 783	8 Unit Blt in 1964 Average Condition	Tackabary Family Trust 2017/ Davis, William E Jr. & Silvia G. #041392
<b>9</b> 146 19th Street Richmond APN: 540-200-017-7	2/17	<b>\$1,190,000</b>	5,966 SF Bldg. 0.19 AC 8,438 SF	<b>\$132,222</b> Per Unit \$199	RM2 - City of Richmond 1 - 1BD/1BA, 8 - 2BD/1BA 663	9 Unit Blt in 1961 Average Condition	Community Commerce Bank/ MW General Ptshp #024643
<b>10</b> 3202 Nevin Ave Richmond APN: 538-190-021-5	6/17	<b>\$1,300,000</b>	9,410 SF Bldg. 0.34 AC 15,002 SF	<b>\$108,333</b> Per Unit \$138	RL2 - City of Richmond 12 - 2BD/1BA 784	12 Unit Blt in 1948 Poor Condition	Cruz-Nevin Trust/ Levy, Ephraim & Rosemary Trust 103991
<b>11</b> 2394 Road 20 San Pablo APN: 416-120-020-1	7/17	<b>\$2,650,000</b>	12,600 SF Bldg. 0.67 AC 29,142 SF	<b>\$147,222</b> Per Unit \$210	I - City of San Pablo 3 - 1BD/1BA, 15 - 2BD/1BD 700	18 Unit Blt in 1961 Good Condition	Eric Antonici/ Road 20 MF Partners LLC #114598

Source: Watts, Cohn & Partners, Inc., March 2019  
19-WCP-018C-Summary

# COMPARABLE SALES MAP



asking price not a closed sale and has a higher proposed density, a lower unit value is warranted for the subject sites.

Based on the comparable land sales, and considering the location, density, size, utility, approval status, and market conditions, a unit value between \$15 and \$20 per square foot is estimated for the subject parcels as if vacant. A per square foot value of \$15 is concluded for the largest subject parcel of over 3 acres as if vacant. For the smaller parcels of 1.29 and 2.16 acres a unit value of \$18 per square foot is concluded as if vacant.

**B. Presentation and Analysis of Multiplex Unit Sales**

Comparables 6 through 11 are sales of improved multiplex residential properties in North Richmond, Richmond and San Pablo. The comparables consist of 8 to 18 unit properties. The sale prices are between \$875,000 to \$2,650,000, or from \$108,333 to \$147,222 per unit.

The subject contains parcels with 3 to 10 duplexes or between 6 and 20 units. Based on the subject size and location a per unit value of \$145,000 is concluded for Subject Parcel Number 1 with 8 units or 4 duplexes. This value assumes the units are in habitable condition.

The Subject Parcel Number 3 is a large parcel with 6 duplexes or 12 units. Given the larger size of the property a unit value of \$120,000 is concluded. Subject Parcel Number 2 contains 20 units or 10 duplexes, a unit value of \$110,000 per unit is concluded. Again, this value assumes the units are in habitable condition.

**C. Deduction for Renovation/Demolition Costs**

All but one of the subject units are not occupied and have been boarded up. The units are in poor condition and the costs to repair the units was previously estimated at approximately \$120 per square foot, based our discussions with brokers and real estate representatives. The renovation cost is deducted from the concluded value of the improved properties as if habitable to derive an as-is value in the current uninhabitable condition.

Further, in order to estimate only land value, the cost to demolish the improvements is based on Marshall Valuation Service and is estimated at approximately \$10.00 per square foot. This is equal to a cost of approximately \$22,560 per duplex and includes the costs to demolish the community buildings. This cost includes asbestos and lead abatement as well as remediation costs. These costs are utilized in the analysis and are deducted from the value conclusions to derive an as-is value as land.

**D. As-Is Value Conclusions as Individual Properties**

The valuation for the subject properties is summarized on the table on the following page. The table includes our estimation of the improved value with renovation costs which are deducted from the units, to derive an as-is value of the improvements in their existing uninhabitable condition. In addition, the three parcels have surplus land where the six-plexes had been demolished late last year. A surplus land value of approximately 50% of the previously concluded land value is concluded given that it is only a portion of the larger site and can't be developed independently.

The Subject Parcel Number 1 also contains a preschool building that contains 3,950 square feet. The preschool is currently occupied and rented on a monthly basis for a nominal rent. Sales of small schools or institutional buildings in the area indicate sale prices of between \$114 to \$220 per square foot. The preschool is in average condition but is situated on a larger parcel with other uses. Based upon the condition and location of the subject preschool, a unit value of \$100 per square foot is concluded. No values are applied to the other auxiliary buildings which are at the end of their useful life.

In addition, the value of the subject land with a deduction made for the demolition of the improvements is shown. Based on our conclusions and discussed in the highest and best use chapter of the appraisal, the subject has greater value as a land redevelopment site and the improvements should be demolished.

The table on the following page indicates the individual values of the subject property. The total bulk market value of the subject is the sum of the 3 properties as no discount would be indicated for the development of the total site. The total bulk market value of the subject property as if sold in a single transaction is \$4,230,000.

**VALUATION OF SUBJECT PROPERTIES**  
 Appraisal of 3 Parcels within the Las Deltas Family Project  
 CA006  
 North Richmond, California

#	APN Number	Address	ID Unit Number	Parcel Size (SF) 1	Use	Size/ Unit No.	Unit Value/ Value	Demolition/ Renovation	Values		
1	409-210-023-1	1645 N Jade Street	395	132,161 3.03 Acres	4-Duplexes	8 Units	\$145,000 Per Unit		\$1,160,000		
		1635 N Jade Street	396								
		1621 N Jade Street	397								
		1611 N Jade Street	398								
		131 W Grove Avenue	431				Costs to renovate duplex units	7,481 sf		\$120 psf	(\$897,720)
		117 W Grove Avenue	432								
		1595 N Opal Street	433								
		1593 N Opal Street	434				Surplus Land	79,296 sf	\$7.50 psf		\$594,720
		1589 N Opal Street	435								
		1587 N Opal Street	436				Preschool	3,950 sf	\$100.00		<u>\$395,000</u>
		1583 N Opal Street	437								
		1581 N Opal Street	438				<b>Value as Improved</b>				\$1,252,000
		1575 N Opal Street	439								
		1573 N Opal Street	440								
		1569 N Opal Street	441								
		1567 N Opal Street	442								
		1563 N Opal Street	443								
1561 N Opal Street	444			<b>Land Value</b>	132,161 sf	\$15.00	(\$193,190)	\$1,789,225			
130 W Ruby Avenue	445					\$1,982,415	Demolition of bldgs at \$10 psf				
116 W Ruby Avenue	446										
North Jade Street	NA										
North Jade Street	NA										
116 West Grove Avenue	429										
West Grove Avenue	NA										
					<i>As- Is Market Value</i>				<b>\$1,790,000</b>		
2	409-210-022-3	1608 N Jade Street	399	93,872 2.16 Acres	10-Duplexes	20 Units	\$110,000 Per Unit		\$2,200,000		
		1616 N Jade Street	400								
		1624 N Jade Street	401								
		1632 N Jade Street	402								
		1642 N Jade Street	403				Cost to renovate duplex units	16,724 sf		\$120 psf	(\$2,006,880)
		1648 N Jade Street	404								
		129 Silver Avenue	405								
		105 Silver Avenue	406								
		55 Silver Avenue	407				Surplus Land	35,202 sf	\$9.00 psf		<u>\$316,818</u>
		41 Silver Avenue	408								
		1649 First Street	409				<b>Value as Improved</b>				\$509,938
		1643 First Street	410								
		1633 First Street	411								
		1625 First Street	412								
		1617 First Street	413								
		1609 First Street	414								
		40 W Grove Avenue	415				<b>Land Value</b>	93,872 sf	\$18.00	(\$167,240)	\$1,522,456
		54 W Grove Avenue	416						\$1,689,696	Demolition of bldgs at \$10 psf	
		1620 Opal Court	417								
		1622 Opal Court	418								
		1628 Opal Court	419								
		1630 Opal Court	420								
		1636 Opal Court	421								
1638 Opal Court	422										
1639 Opal Court	423										
1637 Opal Court	424										
1631 Opal Court	425										
1629 Opal Court	426										
1623 Opal Court	427										
1621 Opal Court	428										
116 W Grove Avenue	429										
130 W Grove Avenue	430										
					<i>As-Is Market Value</i>				<b>\$1,520,000</b>		
3	409-210-024-9	54 W Ruby Avenue	447	56,323 1.29 Acres	6-Duplexes	12 Units	\$120,000		\$1,440,000		
		40 W Ruby Avenue	448								
		1562 N Opal Street	449								
		1564 N Opal Street	450								
		1568 N Opal Street	451				Cost to fix duplex units	9,078 sf		\$120 psf	(\$1,089,360)
		1570 N Opal Street	452								
		1574 N Opal Street	453								
		1576 N Opal Street	454								
		1580 N Opal Street	455				Surplus Land	28,161 sf	\$9.00 psf		<u>\$253,453</u>
		1582 N Opal Street	456								
		1586 N Opal Street	457				<b>Value as Improved</b>				\$604,093
		1588 N Opal Street	458								
		1592 N Opal Street	459								
		1594 N Opal Street	460								
		55 W Grove Avenue	461				<b>Land Value</b>	56,323 sf	\$18.00	(\$90,780)	\$923,034
		41 W Grove Avenue	462						\$1,013,814	Demolition of bldgs at \$10 psf	
		1599 First Street	463								
		1591 First Street	464								
		1587 First Street	465								
1581 First Street	466										
1573 First Street	467										
1567 First Street	468										
1559 First Street	469										
1551 First Street	470										
					<i>As-Is Market Value</i>				<b>\$920,000</b>		

1) Square Foot of land area based on public records.  
 2) Demolition Costs provided by Marshall Valuation Service at \$10 per square foot.  
 Cost to renovate unit is estimated at \$120 psf.

**\$4,230,000**

**ADDENDA**

## COMPARABLE SALES PHOTOGRAPHS



203 Bissell Avenue  
Richmond



417 Verde Avenue  
North Richmond



2023 Chanslor Avenue  
Richmond



146 19<sup>th</sup> Street  
Richmond

## COMPARABLE SALES PHOTOGRAPHS



3202 Nevin Avenue  
Richmond



2394 Road 20  
San Pablo

**QUALIFICATIONS OF SARA A. COHN, MAI**  
California Certified General Real Estate Appraiser No. AG014469

**EXPERIENCE**

Sara A. Cohn is a Partner with Watts, Cohn and Partners, Inc. a new firm providing commercial real estate valuation. From 1988 to 2016, she worked for Carneghi and Partners and was a Senior Project Manager/Partner in their San Francisco office. Carneghi and Partners, and now Watts, Cohn and Partners, provide real estate appraisal and consulting services in the San Francisco Bay Area. Clients include financial institutions, government agencies, law firms, development companies and individuals. Typical assignments include both valuation and evaluations of a broad variety of property types, uses and ownership considerations.

Ms. Cohn has over 30 years of appraisal experience. She has completed a wide variety of valuation and evaluation analyses. Ms. Cohn has extensive knowledge of the San Francisco Bay Area and has appraised many property types including office buildings, industrial properties, retail centers, hotels, residential projects, mixed-use properties and development sites. Recent work has involved the analysis of commercial buildings, residential subdivisions, valuation of affordable housing developments with bond financing and/or Low-Income Housing Tax Credits (LIHTCs), assessment districts, as well as co-housing projects.

**EDUCATION**

Bachelor of Arts, University of California, Berkeley, 1978

Successful completion of all professional appraisal courses offered by the Appraisal Institute as a requirement of membership.

Continued attendance at professional real estate lectures and seminars.

**PROFESSIONAL AFFILIATION AND STATE CERTIFICATION**

Appraisal Institute - MAI Designation (Member Appraisal Institute) No. 12017  
Continuing Education Requirement Complete

State of California Certified General Real Estate Appraiser No. AG014469  
Certified Through March 2021

State of California Licensed Landscape Architect No. 2102

Member, Board of Directors, Northern California Chapter of the Appraisal Institute,  
2008-2010

Seminars Co-Chair, Northern California Chapter of the Appraisal Institute, 2005-2007

## **QUALIFICATIONS OF MARK A. WATTS**

Mark A. Watts is a Partner with Watts, Cohn and Partners, Inc.

Following is a brief summary of his background and experience:

### **EXPERIENCE**

#### **Commercial Real Estate Appraisal Experience**

Mr. Watts has been a commercial real estate appraiser since 1987, and has over 20 years experience in the analysis of commercial real estate. He has completed valuation assignments on a variety of projects, including industrial facilities, residential subdivisions, apartments, shopping centers, cemeteries and recreational facilities. He has also performed feasibility studies and assisted owners in making asset management decisions.

Mr. Watts has provided litigation support and served as an expert witness in court. He has also served in arbitrations as an expert witness. He has been qualified as an expert in San Francisco and San Mateo County Superior Courts.

He served on the San Francisco County Assessment Appeals Board from 2011 to 2016.

#### **Commercial Real Estate Investment Experience**

Simultaneous to his work as a commercial appraiser, Mr. Watts has been an active real estate investor/developer. He is experienced in the acquisition, redevelopment and management of commercial properties. He has witnessed and experienced many real estate cycles and stays abreast of current trends. His personal experience as an investor makes him uniquely qualified to appraise commercial real estate.

Over the last 20 years he has completed more than 30 investment real estate transactions, an average of 1.5 transactions per year. He has negotiated with buyers and sellers directly as a principal. He has completed nearly a dozen 1031 exchanges. Beginning with a small initial capital investment, he has built a large real estate portfolio. Based on his ownership experience, Mr. Watts is keenly aware that the success or failure of an acquisition is closely related to its location. Likewise, he is sensitive to locational differences in the appraisal of real estate.

Mr. Watts has broad experience with the construction, maintenance and repair of real estate. He has demolished and re-built two structures from the ground up. He has completed fire damage repairs and remediated toxic mold. He has remodeled kitchens and baths. He has replaced foundations on structures, made additions, and made other improvements. As the quality and condition of real estate has a strong correlation with its value, his experience enables superior judgement of these attributes in his work as a commercial real estate appraiser.

#### **Community Involvement**

Mr. Watts served on the Board of Managers of the Stonestown Family YMCA from 2002 to 2017. This is an approximately 30,000 square foot health club facility. He was active on the Facilities Committee. He served as the Board Chair in 2008. He has been a member of the Olympic Club in San Francisco since 1976. He served the Forest Hill Neighborhood Association as President from 2013 to 2017.

### **EDUCATION**

Bachelor of Arts, University of California, Davis

### **PROFESSIONAL AFFILIATION**

State Accredited Affiliate of the Appraisal Institute  
State of California Certified General Real Estate Appraiser No. AG015362

**WATTS, COHN and PARTNERS, INC.**

COMMERCIAL REAL ESTATE APPRAISAL

**APPRAISAL OF:  
LAS DELTAS FAMILY PROJECT  
ANNEX I  
NORTH RICHMOND, CALIFORNIA  
*CA009A***

**PREPARED FOR:  
HOUSING AUTHORITY OF CONTRA COSTA COUNTY  
MARTINEZ, CA**

**MARCH 2019  
19-WCP-018A SUMMARY**

# WATTS, COHN and PARTNERS, INC.

COMMERCIAL REAL ESTATE APPRAISAL

March 29, 2019

Mr. Joseph Villarreal  
Executive Director  
Housing Authority of Contra Costa County  
3133 Estudillo Street  
P.O. Box 2759  
Martinez, CA 94553

Re: 19-WCP-018A-Summary Appraisal  
Las Deltas Family Housing  
North Richmond, California  
*CA009A Las Deltas Annex 1*

Dear Mr. Villarreal:

At your request and authorization, Watts, Cohn and Partners, Inc. has made an appraisal of the above referenced property. The subject properties appraised are a portion of the Las Deltas Family Project, located on (5) contiguous parcels on the blocks bounded by Warren Drive, Silver Avenue, North Jade Street, and Harrold Street in North Richmond unincorporated Contra Costa County, California. The subject contains a total of 4.9 acres, or 213,401 square feet of land area on 5 parcels.

The subject parcels are improved with 29 duplexes, or a total of 58 units. The units consist of one, two, three, and four-bedroom units. Currently, only one unit is occupied with the remaining 57 units vacant. The remaining tenant is in the process of moving. The improvements were built in approximately 1960 and are of poor quality and condition. The vacant units are boarded-up and most of the units have been vandalized, with the wiring and copper removed. In addition, several of the units have sustained fire damage. The existing improvements are considered to add no value to the underlying land. The property interest appraised is fee simple.

The purpose of this appraisal is to estimate the as-is fee simple market value of the subject property. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition application to HUD. *This report should not be used or relied upon by any other parties for any reason.*

**582 Market Street, Suite 512 | San Francisco, CA 94104 | 415-777-2666**

Mark Watts | mark@wattscohn.com | Sara Cohn, MAI | sara@wattscohn.com

A more complete description of the subject property appraised, as well as the research and analysis leading to our opinions of value, is contained in the attached report. Chapter I provides a basic summary of salient facts and conditions upon which this appraisal is based and reviews the value conclusions.

## **EXTRAORDINARY ASSUMPTIONS AND LIMITING CONDITIONS**

### *Extraordinary and Hypothetical Conditions*

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would affect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

## **VALUATION SUMMARY**

### *As-Is Market Values of 5 Individual Parcels*

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the as-is individual fee simple market values of the subject property which consists of 5 contiguous parcels in Las Deltas Annex 1, as of March 12, 2019, are estimated to be:

Parcel Number: 409-210-025-6	\$480,000
Parcel Number 409-210-026-4	\$1,220,000
Parcel Number 409-210-020-7	\$500,000
Parcel Number 409-210-021-5	\$920,000
Parcel Number 409-210-011-6	\$410,000

***Bulk Market Value of Subject 5 Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fee simple market value of the subject property five legal parcels sold in a single transaction (bulk) as of March 12, 2019, are estimated to be:

**THREE MILLION FIVE HUNDRED THIRTY THOUSAND DOLLARS**

**(\$3,530,000)**

Further, it is our opinion that the subject properties could be sold at the above value conclusions within a 12-month active marketing period. The exposure period is also concluded to be 12 months.

***This letter must remain attached to the appraisal report, identified on the footer of each page as 19-WCP-018A-Summary, plus related exhibits, in order for the value opinion set forth to be considered valid.***

**CERTIFICATION**

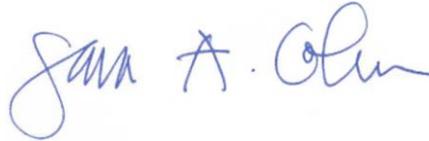
We, the undersigned, hereby certify that, to the best of our knowledge and belief: the statements of fact contained in this report are true and correct; the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions; we have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved; we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; our engagement in this assignment was not contingent upon developing or reporting predetermined results, our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan; our analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, and is in compliance with FIRREA; Sara Cohn and Mark Watts have made a personal inspection of the property that is the subject of this report; no one provided significant real property appraisal assistance to the persons signing this report. The use of this report is subject to the requirements of the Appraisal Institute related to review by its duly authorized representatives. As of the date of this report Sara Cohn has completed the requirements under the continuing education program of the Appraisal Institute. In accordance with the Competency Rule in the USPAP, we certify that our education, experience and knowledge are sufficient to appraise the type of property being valued in this report. We have not provided services regarding the property that is the subject of this report in the 36 months prior to accepting this assignment.

**Watts, Cohn and Partners, Inc.**

We are pleased to have had this opportunity to be of service. Please contact us if there are any questions regarding this appraisal.

Sincerely,

WATTS, COHN and PARTNERS, INC.



Sara Cohn, MAI  
Certified General Real Estate Appraiser  
State of California No. AG014469

Phone: 415-777-2666 x 102  
Email: sara@wattscohn.com



Mark Watts  
Certified General Real Estate Appraiser  
State of California No. AG015362

Phone: 415-777-2666 x 101  
Email: mark@wattscohn.com

***Watts, Cohn and Partners, Inc.***  
582 Market Street, Suite 512  
San Francisco, CA 94104  
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**ADDENDA**

**Subject Photographs  
Comparable Photographs  
Qualification and License of Appraisers**

**I. REPORT SUMMARY**

**A. Property Appraised**

The subject properties appraised are a portion of the Las Deltas Family Project, located on (5) contiguous parcels on the blocks bounded by Warren Drive, Silver Avenue, North Jade Street, and Harrold Street in North Richmond unincorporated Contra Costa County, California. The subject contains a total of 4.9 acres, or 213,401 square feet of land area on 5 parcels.

The subject parcels are improved with 29 duplexes, or a total of 58 units. The units consist of one, two, three, and four-bedroom units. Currently, only one unit is occupied with the remaining 57 units vacant. The remaining tenant is in the process of moving. The improvements were built in approximately 1960 and are of poor quality and condition. The vacant units are boarded-up and most of the units have been vandalized, with the wiring and copper removed. In addition, several of the units have sustained fire damage. The existing improvements are considered to add no value to the underlying land.

The property interest appraised is fee simple.

**B. Property Identification**

Assessor's Parcel Nos.	409-210-025-6, 409-210-026-4, 409-210-020-7, 409-210-021-5 and 409-210-011-6
General Plan	ML - Multiple Family Residential Low Density
Zoning	P-1: Planned Unit District
Census Tract No.	3650.02
Zip Code	94801-1412
Flood Zone (Insurance is NOT Required)	X
Earthquake Fault Zone	No

**C. Client, Purpose, Intended Use and Intended User**

The client for this appraisal is Mr. Joseph Villarreal, Executive Director of the Housing Authority of Contra Costa County in Martinez, California. The purpose of this appraisal is to estimate the as-is fee simple market value of the subject property. It is our understanding that the intended use/user of this appraisal is for the exclusive use by the Housing Authority of Contra Costa County for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

**D. Scope of Work**

Information pertaining to the subject improvements age, size, use and history was provided by the current property owner and verified where possible by public records, as well as based on the visual inspection by the appraiser.

The appraiser contacted Contra Costa County Planning Department for the zoning of the subject property, likelihood of any change in zoning and/or use, and any planned updates to the General Plan and/or zoning designations affecting the subject property.

The subject's market area was researched for market trends and land sales/comparables. Sources contacted included residential real estate agents.

For the subject property, the Sales Comparison Approach value was used in order to estimate the market value in as-is condition. The Income and Cost Approaches are not considered applicable indicators of value for this property type. The scope of this report is to utilize the appropriate standard approaches to value in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) to arrive at a market value conclusion.

**E. Appraisal Reporting Format**

This appraisal report is presented in a narrative format. This report is intended to be an Appraisal Report prepared in conformance with USPAP Standard 2-2(a).

**F. Appraisal and Report Dates**

The effective date of valuation and date of inspection is March 7, 2019.

The date of this report is March 29, 2019.

**G. Definition of Terms**

**1. Market Value (OCC 12 CFR 34.42 (g)) (OTS 12 CFR, Part 564.2 (g))**

“Market value” means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- a. Buyer and seller are typically motivated;
- b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
- c. A reasonable time is allowed for exposure in the open market;

- d. Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

2. ***Fee Simple Interest (The Appraisal of Real Estate, 13th Edition, 2013, p.114)***

A fee simple interest in valuation terms is defined as “... absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” It is an inheritable estate.

**H. Value Conclusions**

***As-Is Market Values of 5 Individual Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the as-is individual market values of the subject property which consists of 5 contiguous parcels in Las Deltas Annex 1, as of March 12, 2019, are estimated to be:

Parcel Number: 409-210-025-6	\$480,000
Parcel Number 409-210-026-4	\$1,220,000
Parcel Number 409-210-020-7	\$500,000
Parcel Number 409-210-021-5	\$920,000
Parcel Number 409-210-011-6	\$410,000

***Bulk Market Value of Subject 5 Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fee simple market value of the subject property five legal parcels sold in a single transaction (bulk) as of March 12, 2019, are estimated to be:

**THREE MILLION FIVE HUNDRED THIRTY THOUSAND DOLLARS**

**(\$3,530,000)**

Further, it is our opinion that the subject properties could be sold at the above value conclusions within a 12-month active marketing period. The exposure period is also concluded to be 12 months.

**I. Assumptions and Limiting Conditions**

*Extraordinary and Hypothetical Conditions*

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would affect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

*General Assumptions*

3. It is the client's responsibility to read this report and to inform the appraiser of any errors or omissions of which he/she is aware prior to utilizing this report or making it available to any third party.
4. No responsibility is assumed for legal matters. It is assumed that title of the property is marketable, and it is free and clear of liens, encumbrances and special assessments other than as stated in this report.
5. Plot plans and maps are included to assist the reader in visualizing the property. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser is assumed by the appraisers.
6. All information has been checked where possible and is believed to be correct but is not guaranteed as such.
7. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. It is assumed that no additional soil contamination exists, other than as outlined herein, as a result of chemical drainage or leakage in connection with any production operations on or near the property.
8. In this assignment, the existence (if any) of potentially hazardous materials used in the construction or maintenance of the improvements or disposed of on the site has not been considered. These materials may include (but are not limited to) the existence of formaldehyde foam insulation, asbestos insulation, or toxic

wastes. The appraiser is not qualified to detect such substances. The client is advised to retain an expert in this field.

9. Any projections of income and expenses in this report are not predictions of the future. Rather, they are an estimate of current market thinking of what future income and expenses will be. No warranty or representation is made that these projections will materialize.
10. The appraiser is not required to give testimony or appear in court in connection with this appraisal unless arrangements have been previously made.
11. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with the proper written qualification, only in its entirety, and only for the contracted intended use as stated herein.
12. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, news sales, or other media without the written consent and approval of the appraiser, particularly as to the valuation conclusions, the identity of the appraiser, or any reference to the Appraisal Institute or the MAI designation.
13. Information regarding any earthquake and flood hazard zones for the subject property was provided by outside sources. Accurately reading flood hazard and earthquake maps, as well as tracking constant changes in the zone designations, is a specialized skill and outside the scope of the services provided in this appraisal assignment. No responsibility is assumed by the appraisers in the misinterpretation of these maps. It is recommended that any lending institution re-verify earthquake and flood hazard locations for any property for which they are providing a mortgage loan.

## **II. AREA AND NEIGHBORHOOD DESCRIPTION**

### **A. Contra Costa County**

Contra Costa County is located on the east side of San Francisco Bay, directly south of Suisun Bay. It is one of the nine counties comprising the greater San Francisco Bay Area. Contra Costa County continues to capture a significant portion of the region's population and employment growth.

Contra Costa County covers an area of approximately 798 square miles. The county is divided into three distinct regions by ranges of hills. The western portion along San Francisco Bay provides water access and is largely industrial in nature. Population and development density are greatest along the bay where most of the original development took place. This western portion of the East Bay is older and predominantly urban in character. The central portion is developing as a regional commercial/financial headquarters center. Eastern Contra Costa County has undergone change from primarily agricultural and undeveloped to a suburban area over the past decade.

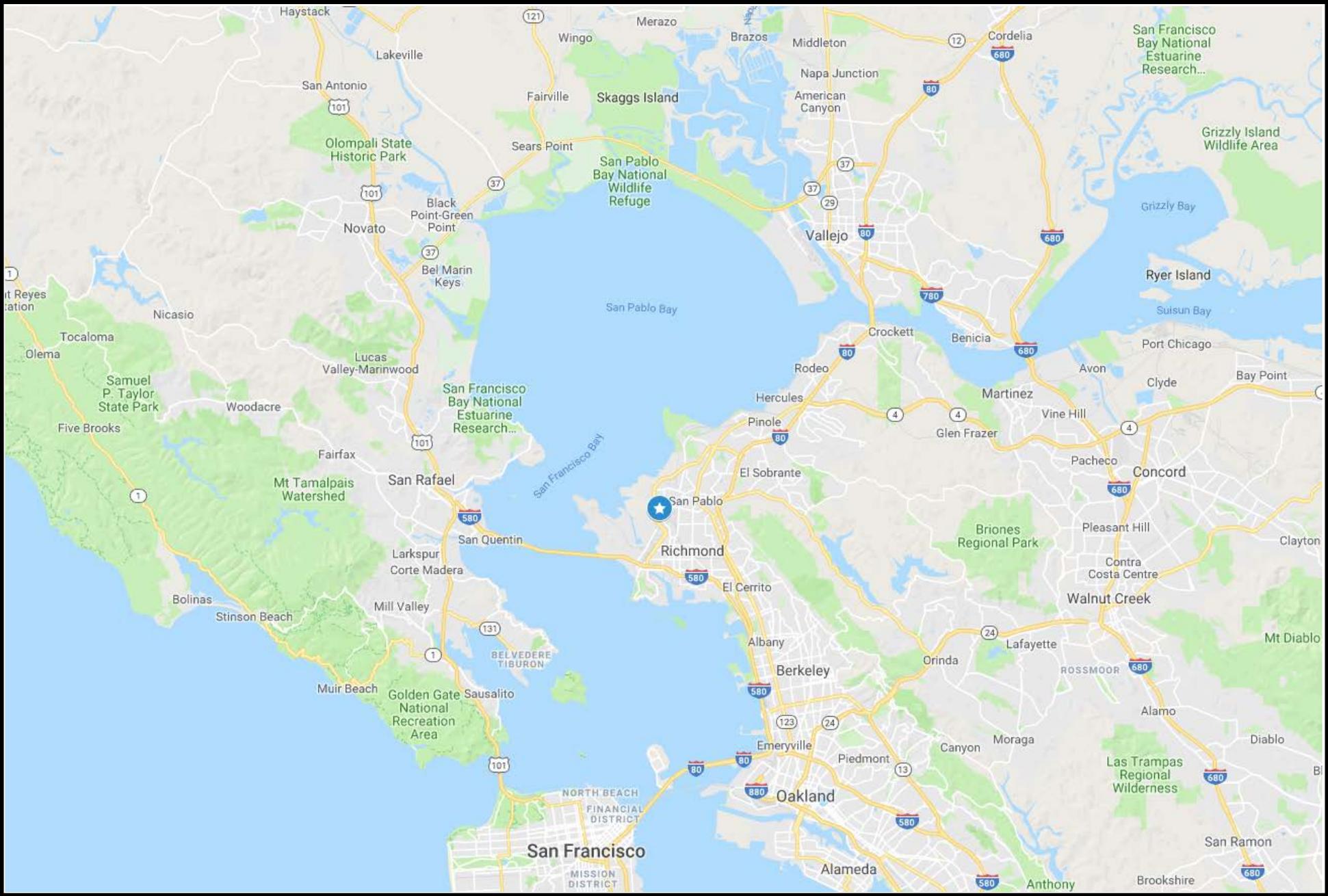
The central portion of Contra Costa County has historically been a bedroom community for workers employed in San Francisco and Alameda Counties. During the last several years, major office development has occurred in central Contra Costa County, resulting in a regional employment center stretching south along the Interstate 680 corridor from Martinez to San Ramon and on to Pleasanton in Alameda County. The communities in central Contra Costa County are largely built out and remain predominantly residential.

Contra Costa County is well served by major transportation systems. Freeways connect the area to San Francisco, Oakland and San Jose, while the former two can also be reached using the Bay Area Rapid Transit (BART) system. The California State Department of Finance most recently published estimates show a population of 1,149,363 as of January 1, 2018. This represents a 0.9 percent increase over the 2017 population figure.

Contra Costa County is also relatively affluent. As estimated by the Association of Bay Area Governments (ABAG), in their latest publication, Projections 2016 (data sourced from the most recent 2010-2014 U.S. Census Bureau), the mean household income was estimated at \$107,290 for 2014 and expected to increase. Major employment is found in management, business, science, and arts occupations, service occupations, and sales and office occupations, which together account for 84 percent of the total employment in the County.

According to the California Economic Development Department, the unemployment rate for Contra Costa County was 3.0 percent as of December 2018 (most recent available), which is a slight decrease from 3.2 percent a year prior. This is based on a labor force of 578,800 with 17,200 unemployed. According to

# REGIONAL MAP



the California State Employment Development Department, the unemployment figure for the State of California for December 2018 was 4.1 percent. The unemployment rate for Contra Costa County has been lower than the average for the state and national range over the past several years.

**B. City of Richmond**

North Richmond is located adjacent to the City of Richmond and is situated within the City of Richmond's sphere of influence. The city of Richmond was incorporated in 1905 and has historically been industrially oriented. The city benefitted from its deep harbors, which have been used for shipping port terminals, and had one of the largest wartime shipbuilding yards during World War II. These shipyards were closed in 1945, but industrial development continued to occupy vacated shipyard buildings along the waterfront.

In general, land uses in the city are characterized by older industrial and residential neighborhoods. The location of the city resulted in its development as an industrial transportation hub. Shipping and railroad access have created extensive industrial development along the southern and western portions of Richmond. These older uses are now slowly being redeveloped to commercial, light industrial and residential uses.

The city of Richmond is situated in the western portion of Contra Costa County. As of January 1, 2018, the population of the city was estimated at 110,967 according to the California State Department of Finance. The population increased 0.8 percent from a year prior.

In terms of income and employment, Richmond reflects levels below that of Contra Costa County as a whole. As of December 2018 (most recent available) the City of Richmond had an unemployment rate of 3.4 percent, a slight decrease from 3.5 percent year over year. This is slightly higher than the Contra Costa County average of 3.0 percent. Richmond's median household income is \$57,107 according to the 2012-2016 American Community Survey, which is significantly lower than the County wide median income of \$82,881.

Richmond has the highest level of manufacturing employment in the county. There are over 300 manufacturing plants in the Richmond area. The major industry in the area is petroleum products and petrochemicals. Chevron USA and Kaiser Permanente are the major non-public employers in the area. Other significant industries are steel fabrication, shipping and warehousing. Heavy industrial and manufacturing uses remain an important component of the Richmond economy although the number of these heavy industrial uses has generally been declining over the past few decades.

The Hilltop Mall shopping center contains anchor tenants such as Macys and Sears department stores, and Wal-Mart. Although the shopping center has been struggling

given the decline in retail sales, the shopping center was recently purchased, and the owners plan to redevelop the center with a movie theater, food hall, entertainment related tenants, a supermarket, a 24-hour Fitness and multifamily residential units.

Richmond is well served by the Bay Area transportation facilities. Interstate 80 runs predominantly north-south through the eastern portion of the city. Interstate 580 extends west through Richmond and across the Richmond/San Rafael bridge. The Hoffman Expressway, connecting Interstates 580 and 80, greatly enhances access between Richmond and Marin County to the west. The Richmond Parkway connects with the Richmond/San Rafael Bridge in the southwestern part of the city. This thoroughfare connects Interstate 80 in the northern portion of the city with Interstate 580 and continues to the Richmond/San Rafael bridge near Point Richmond. The city is also served by BART rail service and the County Connection public bus service.

On January 10, 2019 the City of Richmond expanded their trans-bay transportation options by opening a ferry service between the Richmond Ferry Terminal and the San Francisco Ferry Building. The new ferry terminal is located in south Richmond, adjacent to the Richmond Marina Bay and the Harbor Channel. Transit time between Richmond and San Francisco is reportedly 35 minutes, with four runs during morning and evening commute hours. The new \$20 million-dollar terminal at Harbour Way South is proving popular with ridership exceeding expectations. The ferry terminal is also seen as a trigger for economic development as there is new housing projects underway in this area as well as planned restaurants and services.

### ***North Richmond***

The subject is located in North Richmond, which is located within unincorporated West Contra Costa County. Contra Costa County currently provides municipal government services to unincorporated North Richmond, including public works, planning, law enforcement, and fire services. North Richmond is governed by the County of Contra Costa and a community council known as the North Richmond Municipal Advisory Council.

Annexing North Richmond into the City of Richmond has been discussed in recent years, however as reported by the East Bay Times, efforts have stalled as North Richmond residents have “overwhelmingly expressed that they didn’t want the community to be incorporated by the city.” Per the article by the East Bay Times: “The chief concern among North Richmond residents was having to pay more in taxes and fees, Richmond city officials said. If the 3,717-person community were annexed, property taxes would rise \$140 per \$100,000 of a home’s assessed value. North Richmond residents would also have to pay a 1-percent higher sales tax, from the current 8.25 percent to 9.25 percent, and a utility users’ tax that would be 5 to

10 percent higher.” Consequentially, annexation efforts have been halted for the time being.

North Richmond is developed with a mix of industrial uses east of the Richmond Parkway and vacant land west of the Parkway. Residential uses are situated in the central portion between Wildcat Creek to the north, Richmond Parkway to the west and south, and the railroad tracks to the east (parallel to Rumhill Boulevard to the east). Commercial uses are located generally to the south, near Richmond Parkway and 7<sup>th</sup> Street, and west of 6<sup>th</sup> Street. There is a general lack of neighborhood serving retail in North Richmond, and the national grocery store chains are mostly located to the west in the City of San Pablo or to the South in the City of Richmond.

Overall, North Richmond is generally underserved due to its status as an unincorporated portion of Contra Costa County. The majority of the Contra Costa County vital municipal services are located twenty miles to the east in Martinez, resulting in large service gaps. Annexation into the City of Richmond was suggested as a way to provide better service to the area, however North Richmond residents recently voted against annexation due to tax and budget concerns.

Public transportation access in North Richmond is provided via two main buses that run along Third Street and a North Richmond Shuttle. Freeway access to and from Interstate 580 and Interstate 80 is good. Richmond Parkway is a major thoroughfare with two to three lanes in each direction, signalized intersections and limited access from adjoining properties.

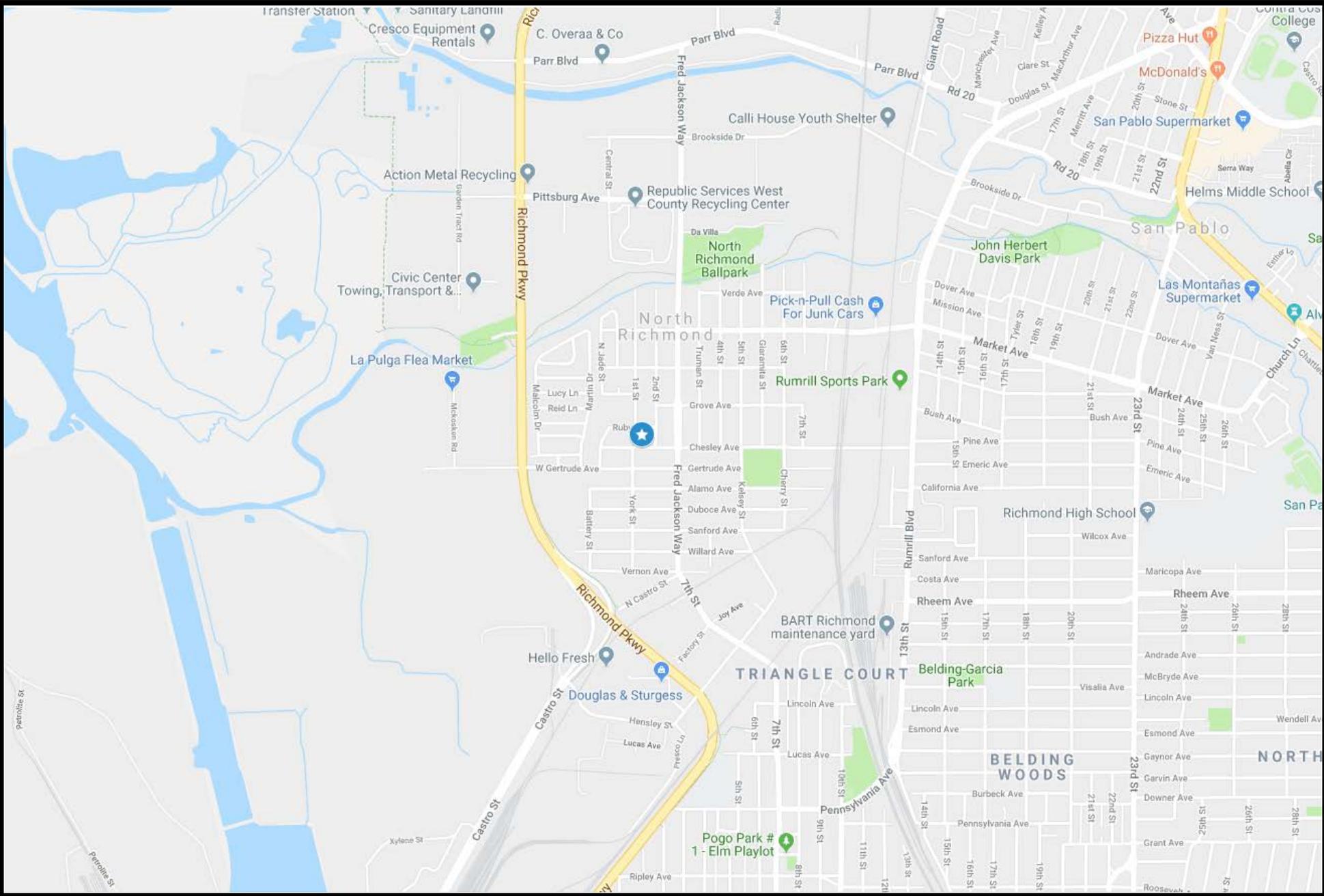
### **C. Neighborhood Description and Environs**

The subject is part of the Las Deltas public housing project which currently contains a total of approximately 178 units. The project was originally built in the 1950s and 1960s to provide low cost rental housing and was developed with 244 units. The property is older and in poor to fair condition.

The subject property is located in an unincorporated portion of West Contra Costa County, in North Richmond. The subject neighborhood is roughly bordered by Wildcat Creek to the north, Richmond Parkway to the west and south, freight train spur tracks to the south, and Amtrak train tracks to the east (east of 7<sup>th</sup> Street). The subject neighborhood is primarily residential and comprised of single-family residences and multifamily uses. Nearby commercial uses are limited to two small neighborhood market with more commercial uses located in neighboring communities of Richmond and San Pablo.

To the north of the neighborhood is mostly vacant land that is interspersed with industrial uses such as recycling centers and towing yards. To the south of the subject neighborhood is industrial use with large warehouses. At the eastern border of the neighborhood is Annie’s Annual and Perennials nursery located off of Market Avenue to the east of 7<sup>th</sup> Street as well as other industrial buildings. To the

# NEIGHBORHOOD MAP



east of the neighborhood across the train tracks is also mostly residential, with some commercial uses and grocery stores located along Rumhill Boulevard.

To the immediate west of the subject is a newer home development called Bella Flora. Homes in this development range in size from approximately 1,475 to 2,067 square feet and were built from 1990 to 2006. The average lot size of the development is approximately 2,600 to 4,000 square feet square feet. Most recently homes have sold in this development between \$550,000 and \$575,000. Based on Redfin the median list price for homes in the Bella Flora development is approximately \$566,500 or \$281 per square foot.

The subject's Walkscore ([www.walkscore.com](http://www.walkscore.com)) is 43, which is a "Car Dependent", indicating that most errands require a car. It also has a Transit Score of 30 which indicates that while there is some transit, there are only a few nearby public transportation options. Walk Score uses a proprietary algorithm to measure the proximity of a property to basic services.

The outlook for the area is transitional, with older structures in the area slowly being replaced or renovated with new residential homes.

### **III. MARKET OVERVIEW**

#### **A. Contra Costa County Residential Market Trends**

The subject property is comprised of duplexes and is located in North Richmond. As an unincorporated part of Contra Costa County, precise market statistics were limited for the subject neighborhood. However, the subject is located within the sphere of influence of the City of Richmond, and adjacent to the City of San Pablo.

The subject is located in North Richmond, in an area roughly bounded by Richmond Parkway to the west, Wildcat Creek to the North, Rumhill Boulevard to the east, and Gertrude Avenue to the south. According to data sourced from Paragon MLS, there were a total of 26 listings in the primary subject market area in 2018. Listings spent an average of 35 days on the market, with the longest time on market recorded as 210 days. Of the 26 listings, 20 homes sold. List prices ranged from \$246,000 to \$609,950 equating to an average list price of \$434,894 or a median list price of \$409,000. Sales prices ranged from \$225,000 to \$585,000. This equates to an average sales price of \$435,062 and a median sales price of \$439,000.

The above data includes sales of the homes located within the Bella Flora development, located west of Martin Drive, which was built in 1990 – 2006, and is comprised of newer, larger homes. Excluding the sales of the homes within the Bella Flora development, there have been 16 listings in the subject neighborhood in 2018. Listing prices ranged from \$246,000 to \$445,000, equating to an average list price of \$358,337 and a median list price of \$369,500. Of the 16 listings there were 11 sales, ranging from \$225,000 to \$475,000. This equates to an average sales price of \$353,437 and a median sales price of \$365,000. The sales were on the market for an average of 28 days.

In 2019, year to date, there has been one sale and one pending sale in the subject neighborhood. The pending sale is listed at \$369,000 and the sale property sold for its listing price of \$260,000.

The table below summarizes the average sales price for the subject and adjacent neighborhoods, according to market statistics provided by the Contra Costa County Association of Realtors. The subject is located in both the “Richmond – North & East” neighborhood, as well as the “Richmond North & West/Parchester” neighborhood.

Neighborhood	Single-Family			Townhouse-Condo		
	Jan 2018	Jan 2019	% Change	Jan 2018	Jan 2019	% Change
Richmond - El Sobrante	\$ 682,154	\$604,160	-12.9%	\$335,263	\$ -	N/A
Richmond - Hilltop/College	\$ 516,543	\$472,500	-9.3%	\$388,609	\$399,500	2.7%
Richmond View	\$ 714,812	\$687,250	-4.0%	\$ -	\$ -	N/A
Richmond - North & East	\$ 525,293	\$ 482,125	-9.0%	\$ -	\$ -	N/A
Richmond North & West/Parchester	\$ 406,354	\$ 433,167	6.2%	\$ 417,212	\$ -	N/A
Richmond - South	\$ 427,496	\$ 421,400	-1.4%	\$ 416,250	\$ -	N/A
Richmond - Point/Bayfront	\$ 976,193	\$ -	N/A	\$ 533,461	\$ 546,143	2.3%
Richmond - Annex	\$ 638,156	\$ 500,000	-27.6%	\$ -	\$ -	N/A
Richmond - Country Club	\$ 651,539	\$ -	N/A	\$ -	\$ -	N/A

As shown on the above table, single family home sales in the subject’s CCAR neighborhood are on the low end of the range, with average sale prices ranging from \$406,000 to \$525,000.

In the Richmond North & West/Parchester neighborhood, there were a total of 21 new listings and 12 closed sales in 2018 of detached single-family houses. The average sales price was reportedly \$394,834, which is well below the Contra Costa County average. There was an average 24 days on market until sale. There were 2 total attached townhouse-condo listings in the neighborhood in 2018 with no closed sales.

The subject is far below the county average in terms of sales. The Contra Costa County Association of Realtors (CCAR) reports that there 7,047 active listings of single-family homes in Contra Costa County in 2018, and 2,243 listings of townhouses/condos. Of those listings, there were a total of 4,781 closed sales of single-family homes in 2018, as compared to 2,073 sales of townhouses/condos.

According to Zillow, the median home price in the City of Richmond is \$529,700 as of January 2019. Home values have gone up 11.3 percent over the past year and Zillow predicts they will rise 8.4 percent within the next year. The median list price per square foot in the City of Richmond is \$426. The median price of homes currently listed in the City of Richmond is \$499,000, while the median price of homes that sold is \$532,800. The median rent price in the City of Richmond is \$2,600.

Overall, relatively little product has sold in the past few years in the subject immediate neighborhood, at prices far below the metro and county averages.

**B. Residential Construction Trends**

The subject is located in North Richmond, in unincorporated Contra Costa County, however as stated above, it is located within the City of Richmond’s sphere of influence. Historically, North Richmond area has seen limited new development

due to its peripheral location and weak demographics. While the greater East Bay market has seen spikes in demands, the subject is located in the North Richmond, which due to its longer commute has remained relatively affordable. CoStar reports that “limited demand has caused development in the [subject Richmond/Martinez] submarket to lag behind that in other parts of the East Bay.” According to CoStar, the subject’s Richmond/Martinez submarket, “marks the far northeast boundary of the East Bay Metro and comprises a mix of industrial cities and bedroom communities. The submarket lacks the wealth or urban amenities of popular neighbors to the immediate south, but recently saw its first developments since before the recession.”

The City of Richmond, however, has seen an influx of new development as a result of increasing demand for housing in the larger East Bay market. While the Richmond area has always been a peripheral location due to its distance from San Francisco and general commute difficulties, on January 10, 2019 the City of Richmond expanded their trans-bay transportation options by opening a ferry service between the Richmond Ferry Terminal and the San Francisco Ferry Building. The new ferry terminal is located in south Richmond, adjacent to the Richmond Marina Bay and the Harbor Channel. Transit time between Richmond and San Francisco is reportedly 35 minutes, with four runs during morning and evening commute hours. This is expected to draw commuters who would have otherwise shunned the hour-long vehicular commute from Richmond into San Francisco and have been priced out of other Bay Area markets.

Currently, the City of Richmond has several major projects active in their residential pipeline. There are three major projects under construction in Richmond. The NOMA project by William Lyon Homes is located at 830 Marina Way South and will contain approximately 197 townhomes and Live/Work units, as well as a 3,000 square foot business incubator, fitness center and parking. The Terraces at Nevin (located at Nevin Avenue between 21<sup>st</sup> and 23<sup>rd</sup> Streets) is a multifamily residential project of (2) six-story apartment buildings with a total of 289 units. The Waterline, located between Canal Boulevard and Seacliff Drive in southern Point Richmond, is comprised of (60) market rate two- and three-bedroom flats and townhomes.

Richmond currently has three currently approved major projects as well: the Miraflores Residential Development located in Park Plaza adjacent to East Richmond, has been approved for 190 units; the Quarry Residential Project has been approved for 200 new condos; and Latitude at 1500 Dornan Drive has been approved for 295 condos, 21 single family homes, 2,000 square feet of retail space and a 1.9 acre shoreline park. There are four other major projects currently proposed as well. The 12<sup>th</sup> and Macdonald development has been proposed for 256 units and approximately 25,000 square feet of commercial space. Marina Way South Residential Project by New West Communities has proposed 399 units and 1,800 square feet of retail space. Richmond Central is an affordable housing development

proposed for 172 below market rate apartments. The Point Molate Development is still under discussion but is expected to dramatically redevelop the 266-acre site.

There is very little current or recent development in the North Richmond neighborhood. Richmond currently has one multifamily affordable project under construction, Heritage Point Development. The \$27 million-dollar project is located at 1500 Fred Jackson Way and will consist of a four story, 42 multifamily units with approximately 4,500 square feet of commercial space. It is proposed to be completed by late 2019 and is situated across from the Community Heritage Senior Apartments. The project is being developed by Community Housing Development Corporation (CDHC) in conjunction with the Contra Costa Housing Authority.

Overall, the demand for housing in the East Bay remains strong, and the subject's submarket is expected to benefit from the overall demand as more centralized areas become more expensive.

**C. Conclusion**

The Contra Costa County and Richmond housing and rental market is relatively stable, with moderate gains in rents and low, relatively level vacancy rates. From a supply perspective, there are new developments in the pipeline in the greater subject market area. Demand in the greater East Bay has grown, and Richmond is expected to benefit from the overflow. However, North Richmond has limited new product coming online in the near future, and their status in unincorporated Contra Costa County has led to municipal service gaps that have discourage prospective buyers. Long term, the outlook is good that steady demand will continue for market rate housing and rental units.

#### **IV. PROPERTY DATA AND ANALYSIS**

##### **A. Site Description**

The subject property consists of 5 contiguous parcels that are part of the Las Deltas Family Project in North Richmond. The subject parcels are situated on the blocks bounded by North Jade Street to the west, Warren Drive/Wildcat Creek to the north, Harrold Street/Warren Drive to the east and Silver Avenue to the south. The Subject Identification Table on the following page lists the subject properties and notes the lot area, the condition of the existing improvements on the parcel, street address and unit identification number as well as the comments.

The subject lots range in size from 22,608 to 74,488 square feet, or from 0.52 to 1.71 acres. Parcels 1, 3 and 4 are generally regular in shape, while Parcel 2 is comprised in an irregular “U” shape with an abutment in the upper northeast portion. Parcel 2 is located immediately south of Wildcat Creek. Parcel 5 is bounded by Warren Drive on three sides, and Market Avenue to the south. The topography of the parcels is generally level. The parcels are divided by North Jade Street, Warren Drive, Market Avenue, Harrold Street and Silver Avenue. The streets are improved with sidewalks, curbs and gutters. All utilities are available to the sites.

The immediate environs include vacant lots as well as poor to fair quality single family homes and duplexes. Many of the units are under the same ownership as the subject property. Other homes are privately owned and there are several churches in the area. Uses east of Seventh Street are typically industrial.

##### **B. Environmental Observations**

An environmental assessment of the subject property was not provided. Upon inspection of the subject property, the appraisers did not observe any evidence of toxic contamination on the property. This appraisal assumes that the site and improvements are free of toxic contaminants. The reader is referred to the limiting condition to this effect in chapter one of this report.

##### **C. Flood Zone and Seismic Information**

According to Flood Map 06013C0228G, dated September 30, 2015, the subject is located in Flood Zone X, an area that is determined to be outside the 100- and 500-year floodplains.

The subject property is not located in the Alquist Priolo zone. According to governmental geological evaluations, the entire San Francisco Bay Area is located in a seismic zone. No active faults are known to exist on the subject property. Inasmuch as similar seismic conditions generally affect competitive properties, no adverse impact on the subject property is considered.

**SUBJECT IDENTIFICATION TABLE**  
 Appraisal of 5 Parcels within the Las Deltas Family Project  
 CA009A - Annex 1  
 North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition	Unit Size (SF)	Unit Type Total Bldg SF	Comments
1	409-210-025-6	526 Silver Avenue	526	27,878	ML	P-1	3BD/1.5 BA-Boarded Up	935	Duplex	West side of Jade Street between Market and Silver Avenues 4 Duplexes
		1721 N Jade Street	527		ML	P-1	4BD/1.5 BA- Boarded Up	1,155	2,090	
		1735 N Jade Street	528		ML	P-1	3BD/1.5 BA- Boarded Up	935	Duplex	
		1745 N Jade Street	529		ML	P-1	3BD/1.5 BA-Boarded Up	935	1,870	
		1755 N Jade Street	530		ML	P-1	3BD/1.5 BA- Occupied	935	Duplex	7,700 SF of bldg area
		1765 N Jade Street	531		ML	P-1	3BD/1.5 BA- Boarded Up	935	1,870	
		1775 N Jade Street	532		ML	P-1	3BD/1.5 BA- Boarded Up	935	Duplex	
		20 Market Avenue	533		ML	P-1	3BD/1.5 BA-Boarded Up	935	1,870	
2	409-210-026-4	20 Market Avenue	534	74,488	ML	P-1	2BD/1 BA- Boarded Up	770	Duplex	Warren Drive 10 Duplexes
		1815 Warren Drive	535		ML	P-1	2BD/1 BA- Boarded Up	770	1,540	
		1821 Warren Drive	536		ML	P-1	1BD/1BA -Boarded Up	578	Duplex	12,520 SF of bldg area
		1823 Warren Drive	537		ML	P-1	1BD/1BA- Boarded Up	578	1,156	
		1827 Warren Drive	538		ML	P-1	1BD/1BA - Boarded Up	578	Duplex	
		1829 Warren Drive	539		ML	P-1	1BD/1BA- Boarded Up	578	1,156	
		1833 Warren Drive	540		ML	P-1	1BD/1BA- Boarded up	578	Duplex	
		1835 Warren Drive	541		ML	P-1	1BD/1BA-Boarded Up	578	1,156	
		1839 Warren Drive	542		ML	P-1	1BD/1BA - Boarded Up	578	Duplex	
		1841 Warren Drive	543		ML	P-1	1BD/1BA- Boarded Up	578	1,156	
		1845 Warren Drive	544		ML	P-1	1BD/1BA-Boarded Up	578	Duplex	
		1847 Warren Drive	545		ML	P-1	1BD/1BA-Boarded Up	578	1,156	
		1851 Warren Drive	546		ML	P-1	1BD/1BA -Boarded Up	578	Duplex	
		1853 Warren Drive	547		ML	P-1	1BD/1BA -Boarded Up	578	1,156	
		1857 Warren Drive	548		ML	P-1	1BD/1BA -Boarded Up	578	Duplex	
		1859 Warren Drive	549		ML	P-1	1BD/1BA -Boarded Up	578	1,156	
1863 Warren Drive	550	ML	P-1	1BD/1BA-Boarded Up	578	Duplex				
1865 Warren Drive	551	ML	P-1	2BD/1 BA-Boarded Up	770	1,348				
1869 Warren Drive	552	ML	P-1	2BD/1 BA- Boarded Up	770	Duplex				
51 Market Avenue	553	ML	P-1	2BD/1 BA- Boarded Up	770	1,540				
3	409-210-020-7	50 Market Avenue	554	28,750	ML	P-1	4BD/1.5 BA - Boarded Up	1,155	Duplex	East Side of Harold Street between Market and Silver Avenues 4 Duplexes
		1768 Harrold Street	555		ML	P-1	3BD/1.5 BA - Boarded Up	935	2,090	
		1758 Harrold Street	556		ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex	
		1748 Harrold Street	557		ML	P-1	3BD/1.5 BA -Boarded Up	935	1,870	
		1738 Harrold Street	558		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	Duplex	7,398 SF of bldg area
		1728 Harrold Street	559		ML	P-1	3BD/1.5 BA -Boarded Up	935	2,090	
		1714 Harrold Street	560		ML	P-1	2BD/1BA - Boarded Up	770	Duplex	
51 Silver Avenue	561	ML	P-1	1BD/1BA-Boarded Up	578	1,348				
4	409-210-021-5	41 Silver Street	562	59,677	ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex	Block bounded by Market and Silver Avenues and Harrold and Jade Streets 8 Duplexes
		1719 Harrold Street	563		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	2,090	
		1733 Harrold Street	564		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	Duplex	
		1743 Harrold Street	565		ML	P-1	4BD/1.5 BA -Boarded Up	1,155	2,310	
		1753 Harrold Street	566		ML	P-1	2BD/1BA- Boarded Up	770	Duplex	
		1763 Harrold Street	567		ML	P-1	2BD/1BA - Boarded Up	770	1,540	
		1773 Harrold Street	568		ML	P-1	2BD/1BA- Boarded Up	770	Duplex	
		40 Market Avenue	569		ML	P-1	3BD/1.5 BA -Boarded Up	935	1,705	
		30 Market Avenue	576		ML	P-1	3BD/1.5 BA - Boarded Up	935	Duplex	15,400 SF of bldg area
		1772 Jade Street	577		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	2,090	
		1762 N Jade Street	578		ML	P-1	4BD/1.5 BA - Boarded Up	1,155	Duplex	
		1752 N Jade Street	579		ML	P-1	3BD/1.5 BA - Boarded Up	935	2,090	
		1742 N Jade Street	580		ML	P-1	3BD/1.5 BA - Boarded up	935	Duplex	
		1732 N Jade Street	581		ML	P-1	3BD/1.5 BA- Boarded Up	935	1,870	
1722 N Jade Street	582	ML	P-1	2BD/1BA- Boarded Up	770	Duplex				
33 Silver Avenue	583	ML	P-1	3BD/1.5 BA- Boarded Up	935	1,705				
5	409-210-011-6	41 Market Avenue	570	22,608	ML	P-1	2BD/1BA- Boarded Up	770	Duplex	Block bounded by Warren Drive and Market Avenue 3 Duplexes
		1868 Warren Drive	571		ML	P-1	2BD/1BA- Boarded Up	770	1,540	
		1836 Warren Drive	572		ML	P-1	2BD/1BA- Boarded Up	770	Duplex	
		1832 Warren Drive	573		ML	P-1	2BD/1BA- Boarded Up	770	1,540	Fire Damaged
		1814 Warren Drive	574		ML	P-1	2BD/1BA-Boarded Up	770	Duplex	
		31 Market Avenue	575		ML	P-1	2BD/1BA- Boarded Up	770	1,540	

213,401 SF  
 4.90 Acres

1) Site area based on public records.

Property 9A BR Size	BD Count	SF	Total SF
1	16	578	9,248
2	16	770	12,320
3	18	935	16,830
4	8	1,155	9,240
4- SF	0	1,155	0
	58		47,638

29 Duplexes

**D. Zoning Designation**

The subject properties are located in Contra Costa County within the North Richmond Redevelopment Area and although the Redevelopment Agency has been dissolved, the guidelines are still applicable. The subject property has a General Plan land use designation of Multiple Family Residential Low Density, (ML). The General Plan land use designation allows between 7.3 to 11.9 units per net acre. The minimum lot size is 10,000 square feet. Primary land uses include attached single-family residences such as duplexes or duets, multiple family residential such as condominiums, apartments, mobile home parks. Secondary land uses allowed include churches, small residential care and child care facilities.

The subject has a zoning designation of Planned Unit District (P-1) within the North Richmond Area. This zoning designation is meant to provide *“a large-scale integrated development or a general plan special area of concern provides an opportunity for, and requires cohesive design when flexible regulations are applied; whereas the application of conventional regulation, designed primarily for individual lot development, to a large-scale development or special area may create a monotonous and inappropriate neighborhood. The planned unit district is intended to allow diversification in the relationship of various uses, buildings, structures, lot sizes and open space while insuring substantial compliance with the general plan and the intent of the county code in requiring adequate standards necessary to satisfy the requirements of the public health, safety and general welfare. These standards shall be observed without unduly inhibiting the advantages of large-scale site or special area planning.”*

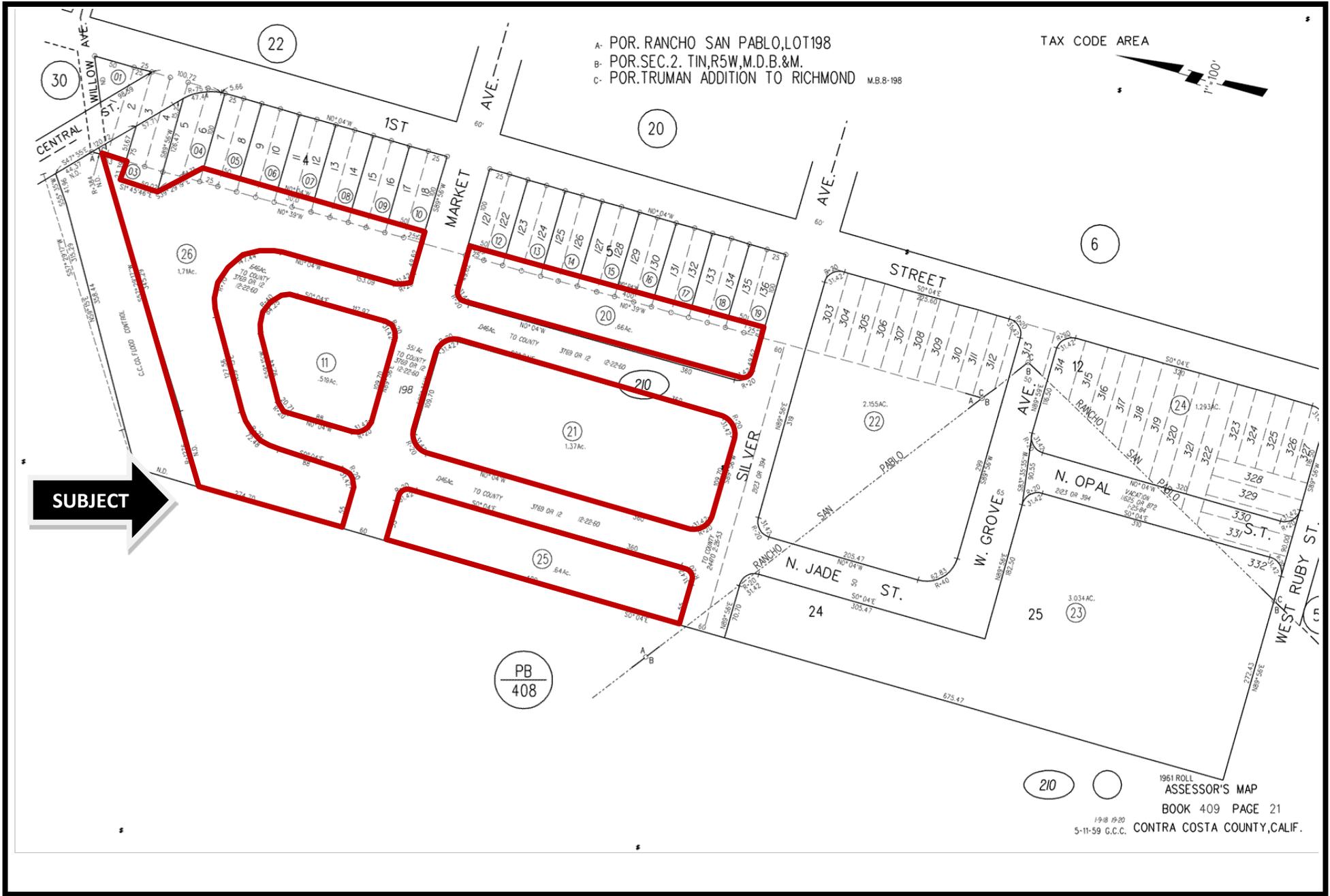
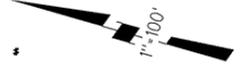
This zoning district allows the following permitted uses; a) any land uses with final plan approval for development which are in harmony, serve to fulfill the function of the development, and consistent with the General Plan; b) detached single-family dwelling on each legally established lot with the accessory structures and uses normally auxiliary to it. Allowed uses also include duplexes, secondary units, and child care for less than 12 children. Based on the North Richmond Redevelopment Plan area development guidelines, single family lots require a minimum of 4,500 square feet, a duplex requires 7,000 square feet and a multi-family project requires a minimum lot area of 10,000 square feet. The maximum building height is 30 feet or two stories.

Interim uses are also allowed under this zoning designation where no preliminary development plan is approved. These include any nonconforming use existing at the time of the establishment of the P-1 District which may be repaired, rebuilt, or enlarged. Administrative use permits can also be granted. The subject property is currently zoned P-1 and has a General Plan of Multiple Family Residential Low Density. Any planned development would need to be reviewed by the County Planning Department and a Development Permit is required for residential

# PARCEL MAP

- A. POR. RANCHO SAN PABLO, LOT 198
- B. POR. SEC. 2. T1N, R5W, M.D.B. & M.
- C. POR. TRUMAN ADDITION TO RICHMOND M.B. & 198

TAX CODE AREA



**SUBJECT** →

PB  
408

210

1961 ROLL  
ASSESSOR'S MAP  
BOOK 409 PAGE 21  
1918 1920  
5-11-59 G.C.C. CONTRA COSTA COUNTY, CALIF.

construction over three units. The subject parcels currently appear to be legally conforming uses.

**E. Easements and Restrictions**

The appraisers were not provided with a preliminary title report for the subject property. Inspection of the property and review of the parcel maps indicated that there are several public utility easements affecting the subject parcels, which is common for this type of property. None of the noted easements or restrictions appear to adversely impact the utility or marketability of the subject property.

The subject property is currently owned by the Housing Authority of Contra Costa County. The subject is potentially affected by regulatory agreements recorded on the site which restrict the development and/or use. This appraisal assumes that there are no rent restrictions encumbering the subject property.

**F. Ownership and Sales History**

The appraisers were not provided with title reports for the subject parcels. According to public records, title to the subject property is currently vested in Contra Costa County Housing Authority. There have been no transfers of ownership in the past several decades.

**G. Assessed Valuation and Real Estate Taxes**

Under California property tax laws instituted by the passage of Proposition 13, property taxes can only be increased a maximum of two percent annually unless a property is sold, or additional value is added through new construction or alteration. Upon sale, property is taxed on the basis of one percent of the reassessed value, most often equal to the purchase price, plus existing bond indebtedness. The tax rate for the subject tax rate area for the 2018-2019 fiscal year is reportedly 1.2591 percent. The tax rate is broken down as follows:

CONTRA COSTA COUNTY 2018-2019 DETAIL OF TAX RATES						
TAX RATE AREA	TRA RATE	DESCRIPTION	SPECIAL RATE	DISTRICT RATE	GROUP RATE	TRA RATE
85075	1.2591	COUNTYWIDE TAX		1.0000	1.0000	
		BART		0.0052		
		BART BOND 2016		0.0018		
		BART			0.0070	
		EAST BAY REG PK BD		0.0021	0.0021	
		WEST CC UNIF BD 98		0.0047	0.0047	
		WCC UNIF BOND 2000		0.0183		
		WCCUSD 2002 BOND		0.0600		
		WCC UNIF BOND 2005		0.0600		
		WCCUSD 2010 BOND		0.0480		
		WEST CONTRA COSTA UNIF			0.2390	
		WCCUSD 2012 BOND		0.0480	0.0480	
		COMM COLL 2002 BND		0.0030		
		COMM COLL 2006 BND		0.0065		
COMM COLL 2014 BND		0.0015				
COMMUNITY COLLEGE				0.0110	1.2591	

# AERIAL MAP



For the current 2018-2019 tax year, the subject parcels have total assessed values and property taxes as follows:

	Subject	Land	Improvements	Tax Rate	Gross Value	Special	Total
1	409-210-025-6	\$ 34,443	\$ 127,618	0%	\$ 162,061	\$ 8,534	\$ 8,534
2	409-210-026-4	\$ 86,161	\$ 232,691	0%	\$ 318,852	\$ 9,036	\$ 9,036
3	409-210-020-7	\$ 34,443	\$ 123,654	0%	\$ 158,097	\$ 8,534	\$ 8,534
4	409-210-021-5	\$ 68,919	\$ 256,836	0%	\$ 325,755	\$ 8,534	\$ 8,534
5	409-210-011-6	\$ 25,816	\$ 81,417	0%	\$ 107,233	\$ 8,534	\$ 8,534
<b>TOTAL</b>		<b>\$ 249,782</b>	<b>\$ 822,216</b>		<b>\$ 1,071,998</b>	<b>\$ 43,172</b>	<b>\$ 43,172</b>

Source: Contra Costa County Tax Collector

The subject property has received an exemption for 99% of the total assessed value of the land and improvements from ad valorem taxes due to the non-profit management/ownership of the subject. However, the special assessments are not exempt and total \$43,172. The special assessments include West County Wastewater District Sewer Charges. According to the County Tax Collector, as of the date of this appraisal, all taxes due have been paid in full.

#### **H. Description of Existing Improvements**

The subject consists of 5 contiguous parcels and is improved with 29 duplexes, or 58 units. The subject dwelling units are of wood frame construction on concrete slabs with stucco exteriors. The units have gas wall heaters, and the windows are single pane aluminum frame. The interior finishes of the units consist of vinyl flooring and drywall. The one-bedroom units contain 578 square feet. The two-bedroom units contain approximately 770 square feet, the three-bedroom units have 935 square feet and the four-bedroom units consist of 1,155 square feet. The units have a dryer connection and a connection for a washing machine in the kitchen area. The roofing is tar and gravel. The duplexes have a concrete driveway for parking one vehicle at each unit. The duplexes have rear yard with cyclone fencing and a concrete patio.

The existing condition of the units are noted on the Subject Identification Table on the preceding page. The subject units were built in 1959 and are generally in very poor condition. The majority of the units are currently boarded-up and uninhabitable. Many of the units have been gutted. Of the 58 units, approximately one unit is currently occupied, and the other 57 units are vacant.

Many of the units have been vandalized with copper piping and wiring removed. Most of the water heaters appear to have been damaged and some water damage observed from broken pipes. Walls have been damaged and in some cases the ceiling has been partially opened. The vacant units are typically boarded-up to prevent squatters or additional damage. The front and rear doors have been removed by VPS (the vacant property security system). Several of the units have been damaged by fire.

## SUBJECT PHOTOGRAPHS



1832 Warren Drive



1829 Seventh Street



1714 Harrold Street



1835 Warren Drive

## SUBJECT PHOTOGRAPHS



1827 Warren Drive



1815 Warren Drive



20 Market Avenue



40 Market Avenue

## SUBJECT PHOTOGRAPHS



1763 Harrold Street



1719 Harrold Street



1733 Harrold Street



1722 North Jade Street

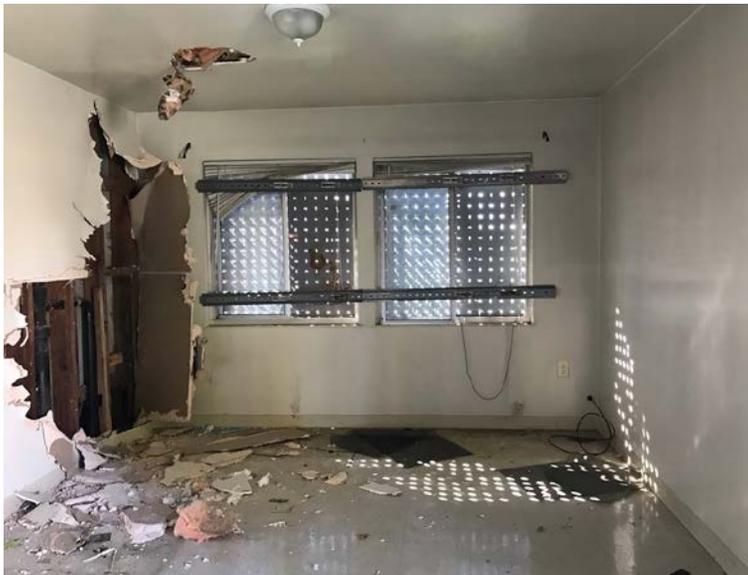
## SUBJECT PHOTOGRAPHS



1722 N Jade Street Interior



1722 N Jade Street Interior



1722 N Jade Street Interior



1722 N Jade Street Interior

## SUBJECT PHOTOGRAPHS



1853 Warren Drive

*Estimated Costs of Renovation*

The majority of the units are currently boarded-up and uninhabitable. The vacant units are typically boarded-up to prevent squatters or additional damage. However, in many cases the units have been broken into and there has been additional damage. Essentially the units will need to be completely gutted and renovated to become occupiable. In 2014 the subject property representative indicated that the costs to repair vacant units ranged from \$25,000 to \$90,000 depending of the level of renovation needed and if there was structural damage. These costs have only increased over the past five years.

The appraiser acknowledges that the costs to renovate a residential unit can vary greatly depending on the type of buyer such as an owner user, institutional or speculator, as well as the ultimate scope of the renovation. According to EMG which completed a Physical Needs Assessment for a portion of Las Deltas, on December 2018, the estimated base cost for the renovation of the residential units was approximately \$120,000 per unit. Including contractor fees of 15 percent, the cost is approximately \$138,000 per unit. These costs did not include roof replacement, parking upgrades or ADA installations.

Discussions with broker in the market area indicated that the costs to gut renovate a red tagged single family home in San Pablo was estimated by a contractor at a cost of \$140,000. The home contained 1,100 square feet and had two bathrooms. Other information provided to the appraiser by contractors indicated costs in the range of \$100,000 to \$120,000 per unit based on two bathrooms and an average three-bedroom unit of approximately 1,000 square feet.

The subject contains approximately 47,638 square feet of improvements, with an average unit size of 821 square feet. Based on our research as well as discussions with brokers and other active participates in the real estate market, a benchmark renovation cost of \$120 per square foot is concluded. This cost is applied to all of the units at the subject as they all require renovation.

**I. Conformance to American Disabilities Act (ADA)**

An ADA compliance survey was not provided for review, nor was one performed by the appraiser. The reader is directed to the limiting condition in Chapter I of this report, which states that any effect on value of potential ADA noncompliance has not been considered in this appraisal.

**V. HIGHEST AND BEST USE AND VALUATION METHODOLOGY**

**A. Highest and Best Use**

The highest and best use is that use, from among reasonably probable and legal alternative uses, found to be legally permissible, physically possible, financially feasible, and which results in the highest land value.

The four criteria the highest and best use must meet are physical possibility, legal permissibility, financial feasibility, and maximum productivity. Analysis of the subject's highest and best use is made as if the site were vacant, and as improved with the existing improvements.

**1. As-If Vacant**

**a) Physically Possible**

The subject neighborhood contains primarily residential structures as well as vacant lots. The subject consists of 5 contiguous parcels that range from 22,608 to 74,488 square feet. The site sizes are sufficient to support a variety of residential development. Overall, physical characteristics do not limit the highest and best use of the subject site.

**b) Legally Permissible**

The subject properties have a General Plan designation of Multiple Family Residential- Low Density (ML) and are zoned Planned Unit (P-1). Duplexes or attached residential or apartment uses are the primary zoning for the subject properties with secondary uses allowed of residential care and child care facilities as well as churches. Based on the legal parameters, with consideration given to conformance with the surrounding neighborhood, the highest and best use of the subject property, as if vacant, appears to be low density multifamily residential development.

**c) Financially Feasible**

The subject sites are located in a weak residential market area in the unincorporated area of North Richmond, Contra Costa County. Market conditions currently support speculative development for the subject sites. This is supported by an adjacent residential development that was built over the past 10 years. The maximum productive use is that use, from among financially feasible uses, that provides the highest rate of return or value. Therefore, the highest

and best use of the subject sites as-if vacant, is considered to be for residential development.

**d) *Maximally Productive/Highest and Best Use Conclusion***

Overall, based on these factors, the highest and best use of the subject sites as-if vacant would be for the construction of a new residential development consistent with the subject's zoning.

**2. *As-Improved***

The subject properties consist of poor quality residential duplex units that were built in the 1960s. Almost all of the subject units are vacant and most have been vandalized. As is demonstrated in the valuation chapter, given the age, condition, and quality of the units, as well as the cost to repair the improvements, the existing vacant improvements are considered to have lower value than the land and should be demolished.

The subject lots are relatively large in size and are contiguous. It is likely that the property would appeal to a developer and could be redeveloped to form a new residential subdivision. Based on these factors the highest and best use is to demolish the existing improvements and redevelop the property with a residential project.

**B. Valuation Methodology**

The valuation of any parcel of real estate is derived principally through three approaches to the market value. From the indications of these analyses, and the weight accorded to each, an opinion of value is reached. Each approach is more particularly described below.

**1. *Cost Approach***

This approach is the summation of the estimated value of the land, as if vacant, and the reproduction or replacement cost of the improvements. From these are deducted the appraiser's estimate of physical deterioration, functional obsolescence, and economic obsolescence, as observed during inspection of the property and its environs. The Cost Approach is based on the premise that, except under the most unusual circumstances, the value of a property cannot be greater than the cost of constructing a similar building on a comparable site.

**2. *Sales Comparison Approach***

This approach is based on the principal of substitution, i.e., the value of a property is governed by the prices generally obtained for similar properties.

In analyzing the market data, it is essential that the sale prices be reduced to common denominators to relate the degree of comparability to the property under appraisal. The difficulty in this approach is that two properties are never exactly alike.

**3. *Income Approach***

An investment property is typically valued in proportion to its ability to produce income. Hence the Income Approach involves an analysis of the property in terms of its ability to provide a net annual income. This estimated income is then capitalized at a market-oriented rate commensurate with the risks inherent in ownership of the property, relative to the rate of return offered by other investments.

The Sales Comparison approach is used in estimating the market value of the subject as land and as improved. A deduction is made for the repair or demolition costs to derive an as-is market value. The Cost Approach is not used, because purchasers in the subject marketplace do not give weight to this approach.

The following chapters further discuss the methodologies used in valuing the subject property.

## **VI. VALUATION BY THE SALES COMPARISON APPROACH**

The approach utilized in estimating the current market value of the subject properties is the Sales Comparison Approach. In this analysis, value is estimated by comparing the subject to similar land sites which have transferred prior to the effective date of appraisal. The index properties show characteristics which are similar to the property being appraised. The Comparable Sales Table is on the following page.

Those transactions which are considered appropriate to indexing the value of the subject parcels are summarized on the table. The prices paid for the comparable properties are shown on an absolute basis and on a price per square foot basis, which is the most common unit value used for land. In valuing the subject site, adjustments are made as necessary to each comparable for location, accessibility, functional utility, date of sale, terms of sale, and size.

For valuing the existing improvements, the prices paid for the comparables is shown on an absolute basis and per unit basis. Adjustments are made for location, age, condition, quality and size.

### **A. Presentation and Analysis of Comparable Land Sales**

The five subject parcels are relatively large and contain between 0.52 and 1.71 acres. No sales data was available for larger parcels in northern Richmond and our search was expanded to include other market areas somewhat similar to the subject property. The table on the following page show land sales in other parts of Richmond as well as listings in Vallejo and Pittsburg for multifamily land.

Land Sales 1 and 2 pertain to recent sales of entitled land in the Hilltop neighborhood and Marina Bay neighborhood of Richmond. The comparables were purchased for \$37 per square foot. Both properties are superior to the subject in terms of location and both have a higher density. In addition, both comparables are located in the City of Richmond which has superior city services. A lower price per square foot is indicated.

Land Sale 3 is an older sale of property located at 2200 Nevin Avenue in Richmond. The property consists of two parcels which are separated by 22<sup>nd</sup> Street. At the time of sale, the property was proposed for a 289 unit below market rate residential development. The property was purchased for \$24 per square foot including demolition costs. Although this is an older sale which warrants an upward adjustment for current stronger market conditions, the comparable has a superior location in the City of Richmond and a significantly higher density. The comparable supports a lower unit value for the subject parcels.

Land Sales 4 and 5 pertain to listings of properties in Vallejo and Pittsburg. Land Sale 4 is listed for sale at \$11 per square foot. This property is located on a sloping hillside and will require additional costs for site work. Land Sale 5 is listed for sale at \$21 per square foot and is a higher density site in Pittsburg. Given that this is an

**COMPARABLE RESIDENTIAL SALES**  
 Appraisal of 5 Parcels within the Las Deltas Family Project  
 CA009A - Annex 1  
 North Richmond, California

<b>#</b>	<b>Location / APN</b>	<b>Sale Date</b>	<b>Sale Price</b>	<b>Size SF/Acre</b>	<b>Price Per SF of Land</b>	<b>Zoning/ Units Allowed/Proposed Density</b>	<b>Comments</b>	<b>Grantor/ Grantee (Document#)</b>
<i>Land Sales</i>								
<b>1a</b>	<b>3151 Garrity Way</b> Richmond APN: 405-290-069	7/18	<b>\$3,500,000</b> Entitled	95,396 SF 2.19 AC	<b>\$37</b>	CR - City of Richmond 98 Units 45 Du/Acre	Located at Hilltop neighborhood Proposed for apt units. Vacant Land	Home Sweet Home LLC/ Zhangs Management Group LLC #107514
<b>1b</b>	<b>3151 Garrity Way</b>	<i>Listing</i>	<i>\$4,800,000</i> <i>Entitled</i>		\$50			
<b>2</b>	<b>830 Marina Way South</b> Richmond APN: 560-190-007-8	11/17	<b>\$16,250,000</b> Entitled	436,035 SF 10.01 AC	<b>\$37</b>	PA - City of Richmond 197 Units 20 Du/Acre	Former Industrial Site Proposed for apt units. Vacant Land	Development Solutions Seascape/ William Lyon Hms Inc. #214851
<b>3</b>	<b>2200 Nevin Avenue</b> Richmond APN: 514-090-018-3, 514-080-013	4/15	\$1,690,000 \$93,750 <b>\$1,783,750</b> Unentitled	74,813 SF 1.72 AC (1)	\$23 <b>\$24</b>	MFR-3/C-2 - City of Richmond 289 Units 168 Du/Acre	Proposed for affordable housing	Adams Carl Trust/ Affordable Housing Land Consultants #300640
<b>4</b>	<b>Tennessee Street &amp; Avian Drive</b> Vallejo APNs: 0069-430-010, various	<i>Listing</i>	<b>\$1,400,000</b> Entitled	121,968 SF 2.80 AC	<b>\$11</b>	PDR - City of Vallejo 28 Units 10 Du/Acre	Sloping hillside site	G Annas & Fatemeh Maroofi/ NA
<b>5</b>	<b>505 W. 10th Street</b> Pittsburg APNs: 082-260-009, -012, -044, 243-001, -002 and -178	<i>Listing</i>	<b>\$2,200,000</b> Entitled	102,797 SF 2.36 AC	<b>\$21</b>	M - City of Pittsburg 54 Units 23 Du/Acre	Vacant land mixed-Use development	Amerasla Real Estate Fund LLC/ NA

asking price and not a closed sale, and has a higher proposed density, a lower unit value is warranted for the subject sites.

Based on the comparable land sales, and considering the location, density, size, utility, approval status, and market conditions, a unit value between \$18 and \$20 per square foot is estimated for the subject parcels as if vacant. A per square foot value of \$20 is concluded for the smaller subject parcels of approximately 22,608 to 28,750 square feet as if vacant. For the larger parcels of 59,677 and 74,488 square feet a unit value of \$18 per square foot is concluded as if vacant.

**B. Presentation and Analysis of Multiplex Unit Sales**

Comparables 6 through 11 are sales of improved multiplex residential properties in North Richmond, Richmond and San Pablo. The comparables consist of 8 to 18-unit properties. The sale prices are between \$875,000 to \$2,650,000, or from \$108,333 to \$147,222 per unit.

The subject contains parcels with 3 to 10 duplexes or between 6 and 20 units. Based on the subject size and location, a per unit value of \$145,000 is concluded for Subject Parcel Numbers 1, 3 and 5 with 6 to 8 units or 3 to 4 duplexes. This value assumes the units are in habitable condition.

The Subject Parcel Number 4 is a large parcel with 8 duplexes or 16 units. Given the larger size of the property a unit value of \$120,000 is concluded. Subject Parcel Number 2 contains 20 units or 10 duplexes, and a unit value of \$110,000 per unit is concluded. Again, this value assumes the units are in habitable condition.

**C. Deduction for Renovation/Demolition Costs**

All but one of the subject units are not occupied and have been boarded up. The units are in poor condition and the costs to repair the units was previously estimated at approximately \$120 per square foot, based our discussions with brokers and real estate representatives. The renovation cost is deducted from the concluded value of the improved properties as if habitable to derive an as-is value in the current uninhabitable condition.

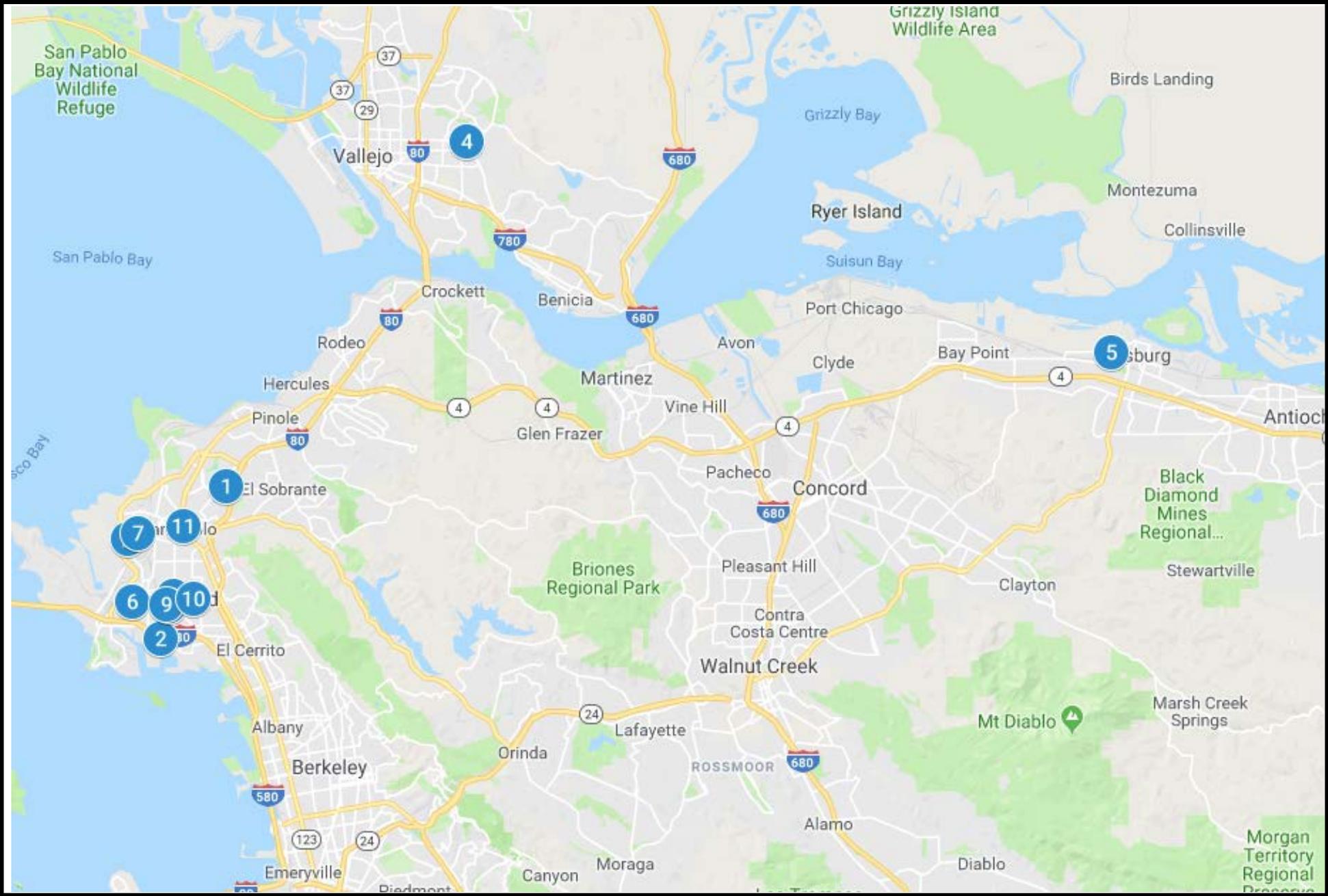
Further, in order to estimate only land value, the cost to demolish the improvements is based on Marshall Valuation Service and is estimated at approximately \$10.00 per square foot. This is equal to approximately \$16,500 per duplex. This cost includes asbestos and lead abatement as well as remediation costs. These costs are utilized in the analysis and are deducted from the value conclusions to derive an as-is value as land.

**COMPARABLE RESIDENTIAL SALES**  
 Appraisal of 5 Parcels within the Las Deltas Family Project  
 CA009A - Annex 1  
 North Richmond, California

#	Location / APN	Sale Date	Sale Price	Size SF/Acre	Price Per SF of Land	Zoning/ Units Allowed/Proposed Density	Comments	Grantor/ Grantee (Document#)
<i><u>Multifamily Unit Sales</u></i>								
6	203 Bissell Avenue Richmond APN: 538-190-021-5	7/18	\$875,000	3,932 SF Bldg. 0.08 AC 3,655 SF	\$109,375 Per Unit \$223	RM2 - City of Richmond 4 - Studio, 4 - 1BD/1BA 492	8 Unit Blt in 1908 Poor Condition	Eustolia P De Fregoso/ Hamilton, B/ Wu S H F #0112249
7	417 Verde Avenue North Richmond APN: 409-262-010-5	6/18	\$1,100,000	5,410 SF Bldg. 0.24 AC 10,500 SF	\$137,500 Per Unit \$203	P1 - Contra Costa County 4 - 3BD/1BA, 4 - 2BD/1BA 676	8 Unit Blt in 1957 Fair Condition	Verde Ave, LLC/ JWT Capital Holding Group One,LLC #202656
8	2023 Chanslor Avenue Richmond APN: 540-190-009-6	3/18	\$1,130,000	6,264 SF Bldg. 0.19 AC 8,276 SF	\$141,250 Per Unit \$180	R-3 - City of Richmond 8 - 2BD/1BA 783	8 Unit Blt in 1964 Average Condition	Tackabary Family Trust 2017/ Davis, William E Jr. & Silvia G. #041392
9	146 19th Street Richmond APN: 540-200-017-7	2/17	\$1,190,000	5,966 SF Bldg. 0.19 AC 8,438 SF	\$132,222 Per Unit \$199	RM2 - City of Richmond 1 - 1BD/1BA, 8 - 2BD/1BA 663	9 Unit Blt in 1961 Average Condition	Community Commerce Bank/ MW General Ptshp #024643
10	3202 Nevin Ave Richmond APN: 538-190-021-5	6/17	\$1,300,000	9,410 SF Bldg. 0.34 AC 15,002 SF	\$108,333 Per Unit \$138	RL2 - City of Richmond 12 - 2BD/1BA 784	12 Unit Blt in 1948 Poor Condition	Cruz-Nevin Trust/ Levy, Ephraim & Rosemary Trust 103991
11	2394 Road 20 San Pablo APN: 416-120-020-1	7/17	\$2,650,000	12,600 SF Bldg. 0.67 AC 29,142 SF	\$147,222 Per Unit \$210	I - City of San Pablo 3 - 1BD/1BA , 15 - 2BD/1BD 700	18 Unit Blt in 1961 Good Condition	Eric Antonicic/ Road 20 MF Partners LLC #114598

*Source: Watts, Cohn & Partners, Inc., March 2019  
19-WCP-018A Summary*

# COMPARABLE SALES MAP



**D. As-Is Value Conclusions as Individual Properties**

The valuation for the subject properties is summarized on the table on the following page. The table includes our estimation of the improved value with renovation costs which are deducted from the units, to derive an as-is value of the improvements in their existing uninhabitable condition.

In addition, the value of the subject land with a deduction made for the demolition of the improvements is shown. Based on our conclusions, and discussed in the highest and best use chapter of the appraisal, the subject has greater value as a land site and the improvements should be demolished.

The table on the following page indicates the individual values of the subject property. The total bulk market value of the subject is the sum of the 5 properties as no discount would be indicated for the development of the total site. The total bulk market value of the subject property as if sold in a single transaction is \$3,530,000.

### SUBJECT PROPERTIES VALUATION WORKSHEET

Appraisal of 5 Parcels within the Las Deltas Family Project  
CA009A - Annex 1  
North Richmond, California

#	APN Number	Address	ID Unit Number	Parcel Size (SF) 1	Use	Size/ Unit No.	Unit Value/ Value	Demolition/ Renovation (2)	Values	
1	409-210-025-6	21 Silver Avenue	526	27,878 0.64 Acres	4-Duplexes	8 units	\$145,000		\$1,160,000	
		1721 N Jade Street	527		Costs to renovate duplex <b>Value as Improved</b>	7,700 sf		\$120 psf	<u>(\$924,000)</u>	
		1735 N Jade Street	528						\$236,000	
		1745 N Jade Street	529		<b>Land Value</b>	27,878 sf	\$20.00		(\$77,000)	\$480,560
		1755 N Jade Street	530			\$557,560	demo costs			
		1765 N Jade Street	531							
		1775 N Jade Street	532							
		20 Market Avenue	533							<b>As-Is Market Value</b> <b>\$480,000</b>
2	409-210-026-4	20 Market Avenue	534	74,488 1.71 Acres	10-Duplexes	20 units	\$110,000		\$2,200,000	
		1815 Warren Drive	535		Costs to renovate duplex <b>Value as Improved</b>	12,520 sf		\$120 psf	<u>(\$1,502,400)</u>	
		1821 Warren Drive	536						\$697,600	
		1823 Warren Drive	537		<b>Land Value</b>	74,488 sf	\$18.00		(\$125,200)	\$1,215,584
		1827 Warren Drive	538			\$1,340,784	demo costs			
		1829 Warren Drive	539							
		1833 Warren Drive	540							
		1835 Warren Drive	541							
		1839 Warren Drive	542							
		1841 Warren Drive	543							
		1845 Warren Drive	544							
		1847 Warren Drive	545							
		1851 Warren Drive	546							
		1853 Warren Drive	547							
		1857 Warren Drive	548							
		1859 Warren Drive	549							
1863 Warren Drive	550									
1865 Warren Drive	551									
1869 Warren Drive	552									
51 Market Avenue	553							<b>As-Is Market Value</b> <b>\$1,220,000</b>		
3	409-210-020-7	50 Market Avenue	554	28,750 0.66 Acres	4-Duplexes	8 units	\$145,000		\$1,160,000	
		1768 Harrold Street	555		Costs to renovate duplex <b>Value as Improved</b>	7,398 sf		\$120 psf	<u>(\$887,760)</u>	
		1758 Harrold Street	556						\$272,240	
		1748 Harrold Street	557		<b>Land Value</b>	28,750 sf	\$20.00		(\$73,980)	\$501,020
		1738 Harrold Street	558			\$575,000	demo costs			
		1728 Harrold Street	559							
		1714 Harrold Street	560							
		51 Silver Avenue	561							<b>As-Is Market Value</b> <b>\$500,000</b>
4	409-210-021-5	41 Silver Street	562	59,677 1.37 Acres	8-Duplexes	16 units	\$120,000		\$1,920,000	
		1719 Harrold Street	563		Costs to renovate duplex <b>Value as Improved</b>	15,400 sf		\$120 psf	<u>(\$1,848,000)</u>	
		1733 Harrold Street	564						\$72,000	
		1743 Harrold Street	565		<b>Value as Improved</b>	59,677 sf	\$18.00		(\$154,000)	\$920,186
		1753 Harrold Street	566			\$1,074,186	demo costs			
		1763 Harrold Street	567							
		1773 Harrold Street	568							
		40 Market Avenue	569							
		30 Market Avenue	576							
		1772 Jade Street	577							
		1762 N Jade Street	578							
		1752 N Jade Street	579							
		1742 N Jade Street	580							
		1732 N Jade Street	581							
1722 N Jade Street	582									
33 Silver Avenue	583							<b>As-Is Market Value</b> <b>\$920,000</b>		
5	409-210-011-6	41 Market Avenue	570	22,608 0.52 Acres	3-Duplex	6 units	\$145,000		\$870,000	
		1868 Warren Drive	571		Costs to renovate duplex <b>Value as Improved</b>	4,620 sf		\$120 psf	<u>(\$554,400)</u>	
		1836 Warren Drive	572						\$315,600	
		1832 Warren Drive	573		<b>Land Value</b>	22,608 sf	\$20.00		(\$46,200)	\$405,960
		1814 Warren Drive	574			\$452,160	demo costs			
		31 Market Avenue	575							<b>As-Is Market Value</b> <b>\$410,000</b>

- 1) Square Foot of land area based on public records.  
2) Demolition Costs provided by Marshall Valuation Service at \$10 psf.,  
Cost to renovate unit is estimated at \$120 psf.

**\$3,530,000**

**ADDENDA**

## COMPARABLE SALES PHOTOGRAPHS



203 Bissell Avenue  
Richmond



417 Verde Avenue  
North Richmond



2023 Chanslor Avenue  
Richmond



146 19<sup>th</sup> Street  
Richmond

## COMPARABLE SALES PHOTOGRAPHS



3202 Nevin Avenue  
Richmond



2394 Road 20  
San Pablo

**QUALIFICATIONS OF SARA A. COHN, MAI**  
California Certified General Real Estate Appraiser No. AG014469

**EXPERIENCE**

Sara A. Cohn is a Partner with Watts, Cohn and Partners, Inc. a new firm providing commercial real estate valuation. From 1988 to 2016, she worked for Carneghi and Partners and was a Senior Project Manager/Partner in their San Francisco office. Carneghi and Partners, and now Watts, Cohn and Partners, provide real estate appraisal and consulting services in the San Francisco Bay Area. Clients include financial institutions, government agencies, law firms, development companies and individuals. Typical assignments include both valuation and evaluations of a broad variety of property types, uses and ownership considerations.

Ms. Cohn has over 30 years of appraisal experience. She has completed a wide variety of valuation and evaluation analyses. Ms. Cohn has extensive knowledge of the San Francisco Bay Area and has appraised many property types including office buildings, industrial properties, retail centers, hotels, residential projects, mixed-use properties and development sites. Recent work has involved the analysis of commercial buildings, residential subdivisions, valuation of affordable housing developments with bond financing and/or Low-Income Housing Tax Credits (LIHTCs), assessment districts, as well as co-housing projects.

**EDUCATION**

Bachelor of Arts, University of California, Berkeley, 1978

Successful completion of all professional appraisal courses offered by the Appraisal Institute as a requirement of membership.

Continued attendance at professional real estate lectures and seminars.

**PROFESSIONAL AFFILIATION AND STATE CERTIFICATION**

Appraisal Institute - MAI Designation (Member Appraisal Institute) No. 12017  
Continuing Education Requirement Complete

State of California Certified General Real Estate Appraiser No. AG014469  
Certified Through March 2021

State of California Licensed Landscape Architect No. 2102

Member, Board of Directors, Northern California Chapter of the Appraisal Institute,  
2008-2010

Seminars Co-Chair, Northern California Chapter of the Appraisal Institute, 2005-2007

## **QUALIFICATIONS OF MARK A. WATTS**

Mark A. Watts is a Partner with Watts, Cohn and Partners, Inc.

Following is a brief summary of his background and experience:

### **EXPERIENCE**

#### **Commercial Real Estate Appraisal Experience**

Mr. Watts has been a commercial real estate appraiser since 1987, and has over 20 years experience in the analysis of commercial real estate. He has completed valuation assignments on a variety of projects, including industrial facilities, residential subdivisions, apartments, shopping centers, cemeteries and recreational facilities. He has also performed feasibility studies and assisted owners in making asset management decisions.

Mr. Watts has provided litigation support and served as an expert witness in court. He has also served in arbitrations as an expert witness. He has been qualified as an expert in San Francisco and San Mateo County Superior Courts.

He served on the San Francisco County Assessment Appeals Board from 2011 to 2016.

#### **Commercial Real Estate Investment Experience**

Simultaneous to his work as a commercial appraiser, Mr. Watts has been an active real estate investor/developer. He is experienced in the acquisition, redevelopment and management of commercial properties. He has witnessed and experienced many real estate cycles and stays abreast of current trends. His personal experience as an investor makes him uniquely qualified to appraise commercial real estate.

Over the last 20 years he has completed more than 30 investment real estate transactions, an average of 1.5 transactions per year. He has negotiated with buyers and sellers directly as a principal. He has completed nearly a dozen 1031 exchanges. Beginning with a small initial capital investment, he has built a large real estate portfolio. Based on his ownership experience, Mr. Watts is keenly aware that the success or failure of an acquisition is closely related to its location. Likewise, he is sensitive to locational differences in the appraisal of real estate.

Mr. Watts has broad experience with the construction, maintenance and repair of real estate. He has demolished and re-built two structures from the ground up. He has completed fire damage repairs and remediated toxic mold. He has remodeled kitchens and baths. He has replaced foundations on structures, made additions, and made other improvements. As the quality and condition of real estate has a strong correlation with its value, his experience enables superior judgement of these attributes in his work as a commercial real estate appraiser.

#### **Community Involvement**

Mr. Watts served on the Board of Managers of the Stonestown Family YMCA from 2002 to 2017. This is an approximately 30,000 square foot health club facility. He was active on the Facilities Committee. He served as the Board Chair in 2008. He has been a member of the Olympic Club in San Francisco since 1976. He served the Forest Hill Neighborhood Association as President from 2013 to 2017.

### **EDUCATION**

Bachelor of Arts, University of California, Davis

### **PROFESSIONAL AFFILIATION**

State Accredited Affiliate of the Appraisal Institute  
State of California Certified General Real Estate Appraiser No. AG015362

**WATTS, COHN and PARTNERS, INC.**

COMMERCIAL REAL ESTATE APPRAISAL

**APPRAISAL OF:  
LAS DELTAS FAMILY PROJECT  
ANNEX II  
NORTH RICHMOND, CALIFORNIA  
*CA009B***

**PREPARED FOR:  
HOUSING AUTHORITY OF CONTRA COSTA COUNTY  
MARTINEZ, CA**

**MARCH 2019  
19-WCP-018B SUMMARY**

# WATTS, COHN and PARTNERS, INC.

COMMERCIAL REAL ESTATE APPRAISAL

March 29, 2019

Mr. Joseph Villarreal  
Executive Director  
Housing Authority of Contra Costa County  
3133 Estudillo Street  
P.O. Box 2759  
Martinez, CA 94553

Re: 19-WCP-018B-Summary Appraisal  
Las Deltas Family Housing  
North Richmond, California  
*CA009B Las Deltas Annex 2*

Dear Mr. Villarreal:

At your request and authorization, Watts, Cohn and Partners, Inc. has made an appraisal of the above referenced property. The subject properties appraised are a portion of the Las Deltas Family Project, located on 31 noncontiguous parcels in North Richmond, Contra Costa County, California. The parcels are located on blocks bounded by Chesley Avenue, First Street, Seventh Street and Wildcat Creek Regional Trail, north of Verde Avenue. The subject contains a total of 7.69 acres, or 334,836 square feet of land area on 31 parcels.

The subject parcels are improved with a mixture of 4 single-family homes and 38 duplexes, for a total of 80 units. Currently, only seven units are occupied with the remaining 73 units vacant. The remaining tenants are in the process of moving. The improvements were built in approximately 1961 and are of uniformly poor condition and quality. The vacant units are currently boarded-up and most of the units have been vandalized with the wiring and copper removed. Several of the units have sustained fire damage and are considered to add no value to the underlying land. Other properties at the subject are considered viable to be renovated, and the retention of the existing improvements is concluded as the highest and best use.

The purpose of this appraisal is to estimate the as-is fee simple market value of the subject property. The intended use (function) for which this appraisal was contracted is for the exclusive use of the Housing Authority of the County of Contra Costa for assisting in a Demolition/Disposition

**582 Market Street, Suite 512 | San Francisco, CA 94104 | 415-777-2666**

Mark Watts | mark@wattscohn.com | Sara Cohn, MAI | sara@wattscohn.com

application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

A more complete description of the subject property appraised, as well as the research and analysis leading to our opinions of value, is contained in the attached report. Chapter I provides a basic summary of salient facts and conditions upon which this appraisal is based and reviews the value conclusions.

## **EXTRAORDINARY ASSUMPTIONS AND LIMITING CONDITIONS**

### ***Extraordinary and Hypothetical Conditions***

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would affect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

## **VALUATION SUMMARY**

### ***As-Is Market Value of 31 Individual Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the as-is individual fee simple market values of the subject property which consists of 31 noncontiguous parcels in Las Deltas Annex 2, as of March 12, 2019, are shown on the table on the following table and are estimated to be:

## AS-IS VALUATION OF SUBJECT PROPERTIES

Appraisal of 31 Parcels within the Las Deltas Family Project

CA009B - Annex 2

North Richmond, California

#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	As-Is Market Value
1	409-052-009-1	1520 First Street 1518 First Street	584 585	935 935	1,870	7,463	<b>\$250,000</b>  \$33 (Land Value PSF)
2	409-052-003-4	121 Chesley Avenue 1511 Second Street	586 587	770 935	1,705	10,040	<b>\$270,000</b>  \$27 (Land Value PSF)
3	409-200-016-7	1714 First Street 1710 First Street	588 589	935 935	1,870	7,500	<b>\$250,000</b>  \$33 (Land Value PSF)
4	409-191-009-3	317 Silver Avenue 325 Silver Avenue	592 593	935 935	1,870	10,026	<b>\$250,000</b>  \$25 (Land Value PSF)
5	409-191-013-5	1730 Fred Jackson Way	594	1,155	1,155	7,578	<b>\$190,000</b>  \$25 (Land Value PSF)
6	409-251-022-3	1844 Truman Street 1840 Truman Street	595 596	935 935	1,870	7,500	<b>\$250,000</b>  \$33 (Land Value PSF)
7	409-162-018-9	1725 Fourth Street 1727 Fourth Street	599 600	935 935	1,870	7,500	<b>\$250,000</b>  \$33 (Land Value PSF)
8	409-161-001-6	1744 Fourth Street	602	1,155		4,998	<b>\$190,000</b>  \$38 (Land Value PSF)
9	409-142-005	1649 Giaramita Street 1643 Giaramita Street 1639 Giaramita Street 1623 Giaramita Street 1619 Giaramita Street Total SF	603 604 605 606 607	1,155 1,155 935 935 935	1,155  2,090  <u>1,870</u> 5,115	  21,299	<b>\$290,000</b>  \$14 (Land Value PSF)
10	409-151-011-7	1710 Giaramita Street	608	1,155	1,155	5,000	<b>\$90,000</b>
11	409-152-007-4	1711 Giaramita Street 525 Silver Avenue	610 609	578 578	1,156	7,580	<b>\$240,000</b>  \$32 (Land Value PSF)
12	409-282-019-2	1814 Sixth Street 611 Market Avenue	612 613	1,155 770	1,925	7,500	<b>\$240,000</b>  \$32 (Land Value PSF)
13	409-151-005-9	1741 Sixth Street 1737 Sixth Street	614 615	935 935	1,870	9,983	<b>\$250,000</b>  \$25 (Land Value PSF)

## AS-IS VALUATION OF SUBJECT PROPERTIES

Appraisal of 31 Parcels within the Las Deltas Family Project

CA009B - Annex 2

North Richmond, California

#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	As-Is Market Value
14	409-060-018-2	1572 First Street	616	1,155	2,090	15,065	<b>\$250,000</b>  \$17 (Land Value PSF)
		1574 First Street	617	935	2,090		
		1560 First Street	618	1,155			
		1558 First Street	619	935			
15	409-052-001-8	1529 Second Street	620	935	1,870	7,499	<b>\$250,000</b>  \$33 (Land Value PSF)
		114 W Ruby Street	621	935			
16	409-060-009-1	1601 Second Street	622	935	1,870	9,865	<b>\$130,000</b>
		1605 Second Street	623	935			
17	409-182-002-9	220 Silver Avenue	624	1,155	2,310	11,365	<b>\$150,000</b>
		218 Silver Avenue	625	1,155			
18	409-191-001-0	308 Market Avenue	626	935	1,870	15,214	<b>\$230,000</b>  \$15 (Land Value PSF)
		1748 Fred Jackson Way	627	935			
		322 Market Avenue	628	935	1,870		
		320 Market Avenue	629	935			
19	409-252-008-1	315 Verde Avenue	634	935	1,870	8,081	<b>\$250,000</b>  \$31 (Land Value PSF)
		317 Verde Avenue	635	935			
20	409-171-015-4	1624 Fourth Street	636	1,155	2,090	10,557	<b>\$220,000</b>  \$21 (Land Value PSF)
		1622 Fourth Street	637	935			
21	409-100-004-4	1542 Fourth Street	638	935	1,870	25,288	<b>\$230,000</b>  \$9 (Land Value PSF)
		1540 Fourth Street	639	935			
		1534 Fourth Street	640	935	NA		
		1532 Fourth Street	641	935			
		1539 Fifth Street	642	935	1,870		
1541 Fifth Street	643	935					
22	409-161-008-1	423 Silver Avenue	644	935	1,870	7,316	<b>\$250,000</b>  \$34 (Land Value PSF)
		1709 Fifth Street	645	935			
23	409-272-009-5	1927 Giaramita Street	648	1,155	2,310	10,208	<b>\$200,000</b>  \$20 (Land Value PSF)
		1925 Giaramita Street	649	1,155			
24	409-292-001-8	1932 Giaramita Street	650	935	1,870	26,529	<b>\$260,000</b>  \$10 (Land Value PSF)
		1934 Giaramita Street	651	935			
		1923 Sixth Street	662	935	1,870		
		1925 Sixth Street	663	935			
		1929 Sixth Street	664	935	1,870		
		1931 Sixth Street	665	935			
		1945 Sixth Street	666	935	1,870		
		1943 Sixth Street	667	935			

## AS-IS VALUATION OF SUBJECT PROPERTIES

Appraisal of 31 Parcels within the Las Deltas Family Project

CA009B - Annex 2

North Richmond, California

#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	As-Is Market Value
<b>25</b>	409-281-001-1	1844 Giaramita Street	652	1,155	2,310	17,502	<b>\$250,000</b>
		542 Verde Avenue	653	1,155			
		1842 Giaramita Street	654	935	1,870		
		1840 Giaramita Street	655	935			
\$14 (Land Value PSF)							
<b>26</b>	409-110-007-5	1525 Giaramita Street	656	935	1,870	8,384	<b>\$250,000</b>
		1527 Giaramita Street	657	935			\$30 (Land Value PSF)
<b>27</b>	409-120-005-7	1547 Sixth Street	658	935	1,870	7,710	<b>\$250,000</b>
		1549 Sixth Street	659	935			\$32 (Land Value PSF)
<b>28</b>	409-141-006-0	1639 Sixth Street	660	935	1,870	7,993	<b>\$250,000</b>
		1641 Sixth Street	661	935			\$31 (Land Value PSF)
<b>29</b>	409-291-009-2	1932 Sixth Street	668	935	1,870	7,530	<b>\$250,000</b>
		1930 Sixth Street	669	935			\$33 (Land Value PSF)
<b>30</b>	409-131-003-9	1724 Sixth Street	670	935	1,870	9,967	<b>\$250,000</b>
		1722 Sixth Street	671	935			\$25 (Land Value PSF)
<b>31</b>	409-282-005-1	1817 Seventh Street	672	935	1,870	14,958	<b>\$230,000</b>
		1819 Seventh Street	673	935			
		1829 Seventh Street	674	935	1,870		
		1827 Seventh Street	675	935			
\$15 (Land Value PSF)							

Total:

\$7,160,000

1) Square Foot of land area based on public records.

***Bulk Discounted Market Value of Subject 31 Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fee simple market value of the subject property 31 legal parcels sold in a single transaction (bulk), as of March 12, 2019, is estimated to be:

**SIX MILLION NINETY THOUSAND DOLLARS**

**(\$6,090,000)**

Further, it is our opinion that the subject properties could be sold at the above value conclusions within a 12-month active marketing period. The exposure period is also concluded to be 12 months.

***This letter must remain attached to the appraisal report, identified on the footer of each page as 19-WCP-018B-Summary, plus related exhibits, in order for the value opinion set forth to be considered valid.***

**CERTIFICATION**

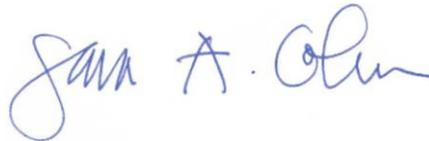
We, the undersigned, hereby certify that, to the best of our knowledge and belief: the statements of fact contained in this report are true and correct; the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions; we have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved; we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; our engagement in this assignment was not contingent upon developing or reporting predetermined results, our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan; our analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, and is in compliance with FIRREA; Sara Cohn and Mark Watts have made a personal inspection of the property that is the subject of this report; no one provided significant real property appraisal assistance to the persons signing this report. The use of this report is subject to the requirements of the Appraisal Institute related to review by its duly authorized representatives. As of the date of this report Sara Cohn has completed the requirements under the continuing education program of the Appraisal Institute. In accordance with the Competency Rule in the USPAP, we certify that our education, experience and knowledge are sufficient to appraise the type of property being valued in this report. We have not provided services regarding the property that is the subject of this report in the 36 months prior to accepting this assignment.

**Watts, Cohn and Partners, Inc.**

We are pleased to have had this opportunity to be of service. Please contact us if there are any questions regarding this appraisal.

Sincerely,

WATTS, COHN and PARTNERS, INC.



Sara Cohn, MAI  
Certified General Real Estate Appraiser  
State of California No. AG014469

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### **LIST OF EXHIBITS**

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<b>Comparable Multifamily Building Sales Map</b>	<b>following</b>	<b>26.1</b>

### **ADDENDA**

**Assessor Parcel Maps  
Subject Photographs  
Comparable Photographs  
Qualification and License of Appraisers**

**I. REPORT SUMMARY**

**A. Property Appraised**

The subject properties appraised are a portion of the Las Deltas Family Project, located on 31 noncontiguous parcels in North Richmond, Contra Costa County, California. The parcels are located on blocks bounded by Chesley Avenue, First Street, Seventh Street and Wildcat Creek Regional Trail, north of Verde Avenue. The subject contains a total of 7.69 acres, or 334,836 square feet of land area on 31 parcels.

The subject parcels are improved with a mixture of 4 single-family homes and 38 duplexes, for a total of 80 units. Currently, only seven units are occupied with the remaining 73 units vacant. The remaining tenants are in the process of moving. The improvements were built in approximately 1961 and are of uniformly poor condition and quality. The vacant units are currently boarded-up and most of the units have been vandalized with the wiring and copper removed. Several of the units have sustained fire damage and are considered to add no value to the underlying land. Other properties at the subject are considered viable to be renovated, and the retention of the existing improvements is concluded as the highest and best use.

The property interest appraised is fee simple.

**B. Property Identification**

APNs	409-052-009-1, 409-052-003-4, 409-200-016-7 409-191-009-3, -191-013-5, 409-251-022-3 409-162-018-9, 409-161-001-6, 409-142-005 409-151-011-7, 409-152-007-4, 409-282-019-2 409-151-005-9, 409-060-018-2, 409-052-001-8 409-060-009-1, 409-182-002-9, 409-191-001 409-252-008-1, 409-171-015-4, 409-100-004-4 409-161-008-1, 409-272-009-5, 409-292-001-8 409-281-001-1, 409-110-007-5, 409-120-005-7 409-120-005-7, 409-141-006, 409-291-009-2 409-131-003-9 & 409-282-005-1
General Plan	SH - Single Family Residential High Density
Zoning	P-1: Planned Unit District
Census Tract No	3650.02
Zip Code	94801-1412
Flood Zone	X (Insurance is NOT Required)
Earthquake Fault Zone	No

**C. Client, Purpose, Intended Use and Intended User**

The client for this appraisal is Mr. Joseph Villarreal, Executive Director of the Housing Authority of Contra Costa County in Martinez, California. The purpose of this appraisal is to estimate the current as-is fee simple market value of the subject property. It is our understanding that the intended use/user of this appraisal is for the exclusive use by the Housing Authority of Contra Costa County for assisting in a Demolition/Disposition application to HUD. ***This report should not be used or relied upon by any other parties for any reason.***

**D. Scope of Work**

Information pertaining to the subject improvements age, size, use and history was provided by the current property owner and verified where possible by public records, as well as based on the visual inspection by the appraiser.

The appraiser contacted Contra Costa County Planning Department for the zoning of the subject property, likelihood of any change in zoning and/or use, and any planned updates to the General Plan and/or zoning designations affecting the subject property.

The subject's market area was researched for market trends and land sales/comparables. Sources contacted included commercial and residential real estate agents.

For the subject property, the Sales Comparison Approach value was used in order to estimate the market value in as-is condition. The Income and Cost Approaches are not considered applicable indicators of value for this property type. The scope of this report is to utilize the appropriate standard approaches to value in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) to arrive at a market value conclusion.

**E. Appraisal Reporting Format**

This appraisal report is presented in a narrative format. This report is intended to be an Appraisal Report prepared in conformance with USPAP Standard 2-2(a).

**F. Appraisal and Report Dates**

The effective date of valuation and date of inspection is March 12, 2019.

The date of this report is March 29, 2019.

**G. Definition of Terms**

**1. Market Value (OCC 12 CFR 34.42 (g)) (OTS 12 CFR, Part 564.2 (g))**

“Market value” means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- a. Buyer and seller are typically motivated;
- b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
- c. A reasonable time is allowed for exposure in the open market;
- d. Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

**2. Fee Simple Interest (The Appraisal of Real Estate, 13th Edition, 2013, p.114)**

A fee simple interest in valuation terms is defined as “... absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” It is an inheritable estate.

**H. Value Conclusions**

***As-Is Market Values of 31 Individual Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the as-is fee simple individual market values of the subject property which consists of 31 noncontiguous parcels in Las Deltas Annex 2, as of March 12, 2019, are shown on the following table and are estimated to be:

**AS-IS VALUATION OF SUBJECT PROPERTIES**  
 Appraisal of 31 Parcels within the Las Deltas Family Project  
 CA009B - Annex 2  
 North Richmond, California

#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	As-Is Market Value
1	409-052-009-1	1520 First Street 1518 First Street	584 585	935 935	1,870	7,463	<b>\$250,000</b>  \$33 (Land Value PSF)
2	409-052-003-4	121 Chesley Avenue 1511 Second Street	586 587	770 935	1,705	10,040	<b>\$270,000</b>  \$27 (Land Value PSF)
3	409-200-016-7	1714 First Street 1710 First Street	588 589	935 935	1,870	7,500	<b>\$250,000</b>  \$33 (Land Value PSF)
4	409-191-009-3	317 Silver Avenue 325 Silver Avenue	592 593	935 935	1,870	10,026	<b>\$250,000</b>  \$25 (Land Value PSF)
5	409-191-013-5	1730 Fred Jackson Way	594	1,155	1,155	7,578	<b>\$190,000</b>  \$25 (Land Value PSF)
6	409-251-022-3	1844 Truman Street 1840 Truman Street	595 596	935 935	1,870	7,500	<b>\$250,000</b>  \$33 (Land Value PSF)
7	409-162-018-9	1725 Fourth Street 1727 Fourth Street	599 600	935 935	1,870	7,500	<b>\$250,000</b>  \$33 (Land Value PSF)
8	409-161-001-6	1744 Fourth Street	602	1,155		4,998	<b>\$190,000</b>  \$38 (Land Value PSF)
9	409-142-005	1649 Giaramita Street 1643 Giaramita Street 1639 Giaramita Street 1623 Giaramita Street 1619 Giaramita Street Total SF	603 604 605 606 607	1,155 1,155 935 935 935	1,155 2,090 <u>1,870</u> 5,115	21,299	<b>\$290,000</b>  \$14 (Land Value PSF)
10	409-151-011-7	1710 Giaramita Street	608	1,155	1,155	5,000	<b>\$90,000</b>
11	409-152-007-4	1711 Giaramita Street 525 Silver Avenue	610 609	578 578	1,156	7,580	<b>\$240,000</b>  \$32 (Land Value PSF)
12	409-282-019-2	1814 Sixth Street 611 Market Avenue	612 613	1,155 770	1,925	7,500	<b>\$240,000</b>  \$32 (Land Value PSF)
13	409-151-005-9	1741 Sixth Street 1737 Sixth Street	614 615	935 935	1,870	9,983	<b>\$250,000</b>  \$25 (Land Value PSF)

**AS-IS VALUATION OF SUBJECT PROPERTIES**  
 Appraisal of 31 Parcels within the Las Deltas Family Project  
 CA009B - Annex 2  
 North Richmond, California

#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	As-Is Market Value	
14	409-060-018-2	1572 First Street	616	1,155	2,090	15,065	<b>\$250,000</b>	
		1574 First Street	617	935				
		1560 First Street	618	1,155	2,090		\$17 (Land Value PSF)	
		1558 First Street	619	935				
15	409-052-001-8	1529 Second Street	620	935	1,870	7,499		<b>\$250,000</b>
		114 W Ruby Street	621	935				
16	409-060-009-1	1601 Second Street	622	935	1,870	9,865	<b>\$130,000</b>	
		1605 Second Street	623	935				
17	409-182-002-9	220 Silver Avenue	624	1,155	2,310	11,365	<b>\$150,000</b>	
		218 Silver Avenue	625	1,155				
18	409-191-001-0	308 Market Avenue	626	935	1,870	15,214	<b>\$230,000</b>	
		1748 Fred Jackson Way	627	935				
		322 Market Avenue	628	935	1,870		\$15 (Land Value PSF)	
		320 Market Avenue	629	935				
19	409-252-008-1	315 Verde Avenue	634	935	1,870	8,081		<b>\$250,000</b>
		317 Verde Avenue	635	935				
20	409-171-015-4	1624 Fourth Street	636	1,155	2,090	10,557	<b>\$220,000</b>	
		1622 Fourth Street	637	935				
21	409-100-004-4	1542 Fourth Street	638	935	1,870	25,288	<b>\$230,000</b>	
		1540 Fourth Street	639	935				
		1534 Fourth Street	640	935	NA			
		1532 Fourth Street	641	935				
		1539 Fifth Street	642	935	1,870			\$9 (Land Value PSF)
1541 Fifth Street	643	935						
22	409-161-008-1	423 Silver Avenue	644	935	1,870	7,316	<b>\$250,000</b>	
		1709 Fifth Street	645	935				
23	409-272-009-5	1927 Giaramita Street	648	1,155	2,310	10,208	<b>\$200,000</b>	
		1925 Giaramita Street	649	1,155				
24	409-292-001-8	1932 Giaramita Street	650	935	1,870	26,529	<b>\$260,000</b>	
		1934 Giaramita Street	651	935				
		1923 Sixth Street	662	935	1,870			
		1925 Sixth Street	663	935				
		1929 Sixth Street	664	935	1,870			\$10 (Land Value PSF)
		1931 Sixth Street	665	935				
		1945 Sixth Street	666	935	1,870			
		1943 Sixth Street	667	935				

**AS-IS VALUATION OF SUBJECT PROPERTIES**  
 Appraisal of 31 Parcels within the Las Deltas Family Project  
 CA009B - Annex 2  
 North Richmond, California

#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	As-Is Market Value
25	409-281-001-1	1844 Giaramita Street	652	1,155	2,310	17,502	<b>\$250,000</b>
		542 Verde Avenue	653	1,155			
		1842 Giaramita Street	654	935	1,870		
		1840 Giaramita Street	655	935			
							\$14 (Land Value PSF)
26	409-110-007-5	1525 Giaramita Street	656	935	1,870	8,384	<b>\$250,000</b>
		1527 Giaramita Street	657	935			
							\$30 (Land Value PSF)
27	409-120-005-7	1547 Sixth Street	658	935	1,870	7,710	<b>\$250,000</b>
		1549 Sixth Street	659	935			
							\$32 (Land Value PSF)
28	409-141-006-0	1639 Sixth Street	660	935	1,870	7,993	<b>\$250,000</b>
		1641 Sixth Street	661	935			
							\$31 (Land Value PSF)
29	409-291-009-2	1932 Sixth Street	668	935	1,870	7,530	<b>\$250,000</b>
		1930 Sixth Street	669	935			
							\$33 (Land Value PSF)
30	409-131-003-9	1724 Sixth Street	670	935	1,870	9,967	<b>\$250,000</b>
		1722 Sixth Street	671	935			
							\$25 (Land Value PSF)
31	409-282-005-1	1817 Seventh Street	672	935	1,870	14,958	<b>\$230,000</b>
		1819 Seventh Street	673	935			
		1829 Seventh Street	674	935	1,870		
		1827 Seventh Street	675	935			
							\$15 (Land Value PSF)

Total: \$7,160,000

1) Square Foot of land area based on public records.

***Bulk Discounted Market Value of Subject 31 Parcels***

Based on the research and analyses contained in this appraisal report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the fee simple market value of the subject property 31 legal parcels sold in a single transaction (bulk), as of March 12, 2019, is estimated to be:

**SIX MILLION NINETY THOUSAND DOLLARS**

**(\$6,090,000)**

Further, it is our opinion that the subject properties could be sold at the above value conclusions within a 12-month active marketing period. The exposure period is also concluded to be 12 months.

**I. Assumptions and Limiting Conditions**

***Extraordinary and Hypothetical Conditions***

1. A title report was not provided to the appraisers. This appraisal assumes that the subject title is free from easements and encumbrances which would affect market value.
2. This appraisal assumes that there are no rent restrictions encumbering the subject properties once they are sold. The buyer is free to demolish the existing improvements or to rent them at market.

The use of hypothetical conditions and extraordinary assumptions in this report might have affected the assignment results.

***General Assumptions***

3. It is the client's responsibility to read this report and to inform the appraiser of any errors or omissions of which he/she is aware prior to utilizing this report or making it available to any third party.
4. No responsibility is assumed for legal matters. It is assumed that title of the property is marketable, and it is free and clear of liens, encumbrances and special assessments other than as stated in this report.
5. Plot plans and maps are included to assist the reader in visualizing the property. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser is assumed by the appraisers.

6. All information has been checked where possible and is believed to be correct but is not guaranteed as such.
7. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. It is assumed that no additional soil contamination exists, other than as outlined herein, as a result of chemical drainage or leakage in connection with any production operations on or near the property.
8. In this assignment, the existence (if any) of potentially hazardous materials used in the construction or maintenance of the improvements or disposed of on the site has not been considered. These materials may include (but are not limited to) the existence of formaldehyde foam insulation, asbestos insulation, or toxic wastes. The appraiser is not qualified to detect such substances. The client is advised to retain an expert in this field.
9. Any projections of income and expenses in this report are not predictions of the future. Rather, they are an estimate of current market thinking of what future income and expenses will be. No warranty or representation is made that these projections will materialize.
10. The appraiser is not required to give testimony or appear in court in connection with this appraisal unless arrangements have been previously made.
11. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with the proper written qualification, only in its entirety, and only for the contracted intended use as stated herein.
12. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, news sales, or other media without the written consent and approval of the appraiser, particularly as to the valuation conclusions, the identity of the appraiser, or any reference to the Appraisal Institute or the MAI designation.
13. Information regarding any earthquake and flood hazard zones for the subject property was provided by outside sources. Accurately reading flood hazard and earthquake maps, as well as tracking constant changes in the zone designations, is a specialized skill and outside the scope of the services provided in this appraisal assignment. No responsibility is assumed by the appraisers in the misinterpretation of these maps. It is recommended that any lending institution re-verify earthquake and flood hazard locations for any property for which they are providing a mortgage loan.

14. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of the subject development to determine whether or not it is in conformity with the various detailed requirements of the ADA.

## **II. AREA AND NEIGHBORHOOD DESCRIPTION**

### **A. Contra Costa County**

Contra Costa County is located on the east side of San Francisco Bay, directly south of Suisun Bay. It is one of the nine counties comprising the greater San Francisco Bay Area. Contra Costa County continues to capture a significant portion of the region's population and employment growth.

Contra Costa County covers an area of approximately 798 square miles. The county is divided into three distinct regions by ranges of hills. The western portion along San Francisco Bay provides water access and is largely industrial in nature. Population and development density are greatest along the bay where most of the original development took place. This western portion of the East Bay is older and predominantly urban in character. The central portion is developing as a regional commercial/financial headquarters center. Eastern Contra Costa County has undergone change from primarily agricultural and undeveloped to a suburban area over the past decade.

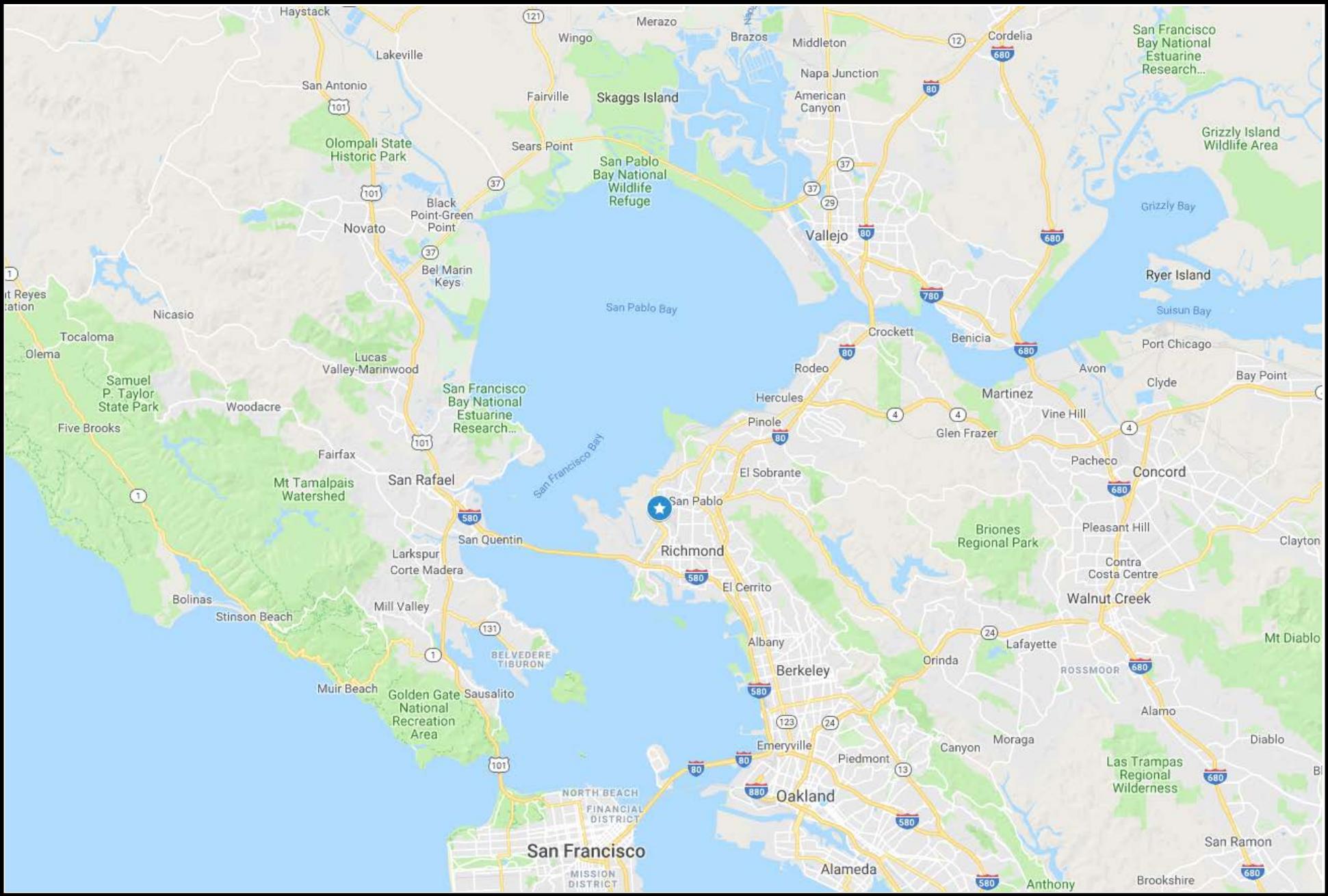
The central portion of Contra Costa County has historically been a bedroom community for workers employed in San Francisco and Alameda Counties. During the last several years, major office development has occurred in central Contra Costa County, resulting in a regional employment center stretching south along the Interstate 680 corridor from Martinez to San Ramon and on to Pleasanton in Alameda County. The communities in central Contra Costa County are largely built out and remain predominantly residential.

Contra Costa County is well served by major transportation systems. Freeways connect the area to San Francisco, Oakland and San Jose, while the former two can also be reached using the Bay Area Rapid Transit (BART) system. The California State Department of Finance most recently published estimates show a population of 1,149,363 as of January 1, 2018. This represents a 0.9 percent increase over the 2017 population figure.

Contra Costa County is also relatively affluent. As estimated by the Association of Bay Area Governments (ABAG), in their latest publication, Projections 2016 (data sourced from the most recent 2010-2014 U.S. Census Bureau), the mean household income was estimated at \$107,290 for 2014 and expected to increase. Major employment is found in management, business, science, and arts occupations, service occupations, and sales and office occupations, which together account for 84 percent of the total employment in the County.

According to the California Economic Development Department, the unemployment rate for Contra Costa County was 3.0 percent as of December 2018 (most recent available), which is a slight decrease from 3.2 percent a year prior. This is based on a labor force of 578,800 with 17,200 unemployed. According to

# REGIONAL MAP



the California State Employment Development Department, the unemployment figure for the State of California for December 2018 was 4.1 percent. The unemployment rate for Contra Costa County has been lower than the average for the state and national range over the past several years.

## **B. The City of Richmond**

North Richmond is located adjacent to the City of Richmond and is situated within the City of Richmond's sphere of influence. The City of Richmond was incorporated in 1905 and has historically been industrially oriented. The city benefitted from its deep harbors, which have been used for shipping port terminals, and had one of the largest wartime shipbuilding yards during World War II. These shipyards were closed in 1945, but industrial development continued to occupy vacated shipyard buildings along the waterfront.

In general, land uses in the city are characterized by older industrial and residential neighborhoods. The location of the city resulted in its development as an industrial transportation hub. Shipping and railroad access have created extensive industrial development along the southern and western portions of Richmond. These older uses are now slowly being redeveloped to commercial, light industrial and residential uses.

The city of Richmond is situated in the western portion of Contra Costa County. As of January 1, 2018, the population of the city was estimated at 110,967 according to the California State Department of Finance. The population increased 0.8 percent from a year prior.

In terms of income and employment, Richmond reflects levels below that of Contra Costa County as a whole. As of December 2018 (most recent available) the City of Richmond had an unemployment rate of 3.4 percent, a slight decrease from 3.5 percent year over year. This is slightly higher than the Contra Costa County average of 3.0 percent. Richmond's median household income is \$57,107 according to the 2012-2016 American Community Survey, which is significantly lower than the County wide median income of \$82,881.

Richmond has the highest level of manufacturing employment in the county. There are over 300 manufacturing plants in the Richmond area. The major industry in the area is petroleum products and petrochemicals. Chevron USA and Kaiser Permanente are the major non-public employers in the area. Other significant industries are steel fabrication, shipping and warehousing. Heavy industrial and manufacturing uses remain an important component of the Richmond economy although the number of these heavy industrial uses has generally been declining over the past few decades.

The Hilltop Mall shopping center contains anchor tenants such as Macys and Sears department stores, and Wal-Mart. Although the shopping center has been struggling

given the decline in retail sales, the shopping center was recently purchased, and the owners plan to redevelop the shopping center with a movie theater, food hall, entertainment related tenants, a supermarket, a 24-hour fitness and multifamily residential units.

Richmond is well served by the Bay Area transportation facilities. Interstate 80 runs predominantly north-south through the eastern portion of the city. Interstate 580 extends west through Richmond and across the Richmond/San Rafael bridge. The Hoffman Expressway, connecting Interstates 580 and 80, greatly enhances access between Richmond and Marin County to the west. The Richmond Parkway connects with the Richmond/San Rafael Bridge in the southwestern part of the city. This thoroughfare connects Interstate 80 in the northern portion of the city with Interstate 580 and continues to the Richmond/San Rafael bridge near Point Richmond. The city is also served by BART rail service and the County Connection public bus service.

On January 10, 2019 the City of Richmond expanded their trans-bay transportation options by opening a ferry service between the Richmond Ferry Terminal and the San Francisco Ferry Building. The new ferry terminal is located in south Richmond, adjacent to the Richmond Marina Bay and the Harbor Channel. Transit time between Richmond and San Francisco is reportedly 35 minutes, with four runs during morning and evening commute hours. The new \$20 million dollar terminal at Harbour Way South is proving popular with ridership exceeding expectations. The ferry terminal is also seen as a trigger for economic development as there is new housing projects underway in this area as well as planned restaurants and services.

### ***North Richmond***

The subject is located in North Richmond, which is located within unincorporated West Contra Costa County. Contra Costa County currently provides municipal government services to unincorporated North Richmond, including public works, planning, law enforcement, and fire services. North Richmond is governed by the County of Contra Costa and a community council known as the North Richmond Municipal Advisory Council.

Annexing North Richmond into the City of Richmond has been discussed in recent years, however as reported by the East Bay Times, efforts have stalled as North Richmond residents have “overwhelmingly expressed that they didn’t want the community to be incorporated by the city.” Per the article by the East Bay Times: “The chief concern among North Richmond residents was having to pay more in taxes and fees, Richmond city officials said. If the 3,717-person community were annexed, property taxes would rise \$140 per \$100,000 of a home’s assessed value. North Richmond residents would also have to pay a 1-percent higher sales tax, from the current 8.25 percent to 9.25 percent, and a utility users’ tax that would be 5 to

10 percent higher.” Consequentially, annexation efforts have been halted for the time being.

North Richmond is developed with a mix of industrial uses east of the Richmond Parkway and vacant land west of the Parkway. Residential uses are situated in the central portion between Wildcat Creek to the north, Richmond Parkway to the west and south, and the railroad tracks to the east (parallel to Rumhill Boulevard to the east). Commercial uses are located generally to the south, near Richmond Parkway and 7<sup>th</sup> Street, and west of 6<sup>th</sup> Street. There is a general lack of neighborhood serving retail in North Richmond, and the national grocery store chains are mostly located to the west in the City of San Pablo or to the South in the City of Richmond.

Overall, North Richmond is generally underserved due to its status as an unincorporated portion of Contra Costa County. The majority of the Contra Costa County vital municipal services are located twenty miles to the east in Martinez, resulting in large service gaps. Annexation into the City of Richmond was suggested as a way to provide better service to the area, however North Richmond residents recently voted against annexation due to tax and budget concerns.

Public transportation access in North Richmond is provided via two main buses that run along Third Street and a North Richmond Shuttle. Freeway access to and from Interstate 580 and Interstate 80 is good. Richmond Parkway is a major thoroughfare with two to three lanes in each direction, signalized intersections and limited access from adjoining properties.

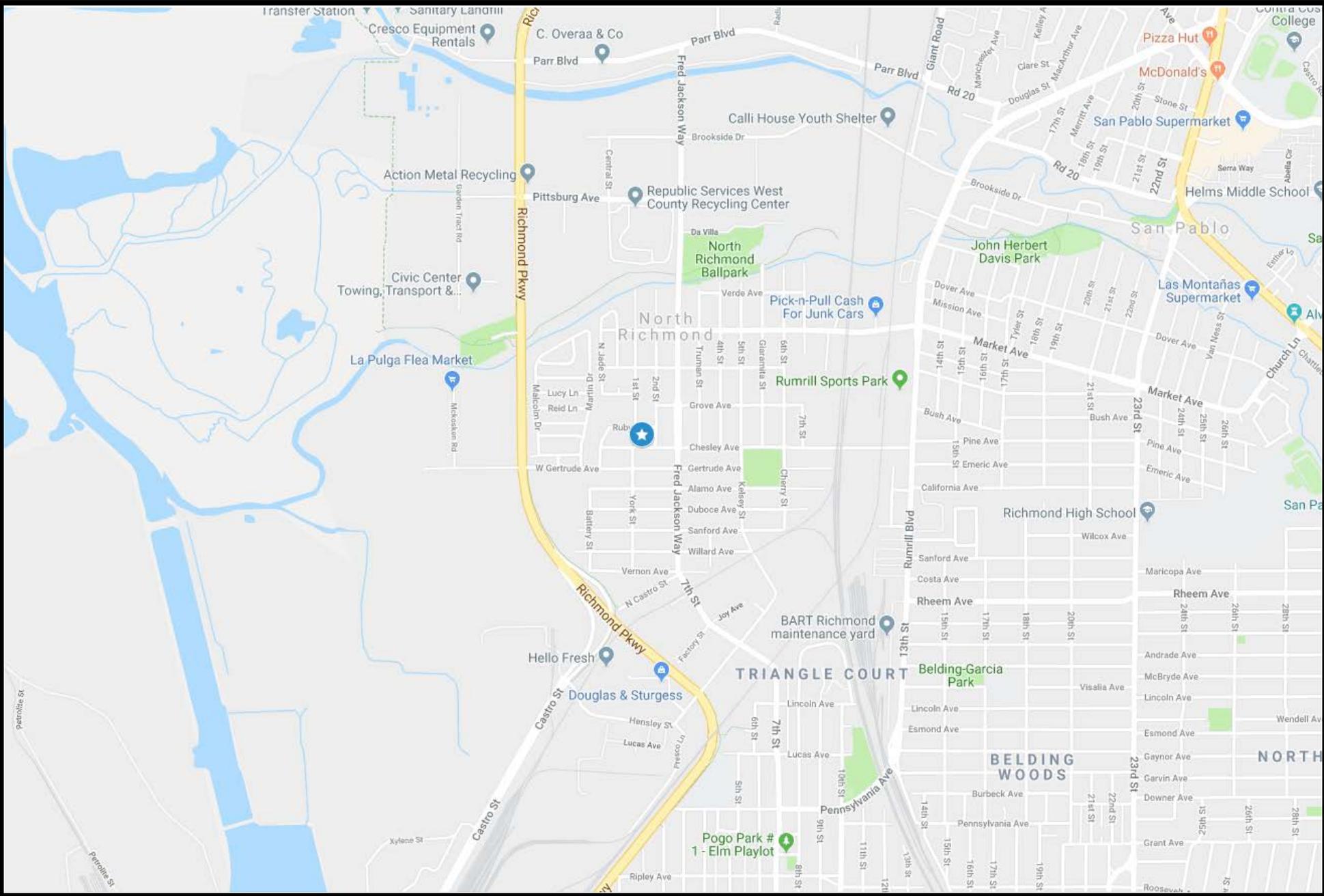
### **C. Neighborhood Description and Environs**

The subject is part of the Las Deltas public housing project which currently contains a total of approximately 178 units. The project was originally built in the 1950s and 1960s to provide low cost rental housing and was developed with 244 units. The property is older and in poor condition.

The subject property is located in an unincorporated portion of West Contra Costa County, in North Richmond. The subject neighborhood is roughly bordered by Wildcat Creek to the north, Richmond Parkway to the west and south, freight train spur tracks to the south, and the Amtrak train tracks to the east (east of 7<sup>th</sup> Street). The subject neighborhood is primarily residential and comprised of single-family residences and multifamily uses. Nearby commercial uses are limited to two small neighborhood market with more commercial uses located in the neighboring communities of Richmond and San Pablo.

To the north of the neighborhood is mostly vacant land that is interspersed with industrial uses such as recycling centers and towing yards. To the south of the greater subject neighborhood is industrial use with large warehouses. At the eastern border of the neighborhood is Annie’s Annual and Perennials nursery located off of Market Avenue to the east of 7<sup>th</sup> Street as well as other industrial buildings. To

# NEIGHBORHOOD MAP



the east of the neighborhood across the train tracks is also mostly residential, with some commercial uses and grocery stores located along Rumhill Boulevard.

The subject immediate neighborhood consists of single family and multifamily residential units. There are also vacant lots. The homes consist of older and newer improvements that are in fair to average condition. The listed home prices in the immediate neighborhood have ranged from \$246,000 to \$445,000, according to MLS.

The subject's Walkscore ([www.walkscore.com](http://www.walkscore.com)) is 43, which is a "Car Dependent", indicating that most errands require a car. It also has a Transit Score of 30 which indicates that while there is some transit, there are only a few nearby public transportation options. Walk Score uses a proprietary algorithm to measure the proximity of a property to basic services.

The outlook for the area is transitional, with older structures in the area slowly being replaced or renovated with new residential homes.

### **III. MARKET OVERVIEW**

#### **A. Contra Costa County Residential Market Trends**

The subject property is comprised of single-family homes and duplexes and is located in North Richmond. As an unincorporated part of Contra Costa County, precise market statistics were limited for the subject neighborhood. However, the subject is located within the sphere of influence of the City of Richmond, and adjacent to the City of San Pablo.

The subject is located in North Richmond, in an area roughly bounded by Richmond Parkway to the west, Wildcat Creek to the North, Rumhill Boulevard to the east, and Gertrude Avenue to the south. According to data sourced from Paragon MLS, there were a total of 26 listings in the primary subject market area in 2018. Listings spent an average of 35 days on the market, with the longest time on market recorded as 210 days. Of the 26 listings, 20 homes sold. List prices ranged from \$246,000 to \$609,950 equating to an average list price of \$434,894 or a median list price of \$409,000. Sales prices ranged from \$225,000 to \$585,000. This equates to an average sales price of \$435,062 and a median sales price of \$439,000.

The above data includes sales of the homes located within the Bella Flora development, located west of Martin Drive, which was built in 1990 – 2006, and is comprised of newer, larger homes. Excluding the sales of the homes within the Bella Flora development, there have been 16 listings in the subject neighborhood in 2018. Listing prices ranged from \$246,000 to \$445,000, equating to an average list price of \$358,337 and a median list price of \$369,500. Of the 16 listings there were 11 sales, ranging from \$225,000 to \$475,000. This equates to an average sales price of \$353,437 and a median sales price of \$365,000. The sales were on the market for an average of 28 days.

In 2019, year to date, there has been one sale and one pending sale in the subject neighborhood. The pending sale is listed at \$369,000 and the sale property sold for its listing price of \$260,000.

The table below summarizes the average sales price for the subject and adjacent neighborhoods, according to market statistics provided by the Contra Costa County Association of Realtors. The subject is located in both the “Richmond – North & East” neighborhood, as well as the “Richmond North & West/Parchester” neighborhood.

Neighborhood	Single-Family			Townhouse-Condo		
	Jan 2018	Jan 2019	% Change	Jan 2018	Jan 2019	% Change
Richmond - El Sobrante	\$ 682,154	\$604,160	-12.9%	\$335,263	\$ -	N/A
Richmond - Hilltop/College	\$ 516,543	\$472,500	-9.3%	\$388,609	\$399,500	2.7%
Richmond View	\$ 714,812	\$687,250	-4.0%	\$ -	\$ -	N/A
Richmond - North & East	\$ 525,293	\$ 482,125	-9.0%	\$ -	\$ -	N/A
Richmond North & West/Parchest	\$ 406,354	\$ 433,167	6.2%	\$ 417,212	\$ -	N/A
Richmond - South	\$ 427,496	\$ 421,400	-1.4%	\$ 416,250	\$ -	N/A
Richmond - Point/Bayfront	\$ 976,193	\$ -	N/A	\$ 533,461	\$ 546,143	2.3%
Richmond - Annex	\$ 638,156	\$ 500,000	-27.6%	\$ -	\$ -	N/A
Richmond - Country Club	\$ 651,539	\$ -	N/A	\$ -	\$ -	N/A

As shown on the above table, single family home sales in the subject’s CCAR neighborhood are on the low end of the range, with average sale prices ranging from \$406,000 to \$525,000.

In the Richmond North & West/Parchester neighborhood, there were a total of 21 new listings and 12 closed sales in 2018 of detached single-family houses. The average sales price was reportedly \$394,834, which is well below the Contra Costa County average. There was an average 24 days on market until sale. There were 2 total attached townhouse-condo listings in the neighborhood in 2018 with no closed sales.

The subject is far below the county average in terms of sales. The Contra Costa County Association of Realtors (CCAR) reports that there 7,047 active listings of single-family homes in Contra Costa County in 2018, and 2,243 listings of townhouses/condos. Of those listings, there were a total of 4,781 closed sales of single-family homes in 2018, as compared to 2,073 sales of townhouses/condos.

According to Zillow, the median home price in the City of Richmond is \$529,700 as of January 2019. Home values have gone up 11.3 percent over the past year and Zillow predicts they will rise 8.4 percent within the next year. The median list price per square foot in the City of Richmond is \$426. The median price of homes currently listed in the City of Richmond is \$499,000, while the median price of homes that sold is \$532,800. The median rent price in the City of Richmond is \$2,600.

Overall, relatively little product has sold in the past few years in the subject immediate neighborhood, at prices below the metro and county averages.

**B. Residential Construction Trends**

The subject is located in North Richmond, in unincorporated Contra Costa County, however as stated above, it is located within the City of Richmond’s sphere of influence. Historically, North Richmond area has seen limited new development due to its peripheral location and weak demographics. While the greater East Bay

market has seen spikes in demands, the subject is located in the North Richmond, which due to its longer commute has remained relatively affordable. CoStar reports that “limited demand has caused development in the [subject Richmond/Martinez] submarket to lag behind that in other parts of the East Bay.” According to CoStar, the subject’s Richmond/Martinez submarket, “marks the far northeast boundary of the East Bay Metro and comprises a mix of industrial cities and bedroom communities. The submarket lacks the wealth or urban amenities of popular neighbors to the immediate south, but recently saw its first developments since before the recession.”

The City of Richmond, however, has seen an influx of new development as a result of increasing demand for housing in the larger East Bay market. While the Richmond area has always been a peripheral location due to its distance from San Francisco and general commute difficulties, on January 10, 2019 the City of Richmond expanded their trans-bay transportation options by opening a ferry service between the Richmond Ferry Terminal and the San Francisco Ferry Building. The new ferry terminal is located in south Richmond, adjacent to the Richmond Marina Bay and the Harbor Channel. Transit time between Richmond and San Francisco is reportedly 35 minutes, with four runs during morning and evening commute hours. This is expected to draw commuters who would have otherwise shunned the hour-long vehicular commute from Richmond into San Francisco, and have been priced out of other Bay Area markets.

Currently, the City of Richmond has several major projects active in their residential pipeline. There are three major projects under construction in Richmond. The NOMA project by William Lyon Homes is located at 830 Marina Way South and will contain approximately 197 townhomes and Live/Work units, as well as a 3,000 square foot business incubator, fitness center and parking. The Terraces at Nevin (located at Nevin Avenue between 21<sup>st</sup> and 23<sup>rd</sup> Streets) is a multifamily residential project of (2) six-story apartment buildings with a total of 289 units. The Waterline, located between Canal Boulevard and Seacliff Drive in southern Point Richmond, is comprised of (60) market rate two- and three-bedroom flats and townhomes.

Richmond currently has three currently approved major projects as well: the Miraflores Residential Development located in Park Plaza adjacent to East Richmond, has been approved for 190 units; the Quarry Residential Project has been approved for 200 new condos; and Latitude at 1500 Dornan Drive has been approved for 295 condos, 21 single family homes, 2,000 square feet of retail space and a 1.9 acre shoreline park. There are four other major projects currently proposed as well. The 12<sup>th</sup> and Macdonald development has been proposed for 256 units and approximately 25,000 square feet of commercial space. Marina Way South Residential Project by New West Communities has proposed 399 units and 1,800 square feet of retail space. Richmond Central is an affordable housing development proposed for 172 below market rate apartments. The Point Molate Development is still under discussion but is expected to dramatically redevelop the 266-acre site.

There is very little current or recent development in the North Richmond neighborhood. Richmond currently has one multifamily affordable project under construction, Heritage Point Development. The \$27 million-dollar project is located at 1500 Fred Jackson Way and will consist of a four story, 42 multifamily units with approximately 4,500 square feet of commercial space. It is proposed to be completed by late 2019 and is situated across from the Community Heritage Senior Apartments. The project is being developed by Community Housing Development Corporation (CDHC) in conjunction with the Contra Costa Housing Authority.

Overall, the demand for housing in the East Bay remains strong, and the subject's submarket is expected to benefit from the overall demand as more centralized areas become more expensive.

### **C. Conclusion**

The Contra Costa County and Richmond rental housing market is relatively stable, with moderate gains in rents and low, relatively level vacancy rates. From a supply perspective, there are new developments in the pipeline in the greater subject market area. Demand in the greater East Bay has grown, and Richmond is expected to benefit from the overflow. However, North Richmond has limited new product coming online in the near future, and their status in unincorporated Contra Costa County has led to municipal service gaps that have discouraged prospective buyers. Long term, the outlook is good that steady demand will continue for market rate housing and rental units.

#### **IV. PROPERTY DATA AND ANALYSIS**

##### **A. Site Description**

The subject property consists of a total of 31 parcels located on various sites in North Richmond and is part of the Las Deltas Family Project CA 009B - Annex 2. There are 31 noncontiguous parcels that are situated on the blocks bounded by First Street to the west, Chesley Avenue to the south, Seventh Street to the east and Wildcat Creek Regional Trail to the north. The Subject Identification Table on the following page lists the subject properties and notes the lot area, the condition of the existing improvements on the parcel, street address and unit identification number as well as the comments.

The subject lots range in size from 4,998 to 26,529 square feet. The parcels are typically regular in shape and the topography of the parcels is generally level. The streets are improved with sidewalks, curbs and gutters. All utilities are available to the sites.

The immediate environs include vacant lots as well as poor to fair quality single family homes and duplexes. Many of the units are under the same ownership as the subject property. Other homes are privately owned and there are several churches in the area. Uses east of Seventh Street are typically industrial.

##### **B. Environmental Observations**

An environmental assessment of the subject property was not provided. Upon inspection of the subject property, the appraisers did not observe any evidence of toxic contamination on the property. No further information was available as to the content of the ceiling material. This appraisal assumes that the site and improvements are free of toxic contaminants. The reader is referred to the limiting condition to this effect in chapter one of this report.

##### **C. Flood Zone and Seismic Information**

According to Flood Map 06013C0228G, dated September 30, 2015, the subject is located in Flood Zone X, an area that is determined to be outside the 100- and 500-year floodplains.

The subject property is not located in the Alquist Priolo zone. According to governmental geological evaluations, the entire San Francisco Bay Area is located in a seismic zone. No active faults are known to exist on the subject property. Inasmuch as similar seismic conditions generally affect competitive properties, no adverse impact on the subject property is considered.

**SUBJECT IDENTIFICATION TABLE**  
 Appraisal of 31 Parcels within the Las Deltas Family Project  
 CA009B - Annex 2  
 North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition (2)	Unit Size (SF)	Unit Type Total Bldg SF	Comments
1	409-052-009-1	1520 First Street	584	7,463	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	East side of First Street between W Ruby Street and Chesley Avenue
		1518 First Street	585		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
2	409-052-003-4	121 Chesley Avenue	586	10,040	SH	P-1	2BD/1 BA - Vacant Poor Cond.	770	Duplex 1,705	NW corner of Chesley Ave & 2nd St.
		1511 Second Street	587		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
3	409-200-016-7	1714 First Street	588	7,338	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	East side of First Street between Market and Silver Avenues
		1710 First Street	589		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
4	409-191-009-3	317 Silver Avenue	592	10,026	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	North side of Silver Avenue, mid-block btwn 3rd & Truman Streets. Duplex
		325 Silver Avenue	593		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935		
5	409-191-013-5	1730 Fred Jackson Way	594	7,578	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	SF 1,155	East side of 3rd Street, mid-block between Market Avenue & Silver Avenue.
6	409-251-022-3	1844 Truman Street	595	7,500	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	East side of Truman Street, mid-block between Verde & Market Ave.
		1840 Truman Street	596		SH	P-1	3BD/1.5 BA - Occupied	935		
7	409-162-018-9	1725 Fourth Street	599	7,500	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex 1,870	West side of Fourth Street between Market and Silver Avenues
		1727 Fourth Street	600		SH	P-1	3BD/1.5 BA - Vacant	935		
8	409-161-001-6	1744 Fourth Street	602	4,998	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.		SF	SE corner of 4th Street & Market Avenue.
9	409-142-005	1649 Giaramita Street	603	21,299	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	SF	SW corner of Silver and Giaramita Street
		1643 Giaramita Street	604		SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	Duplex	West side of Giaramita Street btw
		1639 Giaramita Street	605		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	2,090	Grove and Silver Avenues
		1623 Giaramita Street	606		SH	P-1	3BD/1.5 BA Occupied	935	Duplex	5,115 sf of bldg area
		1619 Giaramita Street	607		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	

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10	409-151-011-7	1710 Giaramita Street	608	5,000	SH	P-1	4BD/1.5 BA - Vacant Very Poor		SF	NE corner of Giaramita St. & Silver Ave. <b>Structural Damage- Land Value</b>
11	409-152-007-4	1711 Giaramita Street	610	7,580	SH	P-1	1BD/1BA-Vacant Poor Cond.	578	Duplex	Northwest corner of Giaramita Street and Silver Avenue
		525 Silver Avenue	609		SH	P-1	1BD/1BA-Vacant Poor Cond.	578	1,156	
12	409-282-019-2	1814 Sixth Street	612	7,500	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	Duplex	NE corner of 6th Street & Market Avenue.
		611 Market Avenue	613		SH	P-1	2BD/1 BA - Vacant Poor Cond.	770	1,925	
13	409-151-005-9	1741 Sixth Street	614	9,983	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	East side of 6th Street, mid-block betwn Market & Silver Avenues. <b>Damage</b>
		1737 Sixth Street	615		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870	
14	409-060-018-2	1572 First Street	616	15,065	SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	Duplex	East side of 1st Street, mid-block betwn West Ruby Street & Silver Avenue. 4,180 sf of bldg area
		1574 First Street	617		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	2,090	
		1560 First Street	618		SH	P-1	4BD/1.5 BA - Vacant Poor Cond.	1,155	Duplex	
		1558 First Street	619		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	2,090	
15	409-052-001-8	1529 Second Street	620	7,499	SH	P-1	3BD/1.5 BA - Occupied	935	Duplex	
		114 West Ruby Street	621		SH	P-1	3BD/1.5 BA- Occupied	935	1,870	
16	409-060-009-1	1601 Second Street	622	9,865	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	West side of 2nd Street, mid-block betwn Grove & Silver Aves. <b>Str. Damage. Land Value</b>
		1605 Second Street	623		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870	
17	409-182-002-9	220 Silver Avenue	624	11,365	SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	Duplex	South side of Silver Ave, mid-block btwn 2nd & 3rd Strs. <b>Str. Damage. Land Value</b>
		218 Silver Avenue	625		SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	2,310	
18	409- 191-001	308 Market Avenue	626	15,214	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	SE Corner of Market and Third East Side of Third Street SS of Market St bwt. Third & Truman St. 3,740 sf of bldg area
		1748 Fred Jackson Way	627		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870	
		322 Market Avenue	628		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	
		320 Market Avenue	629		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870	

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19	409-252-008-1	315 Verde Avenue	634	8,081	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	West side of Verde Avenue mid-block between Fourth and Truman Streets	
		317 Verde Avenue	635		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870		
20	409-171-015-4	1624 Fourth Street	636	10,557	SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	Duplex	East side of 4th Street, mid-block betwn Grove & Silver Avenues.	
		1622 Fourth Street	637		SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	2,310		
21	409-100-004-4	1542 Fourth Street	638	25,288	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	Gutted	
		1540 Fourth Street	639		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	L Shape Lot. Frontage on 5th and 4th	
		1534 Fourth Street	640		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	Street. Located betwn Grove and	
		1532 Fourth Street	641		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	Chesley Avenues. <b>2 units Fire Damage</b>	
		1539 Fifth Street	642		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	Gutted	
		1541 Fifth Street	643		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	5,610 sf of bldg area	
22	409-161-008-1	423 Silver Avenue	644	7,316	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	NW corner of Fifth, Grove and Silver	
		1709 Fifth Street	645		SH	P-1	3BD/1.5 BA- Vacant Poor Cond.	935	1,870		
23	409-272-009-5	1927 Giaranita Street	648	10,208	SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	Duplex	West side of Giaranita Street north of Verde Avenue	
		1925 Giaranita Street	649		SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	2,310		
24	409-292-001-8	1932 Giaranita Street	650	26,529	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	Irregular shaped lot with frontage on Sixth and Giaranita Streets, north of Verde Avenue. Adjacent to creek and school.	
		1934 Giaranita Street	651		SH	P-1	3BD/1.5 BA - Occupied	935	1,870		
		1923 Sixth Street	662		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex		
		1925 Sixth Street	663		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870		
		1929 Sixth Street	664		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex		
		1931 Sixth Street	665		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870		
		1945 Sixth Street	666		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex		7,480 sf of bldg area
		1943 Sixth Street	667		SH	P-1	3BD/1.5 BA - Occupied	935	1,870		
25	409-281-001-1	1844 Giaranita Street	652	17,502	SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	Duplex	SE corner of Verde Ave & Giaranita St.	
		542 Verde Avenue	653		SH	P-1	4BD/1.5 BA Vacant- Boarded Up	1,155	2,310		
		1842 Giaranita Street	654		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex		4,180 sf of bldg area
		1840 Giaranita Street	655		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870		

**SUBJECT IDENTIFICATION TABLE**  
 Appraisal of 31 Parcels within the Las Deltas Family Project  
 CA009B - Annex 2  
 North Richmond, California

#	APN Number	Address	Unit Number	Parcel Size (SF) 1	General Plan	Zoning	Existing Condition (2)	Unit Size (SF)	Unit Type Total Bldg SF	Comments
26	409-110-007-5	1525 Giaramita Street	656	8,384	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	West side of Giaramita Street, mid-block btwn Chelsley & Grove Avenues.
		1527 Giaramita Street	657		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	
27	409-120-005-7	1547 Sixth Street	658	7,710	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	West side of 6th Street, mid-block betwn Chelsley & Grove Avenues.
		1549 Sixth Street	659		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	
28	409-141-006-0	1639 Sixth Street	660	7,993	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	West side of Sixth Street mid-block between Silver and Grove Avenues
		1641 Sixth Street	661		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	
29	409-291-009-2	1932 Sixth Street	668	7,530	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	East side of Sixth Street North of Verde Avenue
		1930 Sixth Street	669		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	
30	409-131-003-9	1724 Sixth Street	670	9,967	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	East side of Sixth Street mid-block betwn Market and Silver Avenues
		1722 Sixth Street	671		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	
31	409-282-005-1	1817 Seventh Street	672	14,958	SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	West side of 7th Street, mid-block betwn Market & Verde Avenues. 3,740 sf of bldg area
		1819 Seventh Street	673		SH	P-1	3BD/1.5 BA Occupied	935	1,870	
		1829 Seventh Street	674		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	Duplex	
		1827 Seventh Street	675		SH	P-1	3BD/1.5 BA - Vacant Poor Cond.	935	1,870	

- 1) Site area based on public records. 334,836 SF of Land
- 2) All vacant improvements boarded-up 7.69 Acres  
10 du/ac

Property 9B

BR Size	BD Count	SF	Total SF
1	2	578	1,156
2	2	770	1,540
3	61	935	57,035
4	11	1,155	12,705
4- SF	4	1,155	4,620
	80		77,056

4 SF  
38 Duplexes

**D. Zoning Designation**

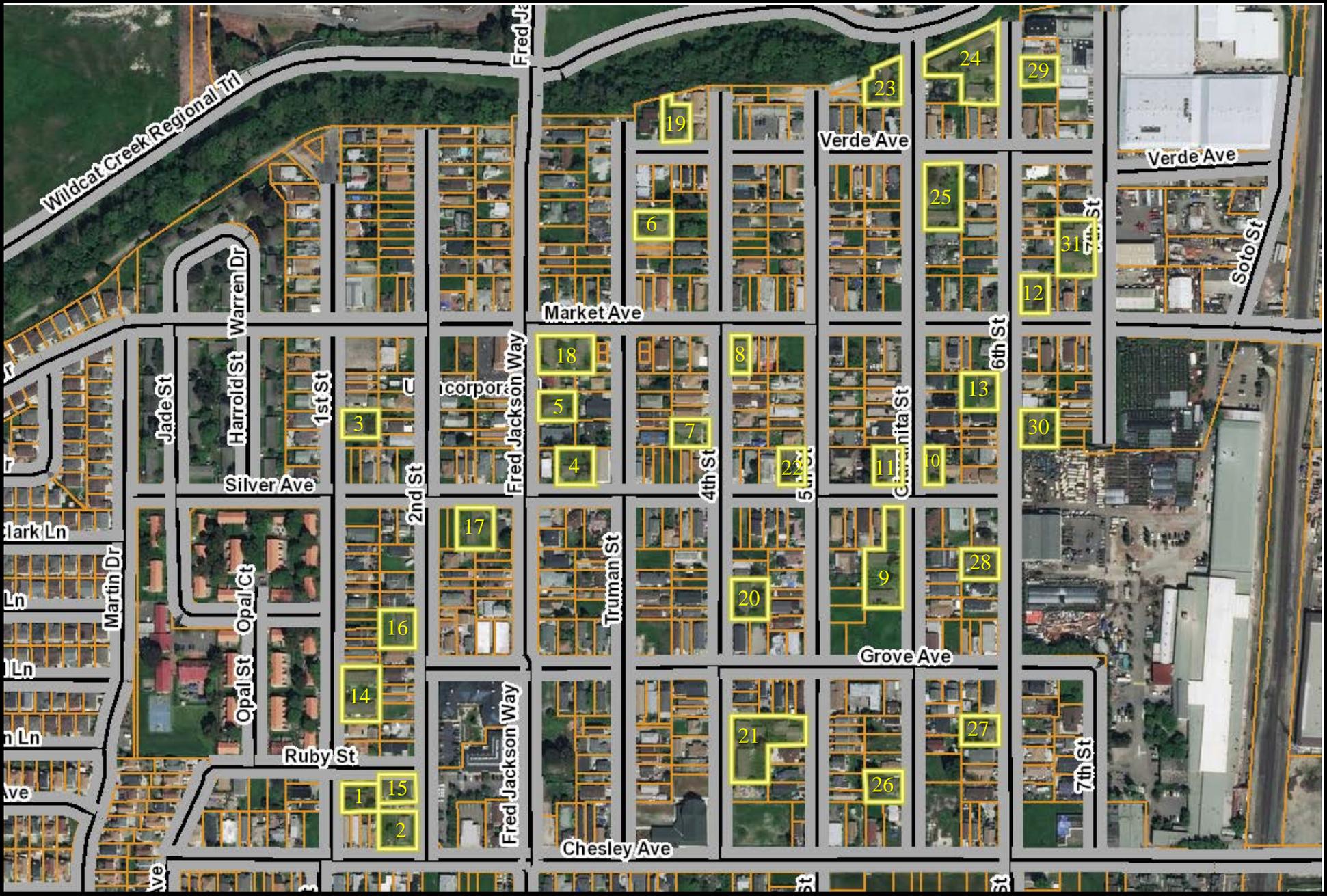
The subject properties are located in Contra Costa County within the North Richmond Redevelopment Area and although the Redevelopment Agency has been dissolved, the guidelines are still applicable. The subject property has a General Plan land use designation of Single Family Residential High Density, (SH). The General Plan land use designation allows between 5.0 to 7.2 single family units per net acre. Attached single family units (duplexes or duets) may be allowed as well as churches, small residential care and child care facilities. The minimum lot size is 4,500 square feet for a single family and 7,000 square feet for a duplex. The building height limit is 30 feet or two stories.

The subject has a zoning designation of Planned Unit District (P-1) within the North Richmond Area. This zoning designation is meant to provide *“a large-scale integrated development or a general plan special area of concern provides an opportunity for, and requires cohesive design when flexible regulations are applied; whereas the application of conventional regulation, designed primarily for individual lot development, to a large-scale development or special area may create a monotonous and inappropriate neighborhood. The planned unit district is intended to allow diversification in the relationship of various uses, buildings, structures, lot sizes and open space while insuring substantial compliance with the general plan and the intent of the county code in requiring adequate standards necessary to satisfy the requirements of the public health, safety and general welfare. These standards shall be observed without unduly inhibiting the advantages of large-scale site or special area planning.”*

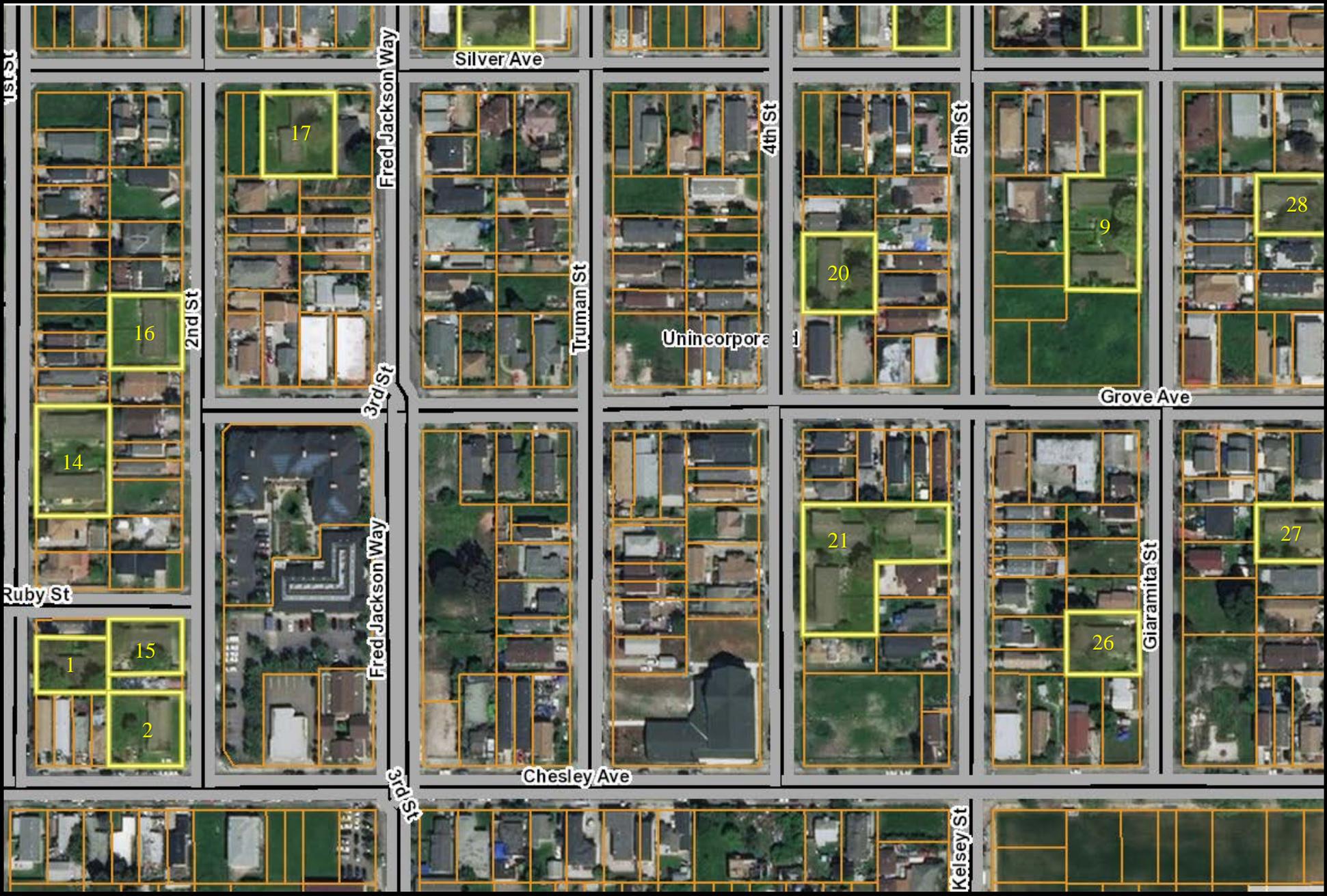
This zoning district allows the following permitted uses; a) any land uses with final plan approval for development which are in harmony, serve to fulfill the function of the development, and consistent with the General Plan; b) detached single-family dwelling on each legally established lot with the accessory structures and uses normally auxiliary to it. Allowed uses also include duplexes, secondary units, and child care for less than 12 children. Based on the North Richmond Redevelopment Plan area development guidelines, single family lots require a minimum of 4,500 square feet, a duplex requires 7,000 square feet and a multi-family project requires a minimum lot area of 10,000 square feet. The maximum building height is 30 feet or two stories.

Interim uses are also allowed under this zoning designation where no preliminary development plan is approved. These include any nonconforming use existing at the time of the establishment of the P-1 District which may be repaired, rebuilt, or enlarged. Administrative use permits can also be granted. The subject property is currently zoned P-1 and has a General Plan of Single-Family High Density Residential (SH). Any planned development would need to be reviewed by the County Planning Department and a Development Permit is required for residential construction over three units. The subject parcels currently appear to be legally conforming uses.

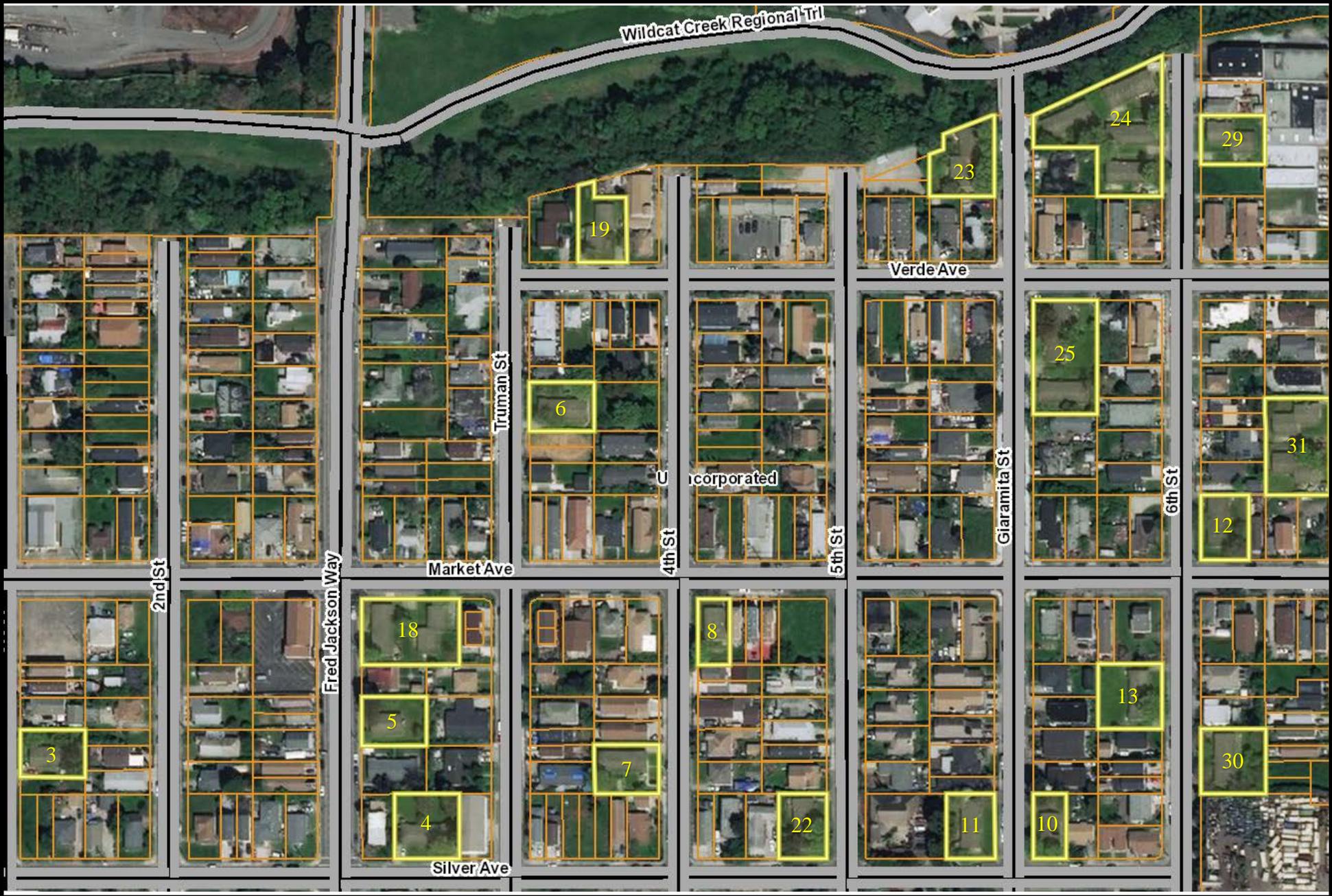
# AERIAL MAP



# AERIAL MAP



# AERIAL MAP



**E. Easements and Restrictions**

The appraisers were not provided with a preliminary title report for the subject property. Inspection of the property and review of the parcel maps indicated that there are several public utility easements affecting the subject parcels, which is common for this type of property. None of the noted easements or restrictions appear to adversely impact the utility or marketability of the subject property.

The subject property is currently owned by the Housing Authority of Contra Costa County. The subject is potentially affected by regulatory agreements recorded on the site which restrict the development and/or use. This appraisal assumes that there are no rent restrictions encumbering the subject property.

**F. Ownership and Sales History**

The appraisers were not provided with title reports for the subject parcels. According to public records, title to the subject property is currently vested in Contra Costa County Housing Authority. There have been no transfers of ownership in the past several decades.

**G. Assessed Valuation and Real Estate Taxes**

Under California property tax laws instituted by the passage of Proposition 13, property taxes can only be increased a maximum of two percent annually unless a property is sold, or additional value is added through new construction or alteration. Upon sale, property is taxed on the basis of one percent of the reassessed value, most often equal to the purchase price, plus existing bond indebtedness. The tax rate for the subject tax rate area for the 2018-2019 fiscal year is reportedly 1.2591 percent. The tax rate is broken down as follows:

CONTRA COSTA COUNTY 2018-2019 DETAIL OF TAX RATES						
TAX RATE AREA	TRA RATE	DESCRIPTION	SPECIAL RATE	DISTRICT RATE	GROUP RATE	TRA RATE
85075	1.2591	COUNTYWIDE TAX		1.0000	1.0000	
		BART		0.0052		
		BART BOND 2016		0.0018		
		BART				0.0070
		EAST BAY REG PK BD			0.0021	0.0021
		WEST CC UNIF BD 98			0.0047	0.0047
		WCC UNIF BOND 2000			0.0183	
		WCCUSD 2002 BOND			0.0600	
		WCC UNIF BOND 2005			0.0600	
		WCCUSD 2010 BOND			0.0480	
		WEST CONTRA COSTA UNIF				0.2390
		WCCUSD 2012 BOND			0.0480	0.0480
		COMM COLL 2002 BND			0.0030	
		COMM COLL 2006 BND			0.0065	
		COMM COLL 2014 BND			0.0015	
COMMUNITY COLLEGE				0.0110	1.2591	

## SUBJECT PHOTOGRAPHS



1529 Second Street



1529 Second Street Interior



1529 Second Street Kitchen



1529 Second Street Bathroom

## SUBJECT PHOTOGRAPHS



1529 Second Street Interior



317 Silver Avenue



317 Silver Avenue Interior



317 Silver Avenue Interior

## SUBJECT PHOTOGRAPHS



317 Silver Avenue Kitchen



317 Silver Avenue Interior



1549 Sixth Street



1549 Sixth Street Kitchen

## SUBJECT PHOTOGRAPHS



1549 Sixth Street Interior



1623 Giaramita Street



Typical Gutted Interior



Typical Gutted Interior

## SUBJECT PHOTOGRAPHS



1730 Fred Jackson Way



1932 Giaramita Avenue



1923 Sixth Street



1931 Sixth Street

## SUBJECT PHOTOGRAPHS



1925 Sixth Street



1925 Sixth Street Kitchen



1925 Sixth Street Bathroom



1925 Sixth Street Interior

## SUBJECT PHOTOGRAPHS



1539 Fifth Street



1639 Sixth Street



611 Market Avenue



423 Silver Avenue

## SUBJECT PHOTOGRAPHS



1725 Fourth Street



315 Verde Avenue



1844 Truman Street

For the current 2018-2019 tax year, the subject parcel has total assessed values and special taxes as follows:

	Subject	Land	Improvements	Gross Value	Special	Taxes
1	409-052-009-1	\$ 8,587	\$ 31,215	\$ 39,802	\$ 576	\$ 576
2	409-052-003-4	\$ 10,741	\$ 26,982	\$ 37,723	\$ 576	\$ 576
3	409-200-016-7	\$ 8,587	\$ 31,215	\$ 39,802	\$ 576	\$ 576
4	409-191-009-3	\$ 10,741	\$ 29,054	\$ 39,795	\$ 576	\$ 576
5	409-191-013-5	\$ 8,587	\$ 20,438	\$ 29,025	\$ 576	\$ 576
6	409-251-022-3	\$ 8,598	\$ 31,217	\$ 39,815	\$ 576	\$ 576
7	409-162-018-9	\$ 9,025	\$ 31,005	\$ 40,030	\$ 576	\$ 576
8	409-161-001-6	\$ 6,433	\$ 22,584	\$ 29,017	\$ 576	\$ 576
9	409-142-005	\$ 24,757	\$ 81,846	\$ 106,603	\$ 1,506	\$ 1,506
10	409-151-011-7	\$ 6,433	\$ 22,584	\$ 29,017	\$ 576	\$ 576
11	409-152-007-4	\$ 8,587	\$ 31,215	\$ 39,802	\$ 576	\$ 576
12	409-282-019-2	\$ 9,025	\$ 19,633	\$ 28,658	\$ 576	\$ 576
13	409-151-005-9	\$ 10,741	\$ 29,054	\$ 39,795	\$ 576	\$ 576
14	409-060-018-2	\$ 17,201	\$ 67,849	\$ 85,050	\$ 1,004	\$ 1,004
15	409-052-001-8	\$ 8,587	\$ 31,215	\$ 39,802	\$ 576	\$ 576
16	409-060-009-1	\$ 10,741	\$ 29,054	\$ 39,795	\$ 576	\$ 576
17	409-182-002-9	\$ 10,741	\$ 34,443	\$ 45,184	\$ 1,004	\$ 1,004
18	409-191-001	\$ 17,201	\$ 62,445	\$ 79,646	\$ 1,506	\$ 1,506
19	409-252-008-1	\$ 8,587	\$ 31,215	\$ 39,802	\$ 1,004	\$ 1,004
20	409-171-015-4	\$ 10,741	\$ 34,443	\$ 45,184	\$ 576	\$ 576
21	409-100-004-4	\$ 27,989	\$ 91,552	\$ 119,541	\$ 3,012	\$ 3,012
22	409-161-008-1	\$ 8,587	\$ 31,215	\$ 39,802	\$ 576	\$ 576
23	409-272-009-5	\$ 10,316	\$ 34,443	\$ 44,759	\$ 1,004	\$ 1,004
24	409-292-001-8	\$ 32,932	\$ 127,109	\$ 160,041	\$ 2,008	\$ 2,008
25	409-281-001-1	\$ 19,352	\$ 65,682	\$ 85,034	\$ 1,506	\$ 1,506
26	409-110-007-5	\$ 8,587	\$ 31,215	\$ 39,802	\$ 576	\$ 576
27	409-120-005-7	\$ 8,587	\$ 31,215	\$ 39,802	\$ 1,004	\$ 1,004
28	409-141-006-0	\$ 8,587	\$ 31,215	\$ 39,802	\$ 576	\$ 576
29	409-291-009-2	\$ 8,587	\$ 31,215	\$ 39,802	\$ 1,004	\$ 1,004
30	409-131-003-9	\$ 10,741	\$ 29,054	\$ 39,795	\$ 576	\$ 576
31	409-282-005-1	\$ 17,201	\$ 62,445	\$ 79,646	\$ 2,008	\$ 2,008
	<b>TOTAL</b>	<b>\$ 376,107</b>	<b>\$ 1,265,066</b>	<b>\$ 1,641,173</b>	<b>\$ 28,514</b>	<b>\$ 28,514</b>

Source: Contra Costa County Tax Collector

The subject property has received an exemption for 99% of the total assessed value of the land and improvements from ad valorem taxes due to the non-profit management/ownership of the subject. However, the special assessments are not exempt and total \$28,514. The special assessments include West County Wastewater District Sewer Charges. According to the County Tax Collector, as of the date of this appraisal, all taxes due have been paid in full.

**H. Description of Existing Improvements**

The subject consists of 31 parcels and is improved with duplexes or single-family rental units for a total of 80 residential units. The subject dwelling units are of wood frame construction on concrete slabs with stucco exteriors. The units have windows

which are single pane aluminum frame. The typical interior finishes of the units consist of vinyl flooring and drywall. The one-bedroom units contain 578 square feet. The two-bedroom units contain approximately 770 square feet, the three-bedroom units have 935 square feet and the four-bedroom units consist of 1,155 square feet. The subject contains four single family homes with four bedrooms and 1.5 baths with 1,155 square feet. The duplexes have a concrete driveway for parking one vehicle at each unit. The duplexes and single-family homes have rear yard with cyclone fencing and a concrete patio. The units have a dryer connection and a connection for a washing machine in the kitchen area.

The existing condition of the units are noted on the Subject Identification Table on the preceding page. The subject units were built in 1961 and are generally in very poor condition. The majority of the units are currently boarded-up and uninhabitable. Many of the units have been gutted. Of the 80 units, approximately 7 units are currently occupied, and the other 73 units are vacant.

Many of the units have been vandalized with copper piping and wiring removed. Most of the water heaters appear to have been damaged and some water damage was observed from broken pipes. Walls have been damaged and in some cases the ceiling has been partially opened. The vacant units are typically boarded-up to prevent squatters or additional damage. The front and rear doors have been removed by VPS (the vacant property security system). Several of the units have been damaged by fire.

Although the interior of the residential units is in very poor condition and essentially gutted, the building foundation and framing appears to be in average condition. The roof structure is tar and gravel and also appears to be in average condition with no signs of leaking.

#### ***Estimated Costs of Renovation***

The majority of the units are currently boarded-up and uninhabitable. The vacant units are typically boarded-up to prevent squatters or additional damage. However, in many cases the units have been broken into and there has been additional damage. Essentially the units will need to be completely gutted and renovated to become occupiable. In 2014 the subject property representative indicated that the costs to repair vacant units ranged from \$25,000 to \$90,000 depending of the level of renovation needed and if there was structural damage. These costs have only increased over the past five years.

The appraiser acknowledges that the costs to renovate a residential unit can vary greatly depending on the type of buyer such as an owner user, institutional or speculator, as well as the ultimate scope of the renovation. According to EMG which completed a Physical Needs Assessment for a portion of Las Deltas, on December 2018, the estimated base cost for the renovation of the residential units was approximately \$120,000 per unit. Adding contractor fees of 15% the cost is

approximately \$138,000 per unit. These costs did not include roof replacement, parking upgrades or ADA installations.

Discussions with broker in the market area indicated that the costs to gut renovate a red tagged single family home in San Pablo was estimated by a contractor at a cost of \$140,000. The home contained 1,100 square feet and had two bathrooms. Other information provided to the appraiser by contractors indicated costs in the range of \$100,000 to \$120,000 per unit based on two bathrooms and an average three-bedroom unit of approximately 1,000 square feet.

The subject contains approximately 77,056 square feet of improvements, with an average unit size of 963 square feet. Based on our research as well as discussions with brokers and other active participants in the real estate market, a benchmark renovation cost of \$120 per square foot, or approximately \$120,000 per unit is concluded. This cost is applied to all of the units at the subject as they all require renovation.

**I. Conformance to American Disabilities Act (ADA)**

An ADA compliance survey was not provided for review, nor was one performed by the appraiser. The reader is directed to the limiting condition in Chapter I of this report, which states that any effect on value of potential ADA noncompliance has not been considered in this appraisal.

**V. HIGHEST AND BEST USE AND VALUATION METHODOLOGY**

**A. Highest and Best Use**

The highest and best use is that use, from among reasonably probable and legal alternative uses, found to be legally permissible, physically possible, financially feasible, and which results in the highest land value.

The four criteria the highest and best use must meet are physical possibility, legal permissibility, financial feasibility, and maximum productivity. Analysis of the subject's highest and best use is made as if the site were vacant, and as improved with the existing improvements.

**1. *As-If Vacant***

**a) *Physically Possible***

The subject neighborhood contains primarily residential structures as well as vacant lots. The subject consists of 31 parcels that range from 4,998 to 26,529 square feet. The site sizes are sufficient to support a variety of residential development. Overall, physical characteristics do not limit the highest and best use of the subject site.

**b) *Legally Permissible***

The subject properties have a General Plan designation of Single Family Residential - High Density (SH) and are zoned Planned Unit (P-1). Residential uses are the primary zoning for the subject properties with secondary uses allowed of residential care and child care facilities as well as churches. Based on the legal parameters, with consideration given to conformance with the surrounding neighborhood, the highest and best use of the subject property, as if vacant, appears to be residential development.

**c) *Financially Feasible***

The subject sites are located in a weak residential market area in the unincorporated area of North Richmond, Contra Costa County. Market conditions do not support speculative development for the subject sites. The maximum productive use is that use, from among financially feasible uses, that provides the highest rate of return or value. Therefore, the highest and best use of the subject sites as-if vacant, is considered to be to hold for future development or to be developed by an owner-occupant.

**d) *Maximally Productive/Highest and Best Use Conclusion***

Overall, based on these factors, the highest and best use of the subject scattered sites as-if vacant would be to hold the property until market conditions improve and warrant construction of a new development consistent with the subject's zoning.

**2. *As-Improved***

The subject properties consist of poor quality residential single family and duplex units that were built in the 1960s. Most of the subject units are vacant and have been vandalized and gutted. These units require renovation to be habitable.

Discussions with brokers and other construction specialists estimated costs of renovation ranging between \$100,000 to \$140,000 per unit or approximately \$100 to \$140 per square foot, based on an average 1,000 square foot unit.

Based on an estimated benchmark cost of \$120 per square foot, which includes new plumbing, wiring, heating, bathrooms and kitchens, flooring and walls, it is considered financially feasible to renovate most of the vacant units which do not have structural or fire damage.

Several of the units have sustained fire damage and have extensive structural damage. These improvements are considered to have no value and should be demolished. The highest and best use of three subject parcels, Numbers 10, 16 and 17, is to demolish the improvements and hold the land for future development potential given the condition of the improvements on the parcels.

There are an additional 28 parcels at the subject that are improved with 75 units. These improvements are considered to contribute value to the underlying land, and are valued as currently improved, with a deduction made for the estimated costs to renovate the units.

Therefore, the highest and best use of parcels identified as Numbers 1 through 9, 11 through 15 and Numbers 18 through 31 is to keep the existing duplex or single-family units and to renovate the residential units.

**B. Valuation Methodology**

The valuation of any parcel of real estate is derived principally through three approaches to the market value. From the indications of these analyses, and the weight accorded to each, an opinion of value is reached. Each approach is more particularly described below.

**1. *Cost Approach***

This approach is the summation of the estimated value of the land, as if vacant, and the reproduction or replacement cost of the improvements. From these are deducted the appraiser's estimate of physical deterioration, functional obsolescence, and economic obsolescence, as observed during inspection of the property and its environs. The Cost Approach is based on the premise that, except under the most unusual circumstances, the value of a property cannot be greater than the cost of constructing a similar building on a comparable site.

**2. *Sales Comparison Approach***

This approach is based on the principal of substitution, i.e., the value of a property is governed by the prices generally obtained for similar properties. In analyzing the market data, it is essential that the sale prices be reduced to common denominators to relate the degree of comparability to the property under appraisal. The difficulty in this approach is that two properties are never exactly alike.

**3. *Income Approach***

An investment property is typically valued in proportion to its ability to produce income. Hence the Income Approach involves an analysis of the property in terms of its ability to provide a net annual income. This estimated income is then capitalized at a market-oriented rate commensurate with the risks inherent in ownership of the property, relative to the rate of return offered by other investments.

The Sales Comparison approach is used in estimating the market value of the subject as land and as improved. A deduction is made for the repair or demolition costs to derive an as-is market value. The Cost Approach is not used, because purchasers in the subject marketplace do not give weight to this approach.

The following chapters further discuss the methodologies used in valuing the subject property.

## **VI. VALUATION BY THE SALES COMPARISON APPROACH**

The approach utilized in estimating the current market value of the subject properties is the Sales Comparison Approach. In this analysis, value is estimated by comparing the subject to similar land sites which have transferred prior to the effective date of appraisal. The index properties show characteristics which are similar to the property being appraised. The Comparable Sales Table is on the following page.

Those transactions which are considered appropriate to indexing the value of the subject parcels are summarized on the table. The prices paid for the comparable properties are shown on an absolute basis and on a price per square foot basis, which is the most common unit value used for land. In valuing the subject site, adjustments are made as necessary to each comparable for location, accessibility, functional utility, date of sale, terms of sale, and size.

For valuing the existing improvements, the prices paid for the comparables is shown on an absolute basis. Adjustments are made for location, age, condition, quality and size.

### **A. Presentation and Analysis of Land Sales**

The table on the following page show land sales in the North Richmond market area. Most of the land sale comparables show a range from approximately \$75,000 to \$130,000 for lots that contain approximately 3,762 and 5,000 square feet. These lots contain one legal parcel. The price per square foot ranges from approximately \$16.00 to \$26.00 per square foot.

Land Sales for larger lots of 7,500 square feet indicate sale prices of between \$98,000 to \$250,000. The high end of the range pertains to the sale of three legal parcels which would allow for up to two legal units with an in-law or accessory unit. These comparables indicate a price per square foot range between approximately \$13 to \$33 per square foot. Less weight is placed on the high end of the range given that it is above the range of the comparables and could be divided into two lots.

No recent sale data was available for larger parcels in northern Richmond. A site containing 31,189 square feet, or 0.72 acres was purchased in February 2014 by Darryl Hughey for \$120,000. The sale consists of three adjacent parcels which could be subdivided into 12 lots. The property was purchased for \$3.85 per square foot. A significantly higher per square foot land value is indicated for the subject given the current stronger market conditions.

A recent sale of an entitled multifamily property in the Hilltop neighborhood of Richmond was purchased in July 2018 for \$36 per square foot. The property contains 2.19 acres and is entitled for 98 units. Given the subject's lower density and location a significantly lower land value would be indicated to the subject's larger high density residential single-family sites.

### COMPARABLE LAND AND SINGLE FAMILY HOME SALES

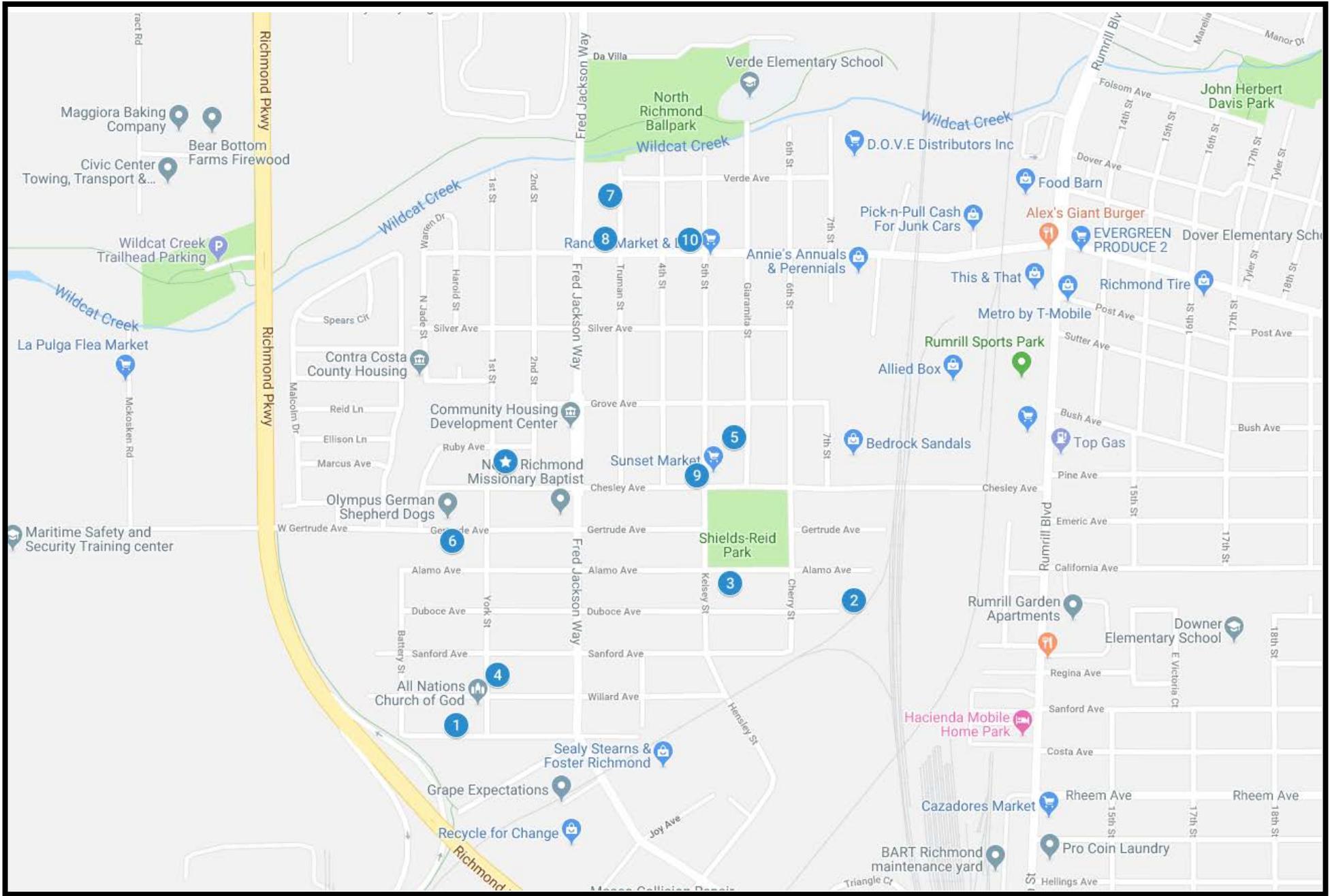
Appraisal of 31 Parcels within the Las Deltas Family Project

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North Richmond, California

Location / # APN	Sale Date	Sale Price	Size SF/Acre	Price Per Unit / SF	Zoning/ Max. Allowed Density	Comments	Grantor/ Grantee (Document#)
<b>Land Sales</b>							
1 236 Vernon Avenue North Richmond APN: 409-021-028-9	3/19 COE	\$75,000 Contract Price	3,762 SF 0.09 AC	\$19.94	P-1 Contra Costa County 1 Unit	Three offers on property. One Lot	William Malbrough/ NA
2 800 Block Alamo Avenue Richmond APN: 561-252-029-5	3/19 Pending Sale	\$112,500 Asking Price	7,500 SF 0.17 AC	\$15.00	RL-2 City of Richmond 3 Units	Mid-block site One Lot	Chinlakozy, Ulian/ NA
3 560 Alamo Avenue Richmond APN: 561-231-001-0	12/18	\$130,000	5,000 SF 0.11 AC	\$26.00	RL-2 City of Richmond 2 Units	Mid-block site One Lot	De Leon, Celso E V/ YC & JJ LLC #197311
4 1240 York Street Richmond APNs: 561-151-028-9, -029-7, -027-1	10/18	\$250,000	7,500 SF 0.17 AC	\$33.33	RL-2 City of Richmond 2 Units	Mid-block site 3 Lots	Ron Ikebe/ Veronica Coleman #024588
5 1541 Giaramita North Richmond APN: 409-110-005-9	8/17	\$80,000	5,000 SF 0.11 AC	\$16.00	P-1 Contra Costa County 1 Unit	Mid-block vacant site One Lot	Prater, Jane H/ Yaramala, Krishna & Padmavathi #0154135
6 0 Block Gertrude Avenue North Richmond APNs: 409-042-018-5, -019, -020	5/17	\$98,000	7,500 SF 0.17 AC	\$13.07	P-1 Contra Costa County 3 Units	Mid-block site- 3 Lots Buyer plans to develop with three units	Domenico, Plinio D/ Montoya, Ricardo C/De Ceja, Wendy G #093923
<b>Single Family Units</b>							
7a 1853 Truman Street North Richmond APN: 409-240-005-2	2/19	\$283,250	987 SF Bldg. 0.06 AC 2,720 SF	\$287	P-1 Contra Costa County 3BD/1BA	Fixer Blt in 1949 Single Family	Ramiro S. Barrera/ Arturo & Yanira R Benavides #015991
7b	10/18	\$265,000	987 SF Bldg. 0.06 AC 2,720 SF	\$268	P-1 Contra Costa County 3BD/1BA	Fixer Blt in 1949 Single Family	Frankie M. Fulmore/ Ramiro S. Barrera #0168878
8 321 Market Avenue North Richmond APN: 409-240-024-3	12/18	\$410,000	1,000 SF Bldg. 0.08 AC 3,600 SF	\$410	P-1 Contra Costa County 3BD/1BA	Updated Blt in 1965 Single Family	Aaron & Ladonnike Morgan/ Audrey Davidson #0194226
9 425 Chesley Avenue North Richmond APN: 409-100-010-1	11/18	\$310,000	1,016 SF Bldg. 0.07 AC 2,850 SF	\$305	P-1 Contra Costa County 3BD/1BA	Avg Condition Blt in 1944 Single Family	Juan C. Cabrera/ Juan and Raquel Ruiz #0192434
10 423 Market Avenue North Richmond APN: 409-261-010-6	11/18	\$475,000	1,244 SF Bldg. 0.06 AC 2,500 SF	\$382	P-1 Contra Costa County 3BD/2BA	Above Avg./New Construction Blt in 2018 Single Family	Jinotega Inc./ Juan A Meza #0189935

# COMPARABLE LAND AND SFH SALES MAP



Based on the comparable land sales, and considering the location, density, size, utility, approval status, and market conditions a per square foot value between \$10.00 and \$20.00 per square foot is estimated for the subject parcels as vacant. A per square foot value of \$20 per square foot is concluded for the smaller subject parcels of approximately 5,000 to 7,500 square feet as vacant. For the larger subject parcels of 7,600 to 15,000 square feet a unit value of \$15 per square is concluded as vacant. A unit value of \$12.50 per square foot is estimated for the subject parcels which contain 15,000 to 20,000 square feet and for parcels greater than 20,000 square feet a unit value of \$10.00 per square foot is concluded as vacant.

These land values are applied to the subject parcels identified as Numbers 10, 16, 17.

**B. Presentation and Analysis of Single-Family Home Sales**

The table on the preceding page shows sales of single-family homes in the North Richmond neighborhood. The comparable single-family home sales show a range from approximately \$265,000 to \$475,000 for homes that range between 987 and 1,244 square feet. The homes contain three bedrooms and two bathrooms.

The high end of the range reflects the sale of a new home located at 423 Market Street at \$475,000. This home is larger than the subject units and is above average in quality. A lower unit value is suggested for the subject.

The low end of the range at \$265,000 and \$283,250 reflects the sale and resale of a home at 1853 Truman Street. According to the broker the property needed approximately \$40,000 to \$50,000 in renovation work, reflecting a total sale price of approximately \$325,000 as renovated. The buyer is planning to renovate and lease the property.

The remaining home sales indicate a range between \$310,000 and \$410,000. Both comparables are similar in size to the subject single-family homes. Given the condition and quality, a unit value of \$325,000 is concluded for the subject single-family units assuming renovation has been completed.

**C. Presentation and Analysis of Duplexes, Fourplexes and Multiplex Unit Sales**

The table on the following page indicate sales of duplexes, fourplexes and multiplex unit properties. Comparables 1 through 5 indicate the sales of duplexes in the greater market area and indicate sale prices between \$375,000 and \$540,000. This is equal to a per unit price of between \$187,500 and \$270,000. The low end of the range pertains to a property in poor condition, whereas the higher sale prices pertain to better quality properties in superior locations. Based on the location, condition, age and quality of the subject's duplex units a value of \$475,000 is estimated, or \$237,500 per unit is concluded, assuming that the duplex units have been renovated.

### COMPARABLE MULTIFAMILY BUILDING SALES

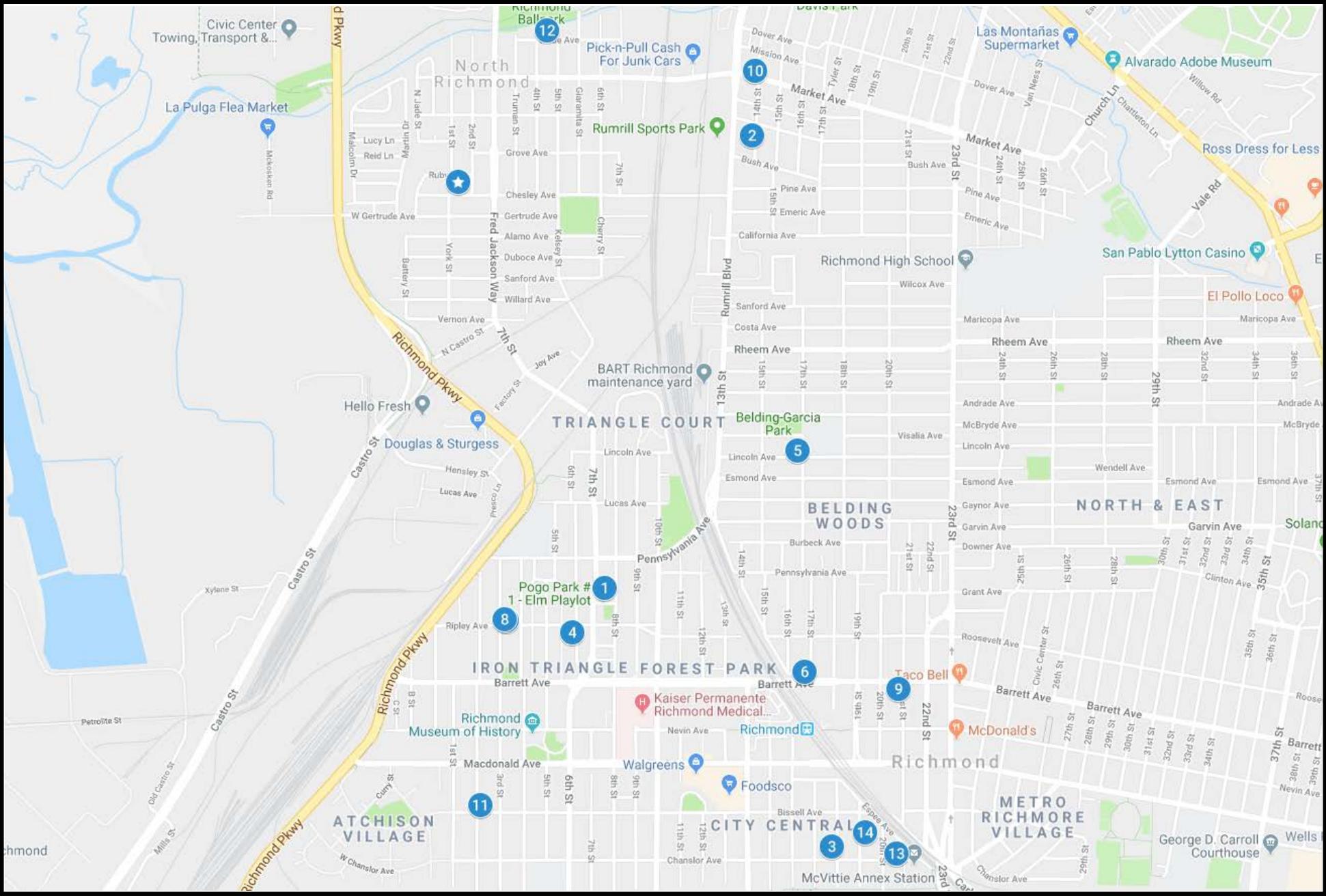
Appraisal of 31 Parcels within the Las Deltas Family Project

CA009B - Annex 2

North Richmond, California

Location / # APN	Sale Date	Sale Price	Size SF/Acre	Price Per Unit / SF	Zoning/ Unit Type Avg Unit Size SF (GBA)	Comments	Grantor/ Grantee (Document#)
<b><u>Duplex</u></b>							
1 724 Acacia Avenue Richmond APN: 534-191-003-1	10/18	\$375,000	2,070 SF Bldg. 0.09 AC 4,000 SF	\$187,500 Per Unit \$181	RL2- City of Richmond 2 Units - 2BD/1BA 1,035	Duplex 1986 Blt Poor Condition	Bank of New York/ Newton RPM Ltd. #0163494
2 1645 14th Street San Pablo APN: 410-251-020-5	9/18	\$480,000	2,070 SF Bldg. 0.08 AC 3,484 SF	\$240,000 Per Unit \$232	City of San Pablo 2 Units - 2BD/1BA 1,035	Duplex 1952 Blt Average Condition	Solomon Gorlock/ Juan and Josefina M Torres #203207
3 119 18th Street Richmond APN: 540-220-015-7	9/18	\$520,000	1,573 SF Bldg. 0.13 AC 5,650 SF	\$260,000 Per Unit \$331	RM2- City of Richmond 2 Units - 1BD/1BA 787	Duplex 1906 Blt Average Condition	Gundersen, Mark/ Molina-Ortiz, Silvestre R/Aguilera, Olivia P #0139955
4 587 6th Street Richmond APN: 534-301-004-6	9/18	\$540,000	1,876 SF Bldg. 0.09 AC 3,840 SF	\$270,000 Per Unit \$288	RM1- City of Richmond 2 Units - 3BD/1.5BA 938	Duplex Blt in 1952 Average Condition	Bang Jong S living Trust/ North County LLC #010713
5 1627 Lincoln Avenue Richmond APN: 530-290-008-8	6/18	\$510,000	1,559 SF Bldg. 0.11 AC 5,000 SF	\$255,000 Per Unit \$327	RM1- City of Richmond 3BD/2BA, 1BD/1BA 780	Duplex 1944 Blt Average Condition	Duke Partners II LLC/ Sean E Haggai #0125253
<b><u>Triplex and Fourplexes</u></b>							
6 1625 Portola Avenue Richmond APN: 514-162-025-1	1/19	\$662,500	2,602 SF Bldg. 0.09 AC 3,936 SF	\$220,833 Per Unit \$255	RM2- City of Richmond 3 Units - 2BD/1BA 867	Triplex Blt in 1984 Average Condition	Scott M. Blasingame/ Jesus S. Mendez #0002619
7 305 Ripley Avenue Richmond APN: 534-212-012-7	3/19	\$720,000	2,102 SF Bldg. 0.09 AC 3,800 SF	\$180,000 Per Unit \$343	RM1- City of Richmond 4 Units - 1BD/1BA 526	4 Unit 1927 Blt Above Average Condition	Moazeni, Behzad/ Rasouli, Ladan Trust/ NA
8 301 Ripley Avenue Richmond APN: 534-212-013-5	1/19	\$630,000	2,102 SF Bldg. 0.09 AC 3,800 SF	\$157,500 Per Unit \$300	RM1- City of Richmond 4 Units - 1BD/1BA 526	4 Unit 1927 Blt Average Condition	Moazeni, Behzad/ Rasouli, Ladan Trust/ Tewdros, Aron #012782
9 465 21st Street Richmond APN: 514-120-005-4	11/18	\$550,000	3,431 SF Bldg. 0.12 AC 5,300 SF	\$137,500 Per Unit \$160	CM5- City of Richmond 4 Units - 2BD/1BA 858	4 Unit Blt in 1954 Average Condition	McMacgregor LLC/ Ahsbaba, Ahmad/ Sedighi Farideh #190982
<b><u>Multiplexes</u></b>							
10 1333 Market Avenue San Pablo APN: 411-041-003-4	11/18	\$1,240,000	3,988 SF Bldg. 0.12 AC 5,227 SF	\$177,143 Per Unit \$311	CMU- City of San Pablo 7 Units - 6 1BD/1BA, 1 2BD/1BA 570	7 Unit Blt in 1962 Good Condition	Selbie C Wright Trust/ Garcia, Estevan/Lindstrom-Garice, Julie L. #179493
11 203 Bissell Avenue Richmond APN: 538-190-021-5	7/18	\$875,000	3,932 SF Bldg. 0.08 AC 3,655 SF	\$109,375 Per Unit \$223	RM2- City of Richmond 4- Studio, 4 1BD/1BA 492	8 Unit Blt in 1908 Poor Condition	Eustolia P De Fregoso/ Hamilton, B/ Wu S H F #0112249
12 417 Verde Avenue North Richmond APN: 409-262-010-5	5/18	\$1,100,000	5,410 SF Bldg. 0.24 AC 10,500 SF	\$137,500 Per Unit \$203	P1, Contra Costa County 8 units -4 3BD/1BA, 4 2BD/1BA 676	8 Unit Blt in 1957 Fair Condition	Verde Ave, LLC/ JWT Capital Holding Group One.LLC #202656
13 2023 Chanslor Avenue Richmond APN: 540-190-009-6	3/18	\$1,130,000	6,264 SF Bldg. 0.19 AC 8,438 SF	\$141,250 Per Unit \$180	R-3- City of Richmond 8 2BD/1BA 783	8 Unit Blt in 1964 Average Condition	Tackabary Family Trust 2017/ Davis, William E Jr. & Silvia G. #041392
14 146 19th Street Richmond APN: 540-200-017-7	2/17	\$1,190,000	5,966 SF Bldg. 0.19 AC 8,438 SF	\$132,222 Per Unit \$199	City of Richmond 9 units -1 1BD/1BA, 8 2BD/1BA 663	9 Unit Blt in 1961 Average Condition	Community Commerce Bank/ MW General Ptshp #024643

# COMPARABLE MULTIFAMILY BUILDING SALES MAP



Comparables 6 through 9 reflect the sale of triplexes and fourplexes. The sales indicate a range between \$550,000 to \$720,000, or \$137,500 to \$220,833 per unit, with the high end of the per unit range pertaining to the smaller triplex property. The subject consists of one-story structures, or two duplexes on a property. Based on the location, condition, age and quality of the subject a fourplex value of \$680,000, or \$170,000 per unit is concluded which is within the range of the comparables assuming the units have been renovated.

Comparables 10 through 14 pertain to the sales of larger multifamily units. The comparables range in size from 7 to 8 units and the sale prices are between \$875,000 to \$1,240,000. This is equal to \$109,375 to \$177,143 per unit. The subject contains one parcel which contains 4 duplexes, or a total of 8 units. Given the subject's location and size, a unit value of \$145,000 is concluded.

Several of the parcels which require additional adjustments are discussed below.

The Subject Parcel Number 9 is a larger parcel that contains a single-family home as well as two duplexes. Given that the single-family home shares the parcel with the duplexes, a lower market value is attributable to this single-family unit of \$225,000.

The Subject Parcel Number 11 is a duplex that contains one-bedroom units. Given the smaller size of the property and the lower income potential a lower unit value of \$375,000 is concluded.

The Subject Parcel Numbers 14 and 25 contains two duplexes which has three- and four-bedroom units as well as relatively large lot size. A unit value of \$750,000 is applied to this comparable as it takes into consideration the additional income potential less the renovation costs.

The Subject Parcel Number 21 is a larger parcel which contains 25,288 square feet. The parcel has three duplexes, in which one duplex is fire damaged (Units 640 and 641). The fire damage to the duplex on this portion of the site is considered surplus land, and the cost of demolition is considered to offset the value of this portion of the land. No additional value is allocated to the surplus land. The concluded value of Parcel 21 includes the two duplexes, less renovation costs.

#### **D. Deduction for Renovation/Demolition Costs**

The majority of the subject units are not occupied and have been boarded up. The units are in poor condition and the costs to repair the units is estimated at approximately \$120 per square foot, based our discussions with brokers and real estate representatives. Currently the renovation cost is lower than the as renovated value of the properties. Therefore, this cost when required is deducted from the concluded value of the properties as renovated to derive an as-is value.

The cost to demolish each unit is based on Marshall Valuation Service and is estimated at approximately \$10.00 per square foot. This cost includes asbestos and lead abatement as well as remediation costs and appears reasonable. These costs are utilized in the analysis and are deducted from the value conclusions to derive an as-is value as land.

**E. As-Is Value Conclusions as Individual Properties**

The valuation of the subject properties is summarized on the table on the following page. The table includes renovation costs which are applied to the units which are estimated to not have fire or structural damage. The demolition costs are applied to the units which have structural or more significant damage to derive a land value. The total sum of the 31 properties is \$7,160,000.

**VALUATION OF SUBJECT PROPERTIES**  
Appraisal of 31 Parcels within the Las Deltas Family Project  
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#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	Value Conclusions	Demolition/Repair Costs (2)	As-Is Market Value
1	409-052-009-1	1520 First Street 1518 First Street	584 585	935 935	1,870	7,463	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
2	409-052-003-4	121 Chesley Avenue 1511 Second Street	586 587	770 935	1,705	10,040	\$475,000 Duplex	(\$204,600) cost to renovate	<b>\$270,000</b> \$27 (Land Value PSF)
3	409-200-016-7	1714 First Street 1710 First Street	588 589	935 935	1,870	7,500	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
4	409-191-009-3	317 Silver Avenue 325 Silver Avenue	592 593	935 935	1,870	10,026	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$25 (Land Value PSF)
5	409-191-013-5	1730 Fred Jackson Way	594	1,155	1,155	7,578	\$325,000 Single Family	(\$138,600) cost to renovate	<b>\$190,000</b> \$25 (Land Value PSF)
6	409-251-022-3	1844 Truman Street 1840 Truman Street	595 596	935 935	1,870	7,500	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
7	409-162-018-9	1725 Fourth Street 1727 Fourth Street	599 600	935 935	1,870	7,500	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
8	409-161-001-6	1744 Fourth Street	602	1,155		4,998	\$325,000 Single Family	(\$138,600) cost to renovate	<b>\$190,000</b> \$38 (Land Value PSF)
9	409-142-005	1649 Giaranita Street 1643 Giaranita Street 1639 Giaranita Street 1623 Giaranita Street 1619 Giaranita Street Total SF	603 604 605 606 607	1,155 1,155 935 935 935	1,155 2,090	21,299	\$225,000 Single Family \$680,000 2- Duplexes \$905,000 Total	(\$613,800) cost to renovate	<b>\$290,000</b> \$14 (Land Value PSF)
10	409-151-011-7	1710 Giaranita Street	608	1,155	1,155	5,000	\$100,000 land value	(\$11,550) demo costs at \$10 psf	<b>\$90,000</b>
11	409-152-007-4	1711 Giaranita Street 525 Silver Avenue	610 609	578 578	1,156	7,580	\$375,000 Duplex	(\$138,720) cost to renovate	<b>\$240,000</b> \$32 (Land Value PSF)
12	409-282-019-2	1814 Sixth Street 611 Market Avenue	612 613	1,155 770	1,925	7,500	\$475,000 Duplex	(\$231,000) cost to renovate	<b>\$240,000</b> \$32 (Land Value PSF)
13	409-151-005-9	1741 Sixth Street 1737 Sixth Street	614 615	935 935	1,870	9,983	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$25 (Land Value PSF)
14	409-060-018-2	1572 First Street 1574 First Street 1560 First Street 1558 First Street	616 617 618 619	1,155 935 1,155 935	2,090 2,090	15,065	\$750,000 2- Duplexes	(\$501,600) cost to renovate	<b>\$250,000</b> \$17 (Land Value PSF)
15	409-052-001-8	1529 Second Street 114 W Ruby Street	620 621	935 935	1,870	7,499	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$33 (Land Value PSF)
16	409-060-009-1	1601 Second Street 1605 Second Street	622 623	935 935	1,870	9,865	\$147,975 land value	(\$18,700) demo costs at \$10 psf	<b>\$130,000</b>
17	409-182-002-9	220 Silver Avenue 218 Silver Avenue	624 625	1,155 1,155	2,310	11,365	\$170,475 land value	(\$23,100) demo costs at \$10 psf	<b>\$150,000</b>
18	409-191-001-0	308 Market Avenue 1748 Fred Jackson Way 322 Market Avenue 320 Market Avenue	626 627 628 629	935 935 935 935	1,870 1,870	15,214	\$680,000 2- Duplexes	(\$448,800) cost to renovate	<b>\$230,000</b> \$15 (Land Value PSF)
19	409-252-008-1	315 Verde Avenue 317 Verde Avenue	634 635	935 935	1,870	8,081	\$475,000 Duplex	(\$224,400) cost to renovate	<b>\$250,000</b> \$31 (Land Value PSF)
20	409-171-015-4	1624 Fourth Street 1622 Fourth Street	636 637	1,155 935	2,090	10,557	\$475,000 Duplex	(\$250,800) cost to renovate	<b>\$220,000</b> \$21 (Land Value PSF)

**VALUATION OF SUBJECT PROPERTIES**  
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#	APN Number	Address	ID Unit Number	SF Units	Total Bldg SF	Parcel Size (SF) 1	Value		As-Is Market Value	
							Conclusions	Demolition/Repair Costs (2)		
21	409-100-004-4	1542 Fourth Street	638	935	1,870	25,288	\$680,000	2 -Duplexes	(\$448,800) cost to renovate	<b>\$230,000</b>  \$9 (Land Value PSF)
		1540 Fourth Street	639	935						
		1534 Fourth Street	640	935	NA		\$0	(\$448,800)		
		1532 Fourth Street	641	935						
		1539 Fifth Street	642	935	1,870		\$680,000			
1541 Fifth Street	643	935								
22	409-161-008-1	423 Silver Avenue	644	935	1,870	7,316	\$475,000	Duplex	(\$224,400) cost to renovate	<b>\$250,000</b>  \$34 (Land Value PSF)
		1709 Fifth Street	645	935						
23	409-272-009-5	1927 Giaranita Street	648	1,155	2,310	10,208	\$475,000	Duplex	(\$277,200) cost to renovate	<b>\$200,000</b>  \$20 (Land Value PSF)
		1925 Giaranita Street	649	1,155						
24	409-292-001-8	1932 Giaranita Street	650	935	1,870	26,529	\$1,160,000	4- Duplexes	(\$897,600) cost to renovate	<b>\$260,000</b>  \$10 (Land Value PSF)
		1934 Giaranita Street	651	935						
		1923 Sixth Street	662	935	1,870					
		1925 Sixth Street	663	935						
		1929 Sixth Street	664	935	1,870					
		1931 Sixth Street	665	935						
		1945 Sixth Street	666	935	1,870					
1943 Sixth Street	667	935								
25	409-281-001-1	1844 Giaranita Street	652	1,155	2,310	17,502	\$750,000	2- Duplex	(\$501,600) cost to renovate	<b>\$250,000</b>  \$14 (Land Value PSF)
		542 Verde Avenue	653	1,155						
		1842 Giaranita Street	654	935	1,870					
		1840 Giaranita Street	655	935						
26	409-110-007-5	1525 Giaranita Street	656	935	1,870	8,384	\$475,000	Duplex	(\$224,400) cost to renovate	<b>\$250,000</b>  \$30 (Land Value PSF)
		1527 Giaranita Street	657	935						
27	409-120-005-7	1547 Sixth Street	658	935	1,870	7,710	\$475,000	Duplex	(\$224,400) cost to renovate	<b>\$250,000</b>  \$32 (Land Value PSF)
		1549 Sixth Street	659	935						
28	409-141-006-0	1639 Sixth Street	660	935	1,870	7,993	\$475,000	Duplex	(\$224,400) cost to renovate	<b>\$250,000</b>  \$31 (Land Value PSF)
		1641 Sixth Street	661	935						
29	409-291-009-2	1932 Sixth Street	668	935	1,870	7,530	\$475,000	Duplex	(\$224,400) cost to renovate	<b>\$250,000</b>  \$33 (Land Value PSF)
		1930 Sixth Street	669	935						
30	409-131-003-9	1724 Sixth Street	670	935	1,870	9,967	\$475,000	Duplex	(\$224,400) cost to renovate	<b>\$250,000</b>  \$25 (Land Value PSF)
		1722 Sixth Street	671	935						
31	409-282-005-1	1817 Seventh Street	672	935	1,870	14,958	\$680,000	2- Duplexes	(\$448,800) cost to renovate	<b>\$230,000</b>  \$15 (Land Value PSF)
		1819 Seventh Street	673	935						
		1829 Seventh Street	674	935	1,870					
		1827 Seventh Street	675	935						

Total:

\$7,160,000

- 1) Square Foot of land area based on public records.
- 2) Demolition Costs provided by Marshall Valuation Service at \$10 per square foot.  
Cost to renovate unit is estimated at \$120 psf.

## **VII. DISCOUNTED MARKET (BULK) VALUE**

In this chapter, the bulk market value of the subject parcels is estimated. The bulk (discounted) market value estimate is defined as the sale of all 31 legal subject lots in a single transaction. It assumes that the project is sold to a single buyer. The bulk market value is determined by discounting the gross retail valuation over a projected absorption period, with deductions made to account for the cost of sales and entrepreneurial profit. The discounted analysis necessitates certain assumptions concerning the cost of sales, absorption rate, profit, discount rate and inflation. Each item in the discounted analysis is discussed below.

The table on the following page shows the discounted cash flow (DCF) analysis. Each element on the table is discussed below.

### **A. Summary of Assumptions**

- The aggregate retail market value of the 31 individual parcels is calculated on the table on the previous page. The subject contains 80 residential units situated on the 31 parcels.

Total (Rounded): \$7,160,000

- Based on discussions with brokers in the market area it is estimated that absorption from the time parcels begin to be sold is projected at 3.0 parcels per month. This is equal to an average sale of 7.7 dwelling units per month. Brokers have indicated that there is demand for the subject units and this would indicate a total selling period of approximately 11 months.
- Marketing expenses are estimated at 5.0% of periodic sales revenue. This includes commissions and some costs associated with closing the units.
- The subject administrative costs are estimated at 1 percent of the gross sales.
- An overall yield rate of 20.0% is estimated for the subject property for the DCF analysis utilizing an all-inclusive IRR (i.e. profit and interest carry are both reflected in the rate).

### **B. Marketing and Administrative Costs**

Marketing costs include sales commissions, advertising, and other costs related to a sales program. Based on market data, these costs are estimated at approximately 5.0% of the gross revenue derived from the sale of the planned units and are assumed to be incurred during each periodic sales period. This estimate is sufficient to compensate an outside sales company.

## DISCOUNTED BULK (MARKET) VALUE OF SUBJECT PROPERTY

Appraisal of 31 Parcels within the Las Deltas Family Project

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### ASSUMPTIONS:

31 Parcels	0.00% Inflation/Appreciation Rate
\$230,968 Avg. retail value per parcel	0.00% Concessions
\$7,160,000 Aggregate retail value of 31 Pa	5.00% Marketing/Escrow Expense
\$89,500 Avg retail value per unit.	1.00% Administrative Costs
3.00 Parcel per mo absorption -	
2.6 Avg No of Units per Parcel	
80 Units	

MONTH	1	2	3	4	5	6	7	8	9	10	11
<b><u>GROSS INCOME</u></b>											
Parcels Sold Per Month	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	1.00
Cumulative Parcels Sold	3.00	6.00	9.00	12.00	15.00	18.00	21.00	24.00	27.00	30.00	31.00
Remaining Unsold Parcels	28.00	25.00	22.00	19.00	16.00	13.00	10.00	7.00	4.00	1.00	0.00
Gross Sales Income	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$692,903	\$230,968
<b>TOTAL GROSS SALES INCOME:</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$692,903</b>	<b>\$230,968</b>
<b><u>LESS: COSTS OF SALES</u></b>											
Marketing	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$34,645)	(\$11,548)
Administration	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$6,929)	(\$2,310)
Special Assessments (Per Parcel/Yr)	\$919.81	(\$2,146)	(\$1,916)	(\$1,686)	(\$1,456)	(\$1,226)	(\$996)	(\$767)	(\$537)	(\$307)	(\$77)
Property Tax @	1.2591%	(\$5,770)	(\$5,152)	(\$4,534)	(\$3,915)	(\$3,297)	(\$2,679)	(\$2,061)	(\$1,443)	(\$824)	(\$206)
		<b>(\$50,339)</b>	<b>(\$49,491)</b>	<b>(\$48,642)</b>	<b>(\$47,794)</b>	<b>(\$46,946)</b>	<b>(\$46,098)</b>	<b>(\$45,250)</b>	<b>(\$44,401)</b>	<b>(\$43,553)</b>	<b>(\$42,705)</b>
<b>NET SALES PROCEEDS BEFORE PROFIT</b>	<b>\$642,565</b>	<b>\$643,413</b>	<b>\$644,261</b>	<b>\$645,109</b>	<b>\$645,957</b>	<b>\$646,805</b>	<b>\$647,654</b>	<b>\$648,502</b>	<b>\$649,350</b>	<b>\$650,198</b>	<b>\$216,827</b>
Discount Rate	20.0%	0.9836	0.9675	0.9516	0.9360	0.9207	0.9056	0.8907	0.8761	0.8618	0.8476
Present Value		\$632,031	\$622,490	\$613,093	\$603,836	\$594,718	\$585,736	\$576,890	\$568,175	\$559,592	\$551,137
DISCOUNTED BULK VALUE OF UNITS:	<b>\$6,088,477</b>										
ROUNDED	<b>\$6,090,000</b>	85.0% Of Aggregate Retail Value									

**\$196,000 per Parcel**

*Watts, Cohn and Partners, Inc., March 2019  
19-WCP-018B-Summary*

Administrative costs are also involved in the marketing of a residential project. These costs include annual recurring costs such as extraordinary insurance, maintenance, and security costs which are not covered by homeowner association dues. This analysis estimates these costs at 1% of the gross revenue. Administrative costs are assumed to be incurred throughout the holding period as a declining function of the value of unsold inventory, considered to roughly mirror market indications.

Real estate taxes on the unsold units are estimated based on the current tax rate percent. This figure is applied to the total discounted value indication for the subject property. The property tax figure and special assessments are reduced proportionately upon the sale of each unit. The individual units will then be reassessed based on the selling price, with the buyer responsible for paying the property tax.

### **C. Inflation/Appreciation**

No inflation estimate is included until sales initiate. No inflation is included during the marketing period, because the sell-out occurs in less than one year.

### **D. Discount Rate**

The appropriate discount rate for the subject analysis is affected by such factors as anticipated inflation, present and future market interest rates, economic conditions and overall project risk. The periodic income of the subject property is discounted based on an overall internal rate of return (IRR) method, or yield analysis. The selected discount rate for this analysis primarily reflects the cost of funds (both equity and debt) that the developer would incur over the development period, as well as entrepreneurial incentives.

Presently, developers are reporting yield expectations ranging from approximately 10% to 25% of retail sales revenue for residential developments. The PwC Real Estate Investor Survey, as of 4<sup>th</sup> Quarter 2018, conducted a specific survey for the development of land market and based on their survey discount rates (including developer's profit) reportedly range from 10% to 20% for entitled development land nationwide, with an average of 15.40%. The average was reported to have increased by 40 basis points since April 2018.

Furthermore, according to RealtyRates.com Developer Survey, as of the first quarter 2019, on an unleveraged basis, discount rates, including developers' profit, for the national condominium market range from approximately 9.93% to 27.65% and average 19.26%. These reflect historical rates achieved by survey respondents and most likely larger projects on average. California and the Bay Area have historically experienced rates towards the lower end of the range given the demand and lack of available land sites.

The subject consists of 80 units located on 31 parcels in North Richmond. The subject is a relatively large in size for the community and represents some risk to a potential

bulk buyer. Although it only has a fair location, there is demand for affordable housing and the subject has good proximity to job centers. Overall, considering current market conditions, as well as the relatively short absorption period of 11 months, an overall yield rate of 20% is estimated for the subject for the discounted cash flow (DCF) analysis utilizing an all-inclusive IRR.

**E. Bulk Market Value Conclusion**

The table on the previous page shows the DCF Analysis and summarizes the calculations utilized in this analysis, which produces a rounded, bulk sale value estimate for the subject property if sold to a single buyer. Based on an overall sell-out period of 11 months, an inclusive yield rate of 20% which includes the developer profit, the bulk market value estimate for the subject is estimated to be \$6,090,000, or approximately \$196,000 per parcel, as follows:

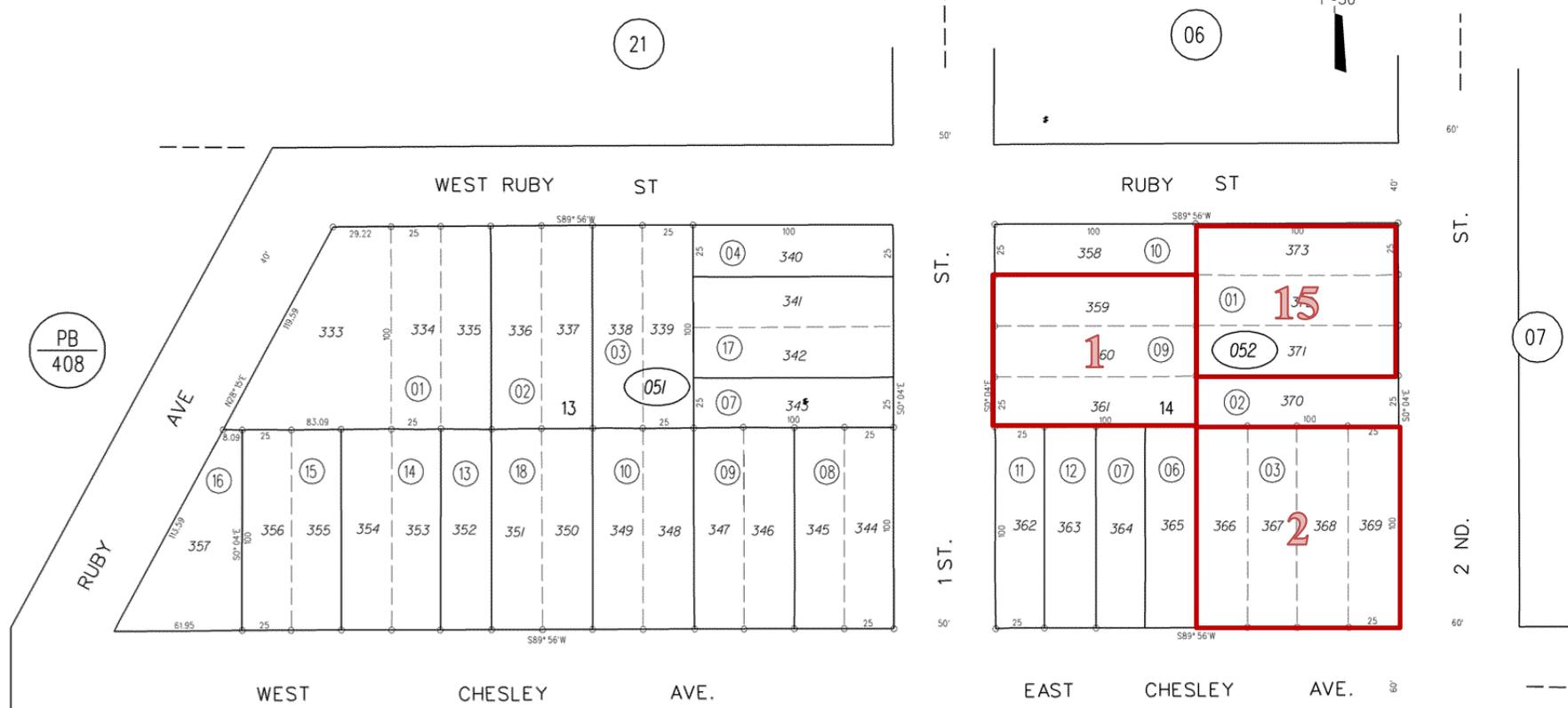
**SIX MILLION NINETY THOUSAND DOLLARS**

**(\$6,090,000)**

**ADDENDA**

# PARCEL MAP

TRUMAN ADDITION TO RICHMOND M.B. 8-198



PB  
408

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04

P.B.  
561

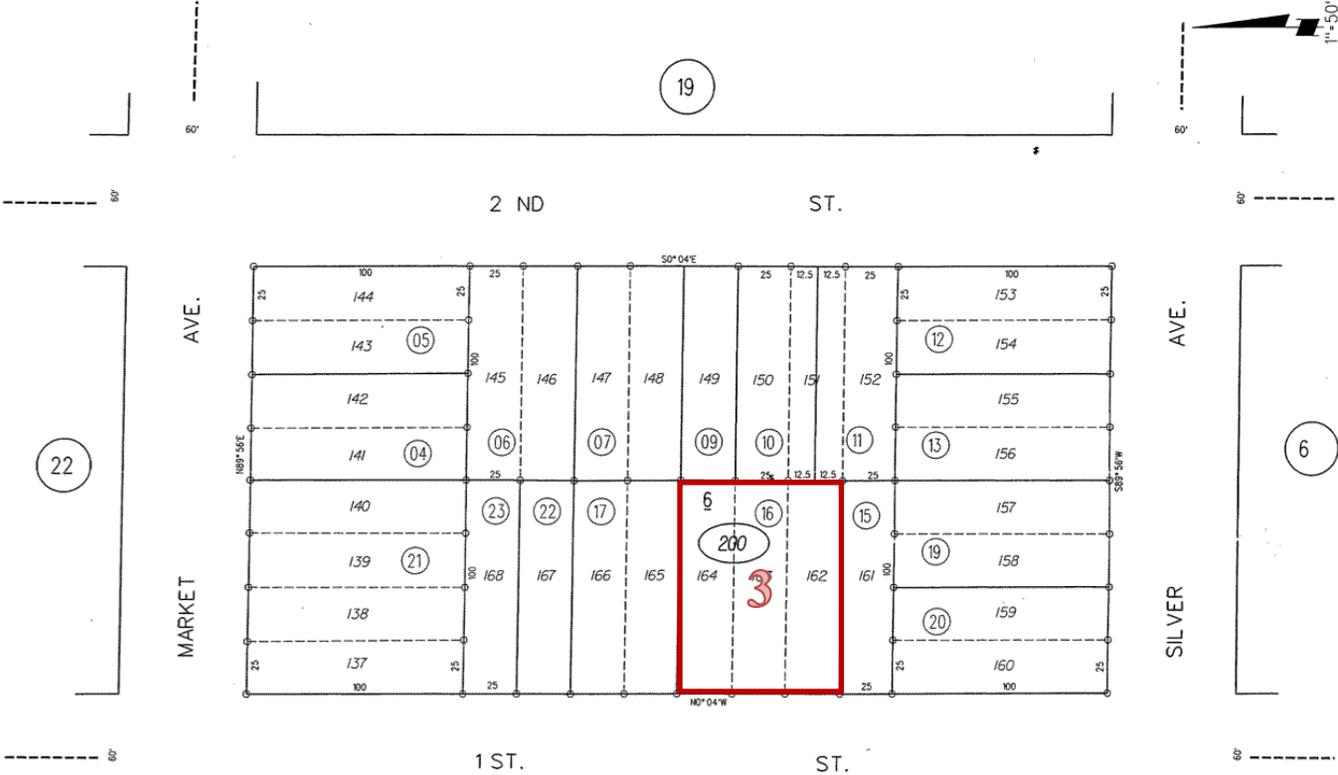
- 051
- 052
- 12

1/22/04

1961 ROLL 1/20  
ASSESSOR'S MAP  
BOOK 409 PAGE 05  
CONTRA COSTA COUNTY, CALIF.

# PARCEL MAP

TRUMAN ADDITION TO RICHMOND M.B. 8-196



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200 23  
12/23/03

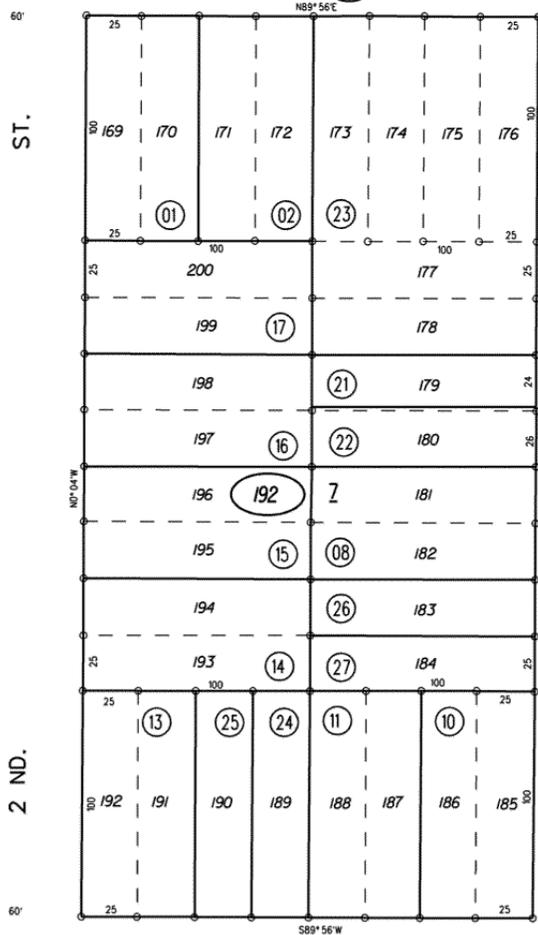
1961 ROLL 149  
ASSESSOR'S MAP  
BOOK 409 PAGE 20  
CONTRA COSTA COUNTY, CALIF.

# PARCEL MAP

TRUMAN ADDITION TO RICHMOND MB 8-198

MARKET

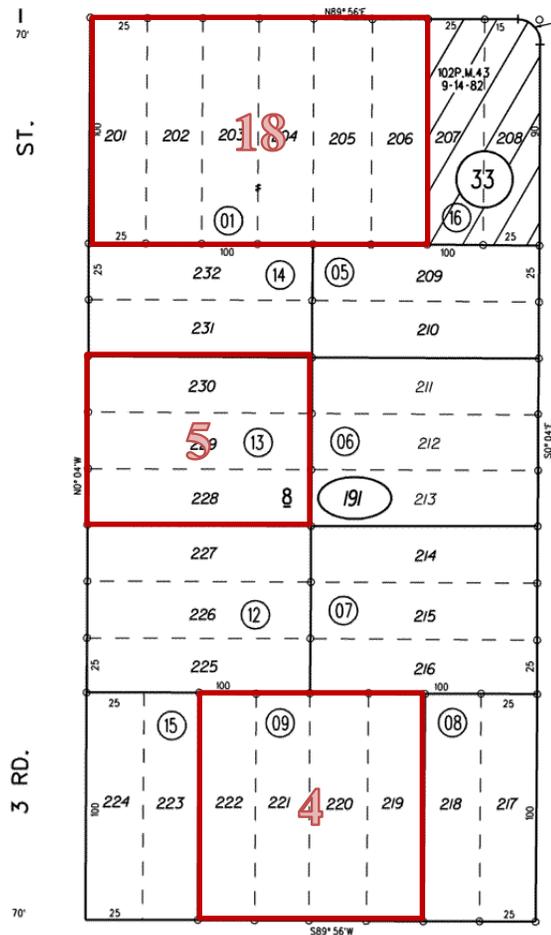
23



SILVER

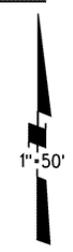
24

AVE.



TRUMAN AVE.

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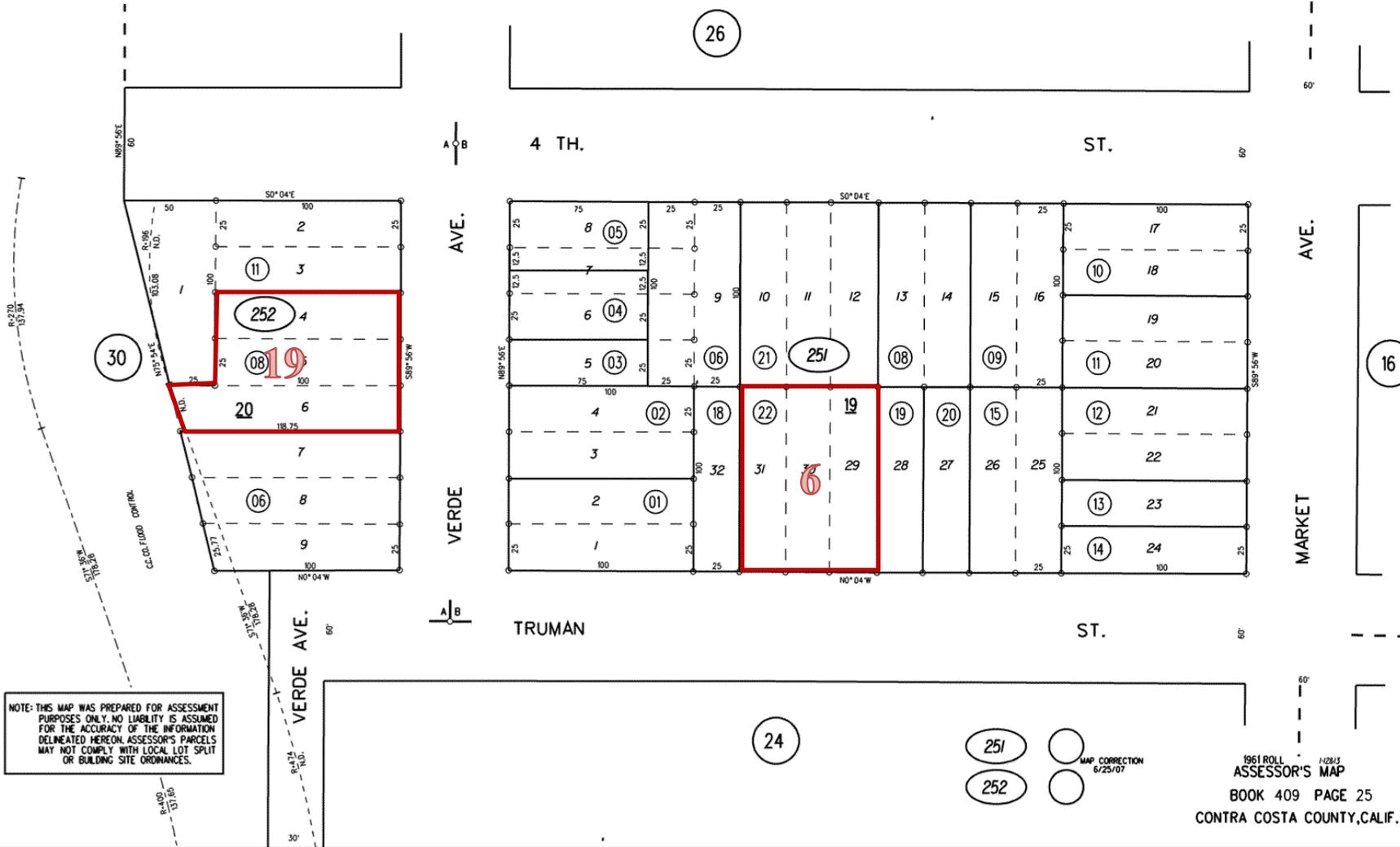
16

191  
192  
27  
7/18/05

ASSESSOR'S MAP  
BOOK 409 PAGE 19  
CONTRA COSTA COUNTY, CALIF.

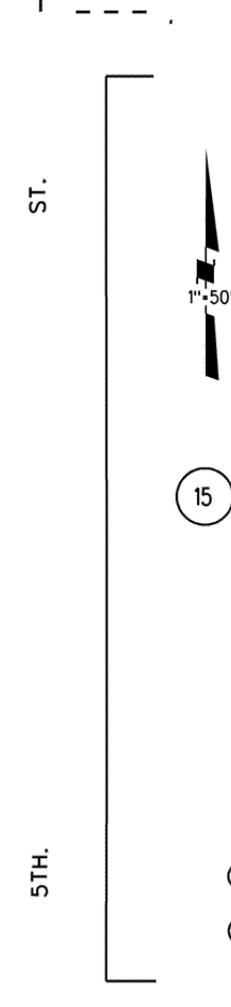
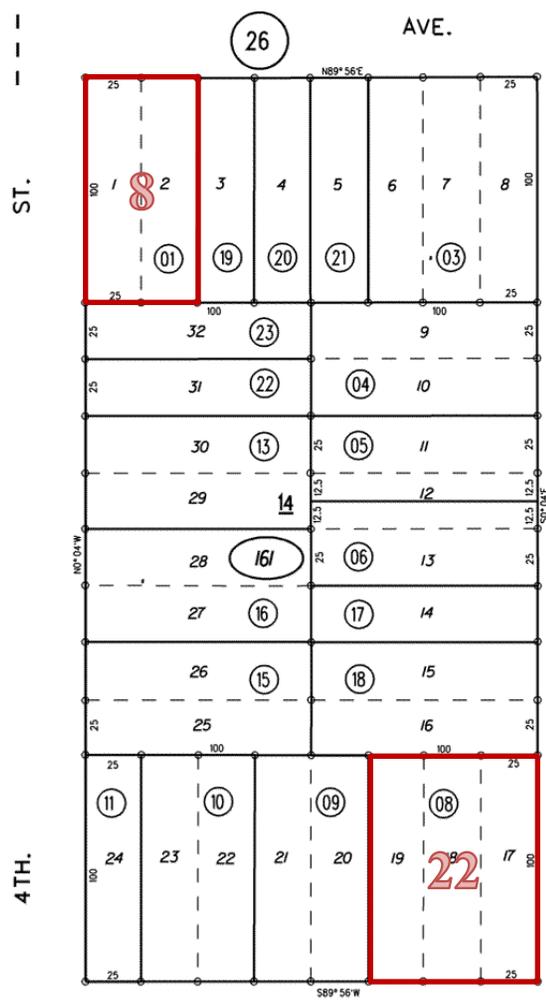
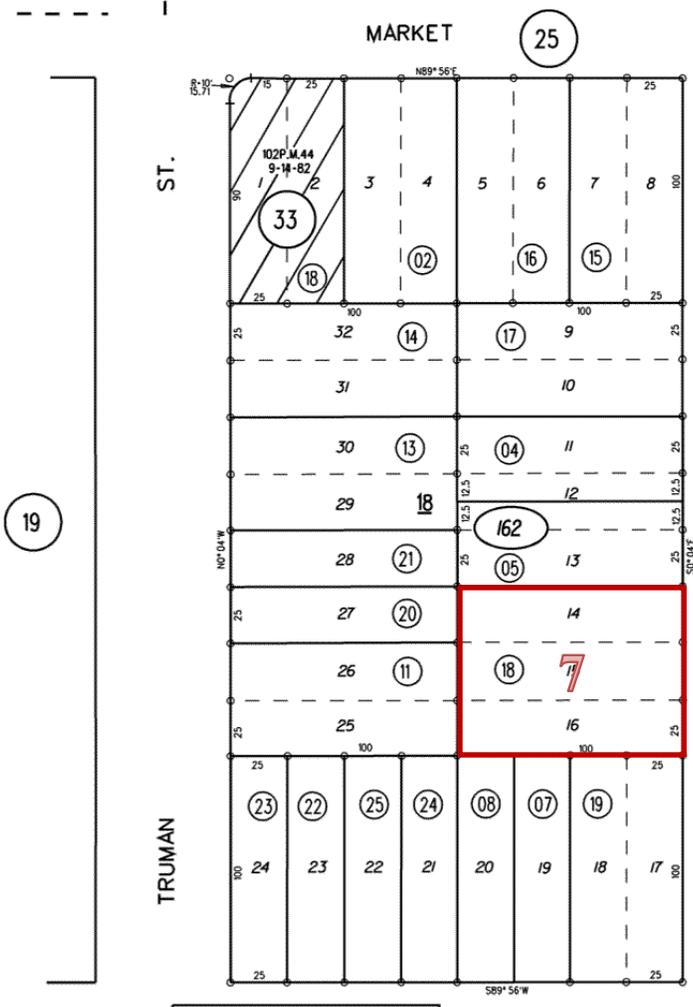
# PARCEL MAP

A- NORTH RICHMOND TRACT NO 1 ADDITION MB 12-274  
 B- NORTH RICHMOND LAND & FERRY CO TRACT NO 1 MB 3-59



# PARCEL MAP

NORTH RICHMOND LAND & FERRY CO. TRACT NO. 1 MB 3-59



19

15

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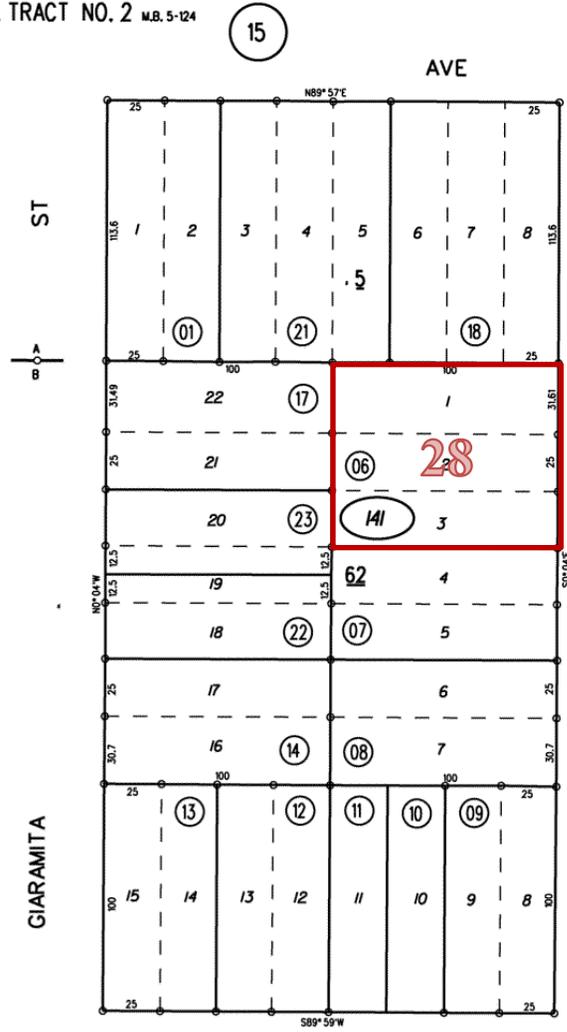
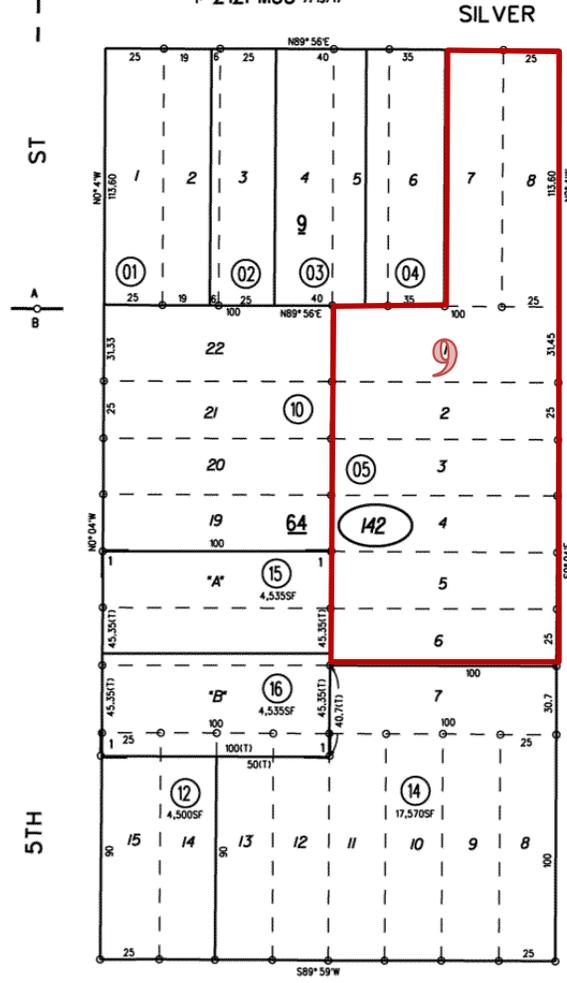
161 162  
23 25  
10/10/06

1961 ROLL  
ASSESSOR'S MAP  
BOOK 409 PAGE 16  
CONTRA COSTA COUNTY, CALIF.

17

# PARCEL MAP

A- NORTH RICHMOND LAND & FERRY CO. TRACT NO. 1 M.B. 3-59  
 B- NORTH RICHMOND LAND & FERRY CO. TRACT NO. 2 M.B. 5-124  
 1- 212PM33 7/19/17



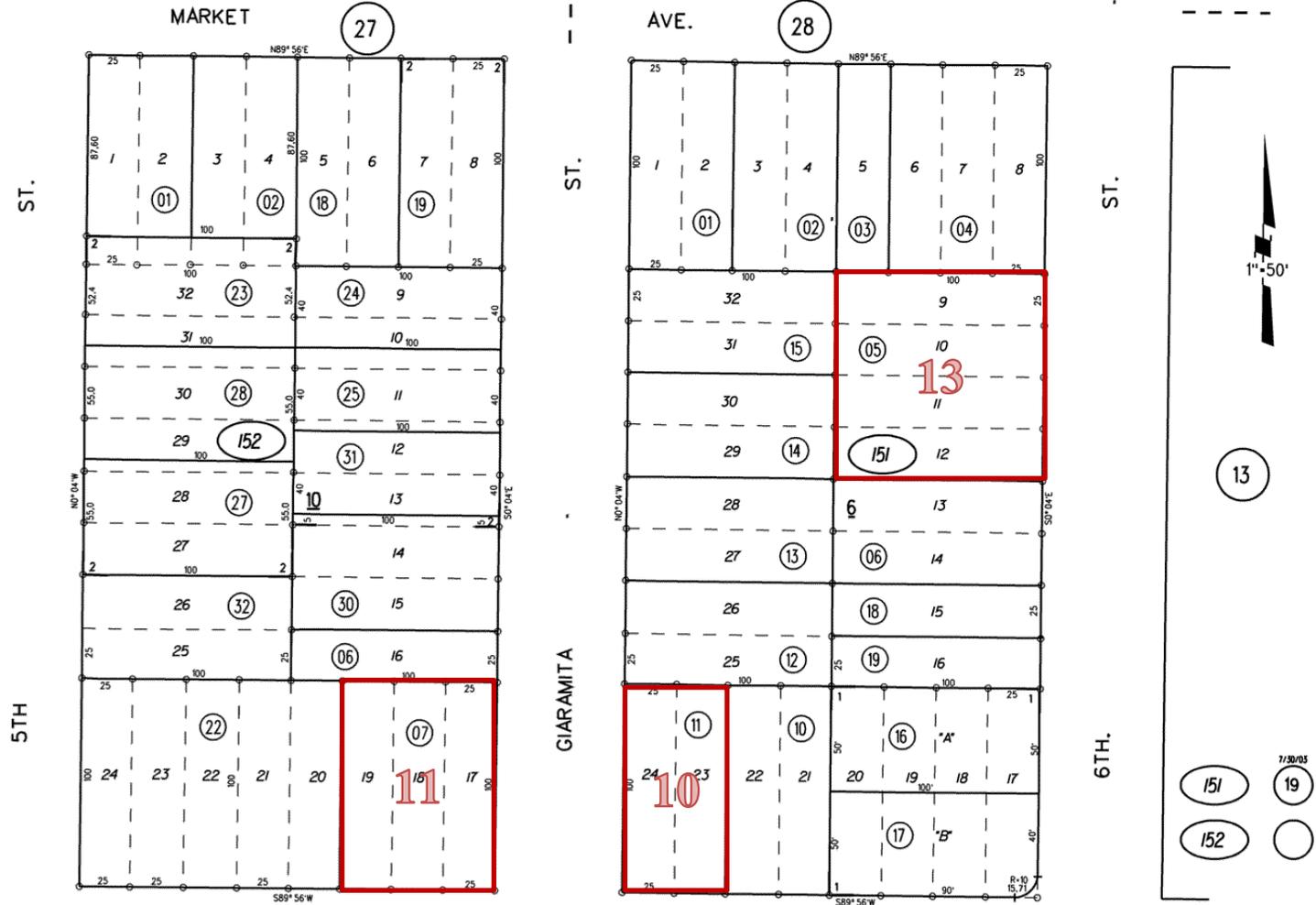
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# PARCEL MAP

NORTH RICHMOND LAND & FERRY CO. TRACT NO. 1 M.B. 3-59

1- 113P.M. 33&34 12-7-84

2- 90L.S.M.41 5-15-89



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1961 ROLL  
ASSESSOR'S MAP  
BOOK 409 PAGE 15  
CONTRA COSTA COUNTY, CALIF.

16

14

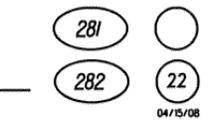
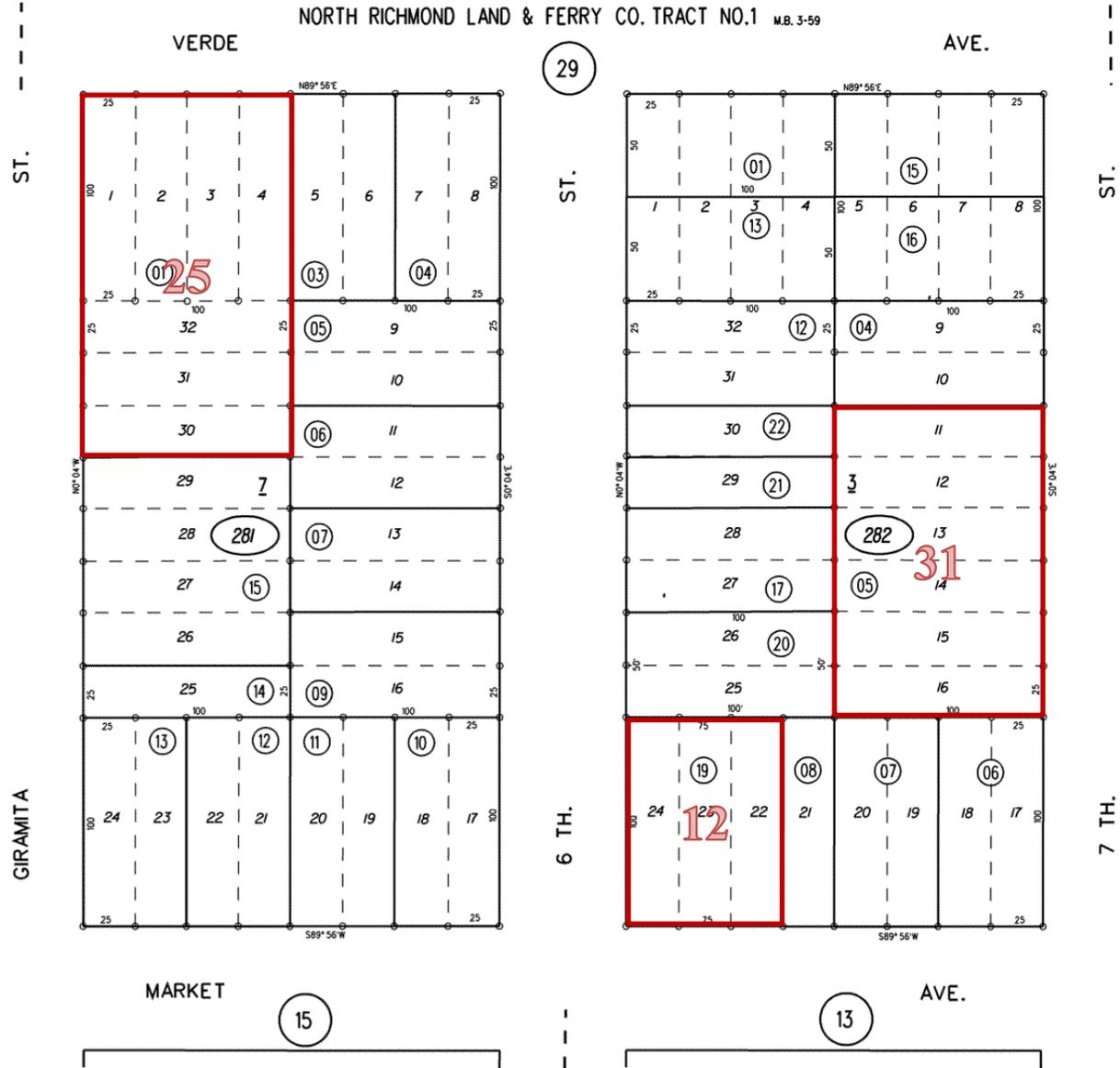
13

151  
152  
19

# PARCEL MAP

NORTH RICHMOND LAND & FERRY CO. TRACT NO.1 M.B. 3-59

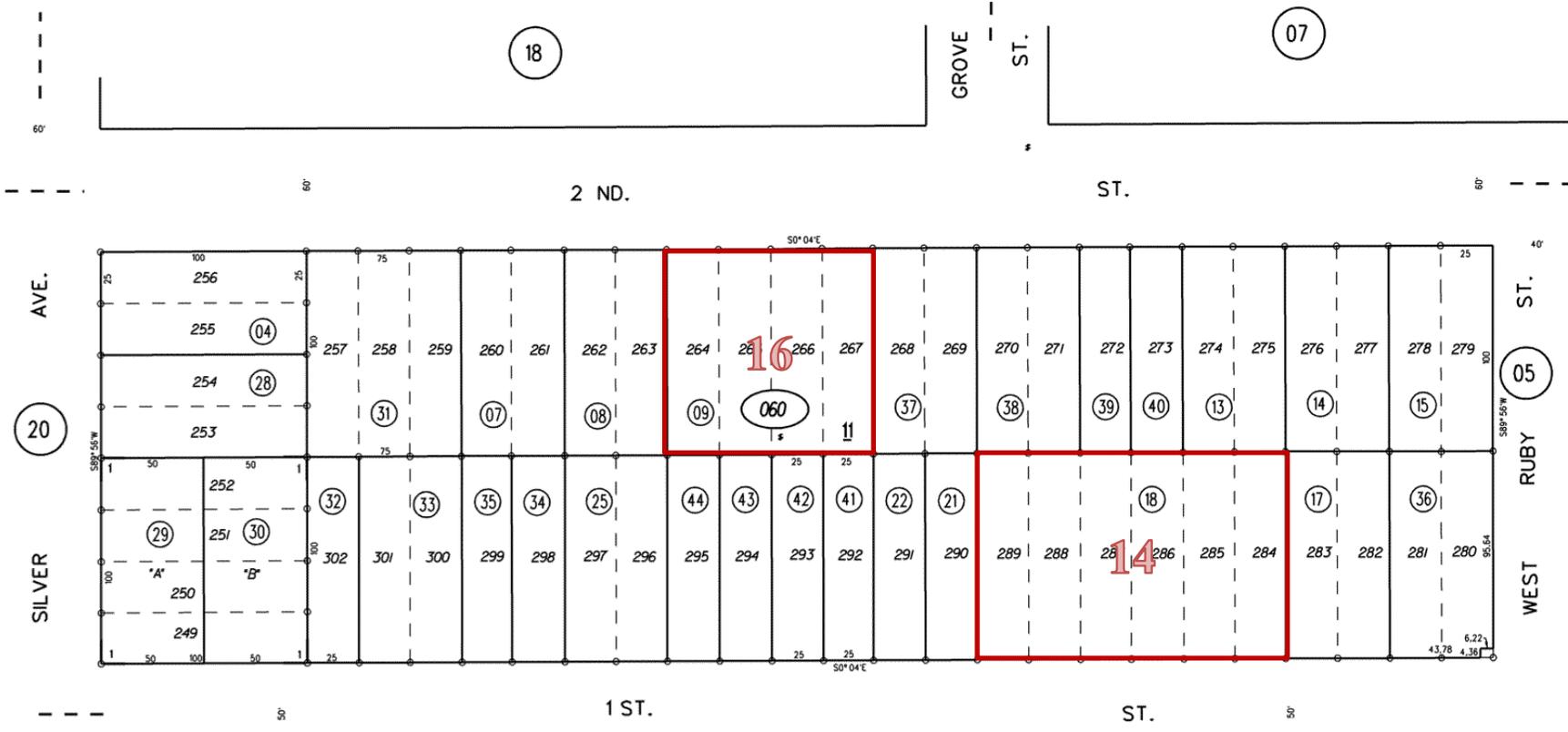
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# PARCEL MAP

TRUMAN ADDITION TO RICHMOND M.B. 8-198  
 1- 125PM32 12-22-86

J-4



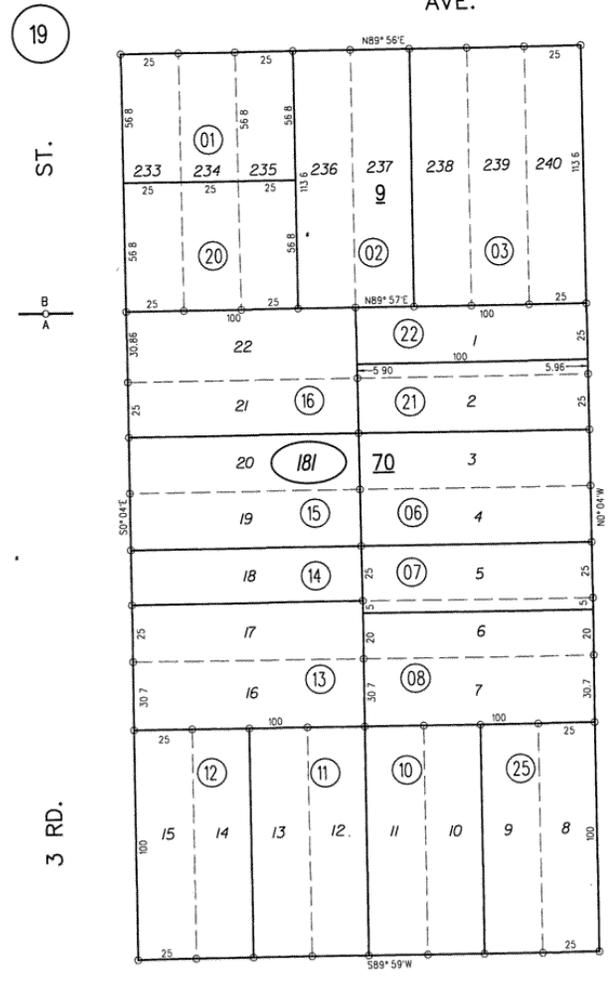
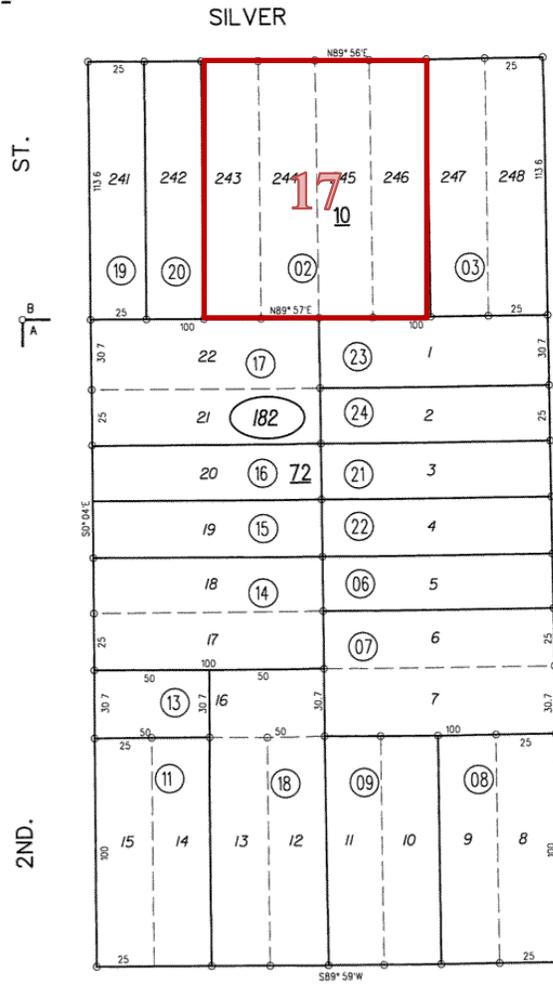
060 44

ASSESSOR'S MAP  
 BOOK 409 PAGE 06  
 CONTRA COSTA COUNTY, CALIF.

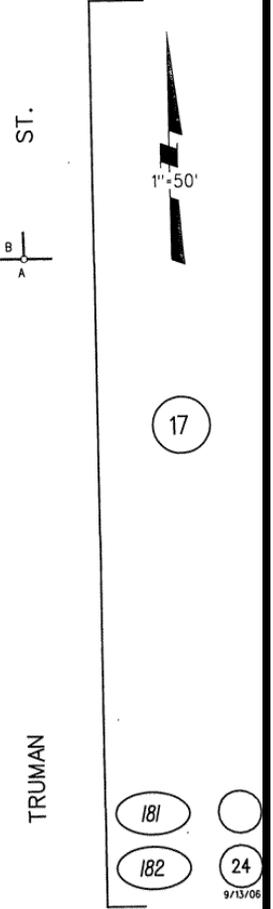


# PARCEL MAP

A- NORTH RICHMOND LAND & FERRY CO TRACT NO. 2 MB 5-124  
 B- TRUMAN ADDITION TO RICHMOND MB 8-198



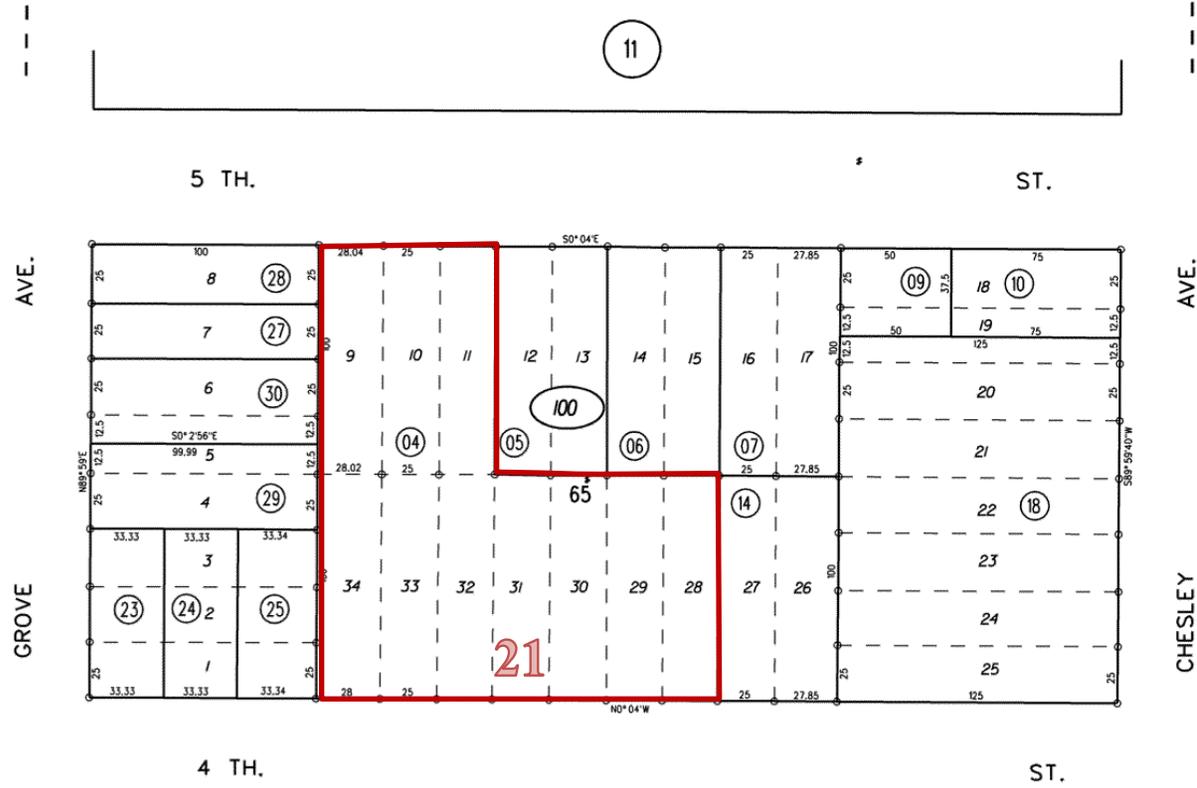
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 BOOK 409 PAGE 18  
 CONTRA COSTA COUNTY, CALIF.

# PARCEL MAP

NORTH RICHMOND LAND & FERRY CO TRACT NO. 2 MB 5-124



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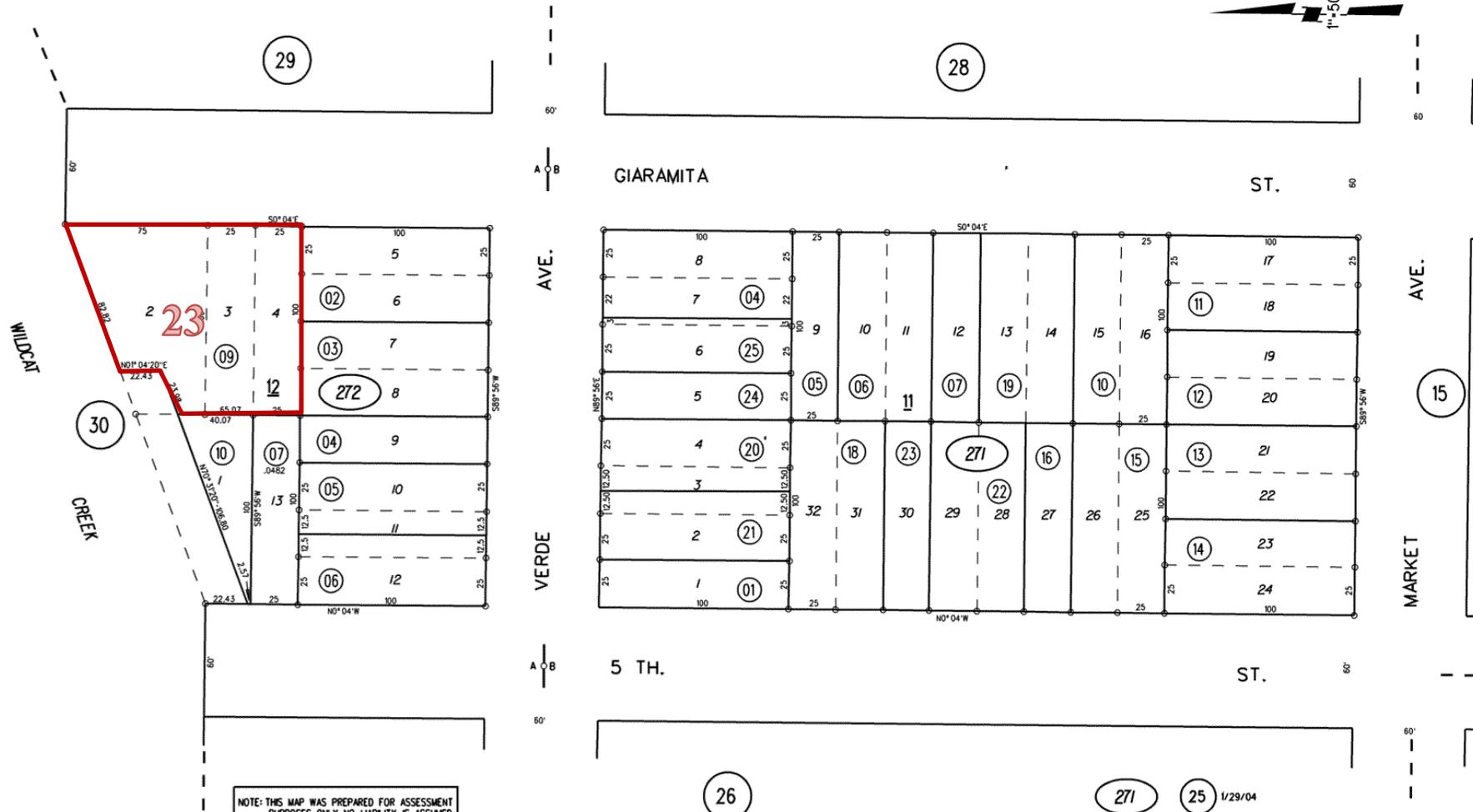
P.B.  
561

ASSESSOR'S MAP  
BOOK 409 PAGE 10  
CONTRA COSTA COUNTY, CALIF.

# ASSESSOR'S MAP

A- NORTH RICHMOND TRACT NO 1 ADDITION M.B. 12-274

B- NORTH RICHMOND LAND & FERRY CO. TRACT NO 1 M.B. 3-59



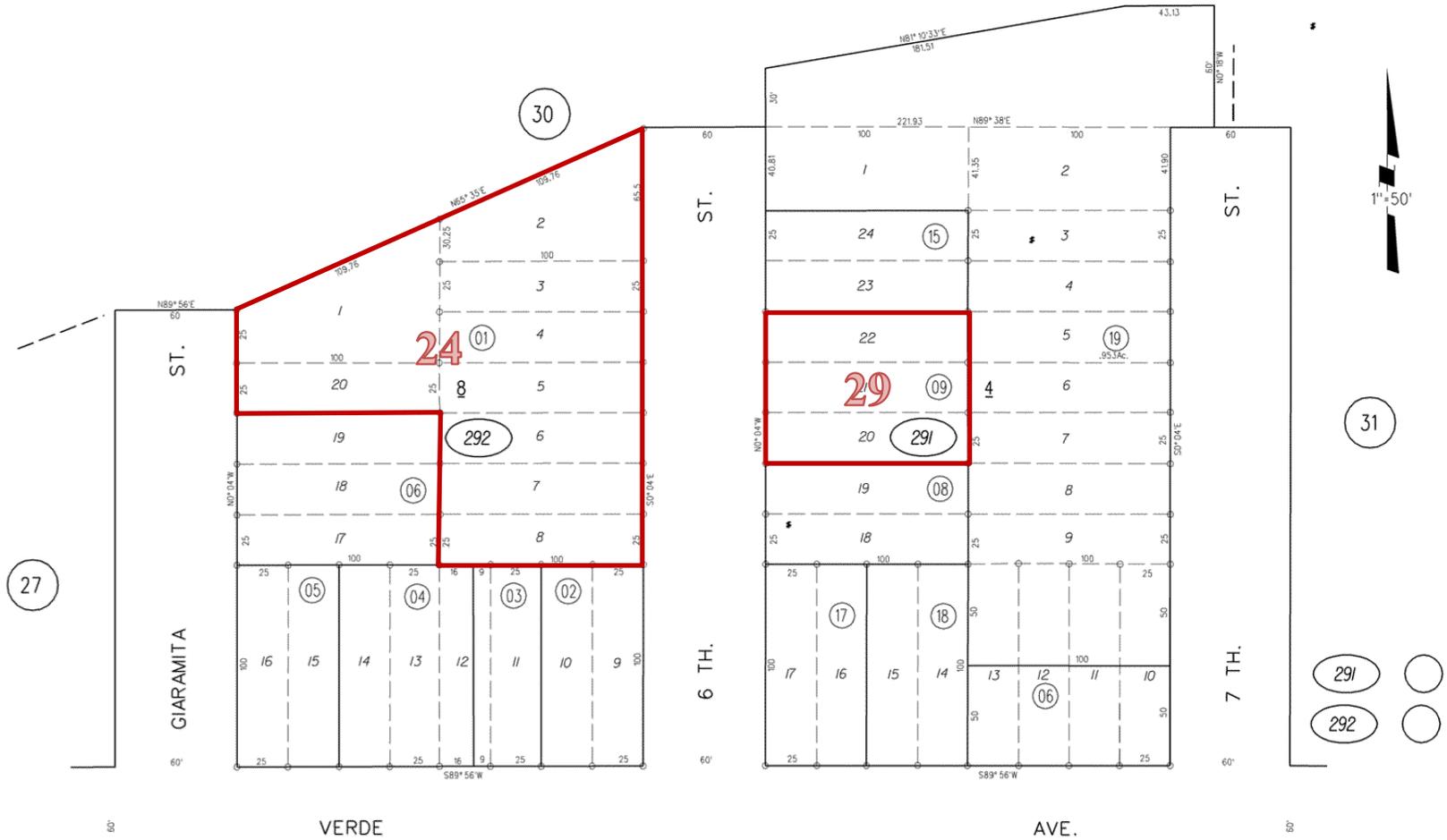
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271 25 1/29/04  
272

# PARCEL MAP

NORTH RICHMOND TRACT NO. 1 ADDITION M.B. 12-274

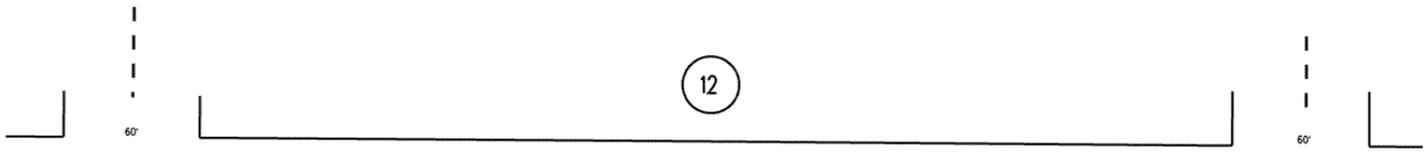
TAX CODE AREA



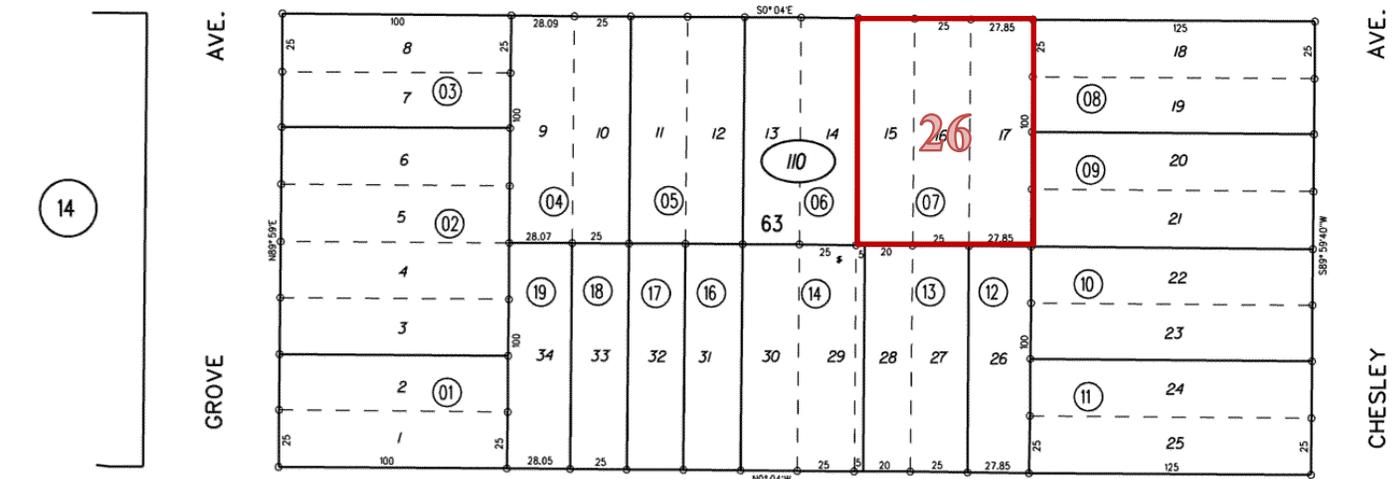
DATE	CHANGE	BY
05/11/95	CREATE 019	KR

# ASSESSOR'S MAP

NORTH RICHMOND LAND & FERRY CO. TRACT NO. 2 MB 5-124



GIARAMITA ST.



14

P.B.  
561

5 TH. ST.

10

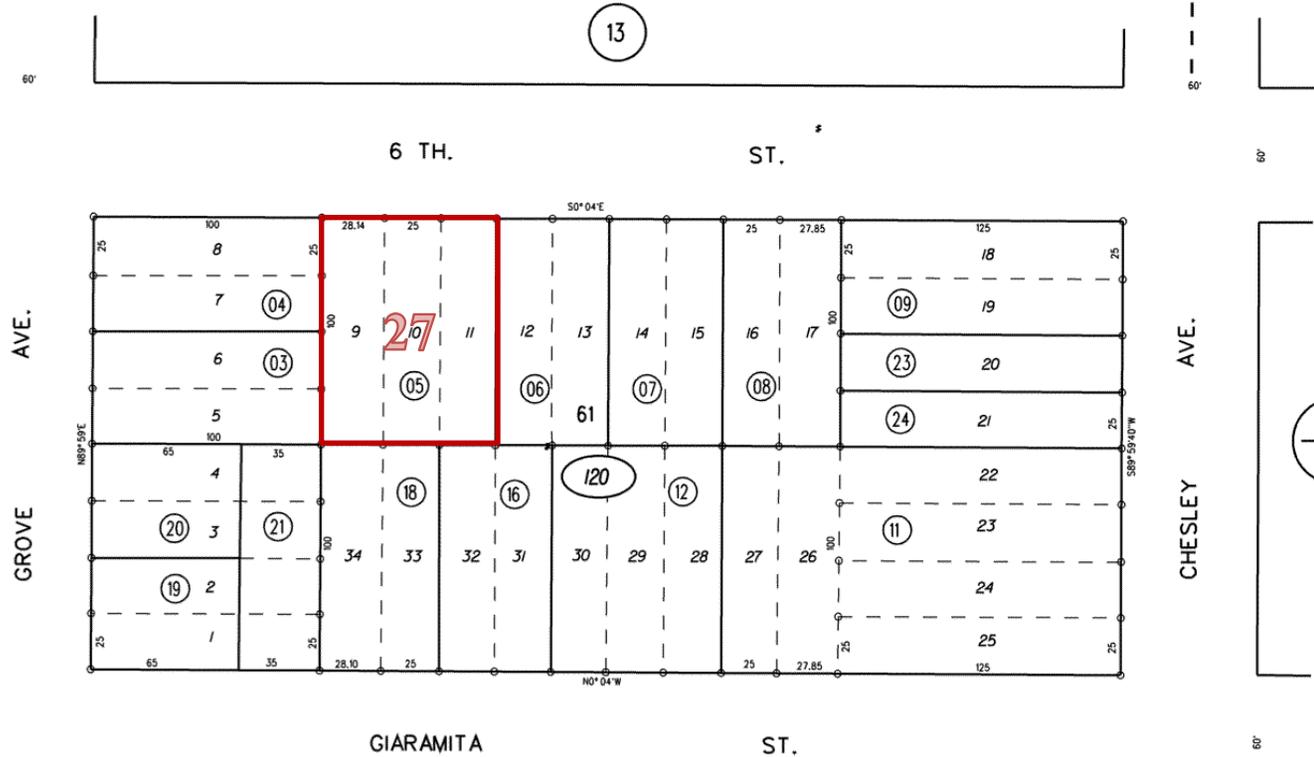
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110 19  
1/20/05

1961 ROLL 145  
ASSESSOR'S MAP  
BOOK 409 PAGE 11  
CONTRA COSTA COUNTY, CALIF.

# PARCEL MAP

NORTH RICHMOND LAND & FERRY CO TRACT NO. 2 MB 5-124



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1961 ROLL  
ASSESSOR'S MAP  
BOOK 409 PAGE 12  
CONTRA COSTA COUNTY, CALIF.  
Sonborn Date : 01/15/1999

P.B.  
561

# ASSESSOR'S MAP

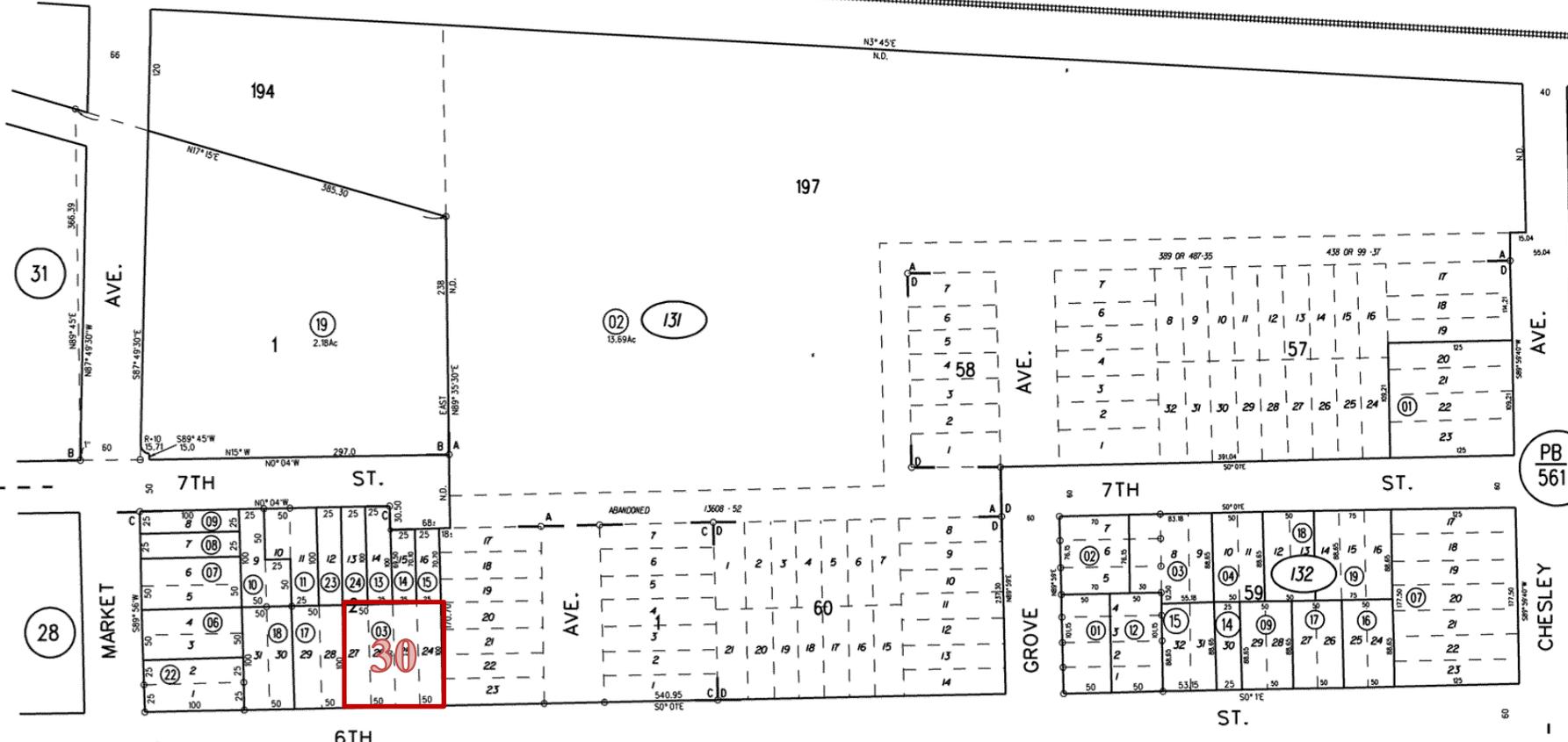
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- A- POR SAN PABLO RANCHO
- B- LOOMIS SUBDIVISION MB C-46
- C- NORTH RICHMOND LAND AND FERRY CO. TRACT NO.1 MB 3-59
- D- NORTH RICHMOND LAND AND FERRY CO. TRACT NO.2 MB 5-124



31

UNION PACIFIC RAILROAD



31

MARKET AVE.

28

7TH ST.

6TH ST.

SILVER AVE.

15

14

GROVE AVE.

7TH ST.

MARKET AVE.

PB 561

CHESLEY AVE.

## COMPARABLE MULTIFAMILY BUILDING SALES PHOTOGRAPHS



724 Acacia Avenue  
Richmond



1645 14<sup>th</sup> Street  
San Pablo



119 18<sup>th</sup> Street  
Richmond



587 6<sup>th</sup> Street  
Richmond

## COMPARABLE MULTIFAMILY BUILDING SALES PHOTOGRAPHS



1627 Lincoln Avenue  
Richmond



1625 Portola Avenue  
Richmond



305 Ripley Avenue  
Richmond



301 Ripley Avenue  
Richmond

# COMPARABLE MULTIFAMILY BUILDING SALES PHOTOGRAPHS



465 21<sup>st</sup> Street  
Richmond



1333 Market Avenue  
San Pablo



203 Bissell Avenue  
Richmond



417 Verde Avenue  
North Richmond

## COMPARABLE MULTIFAMILY BUILDING SALES PHOTOGRAPHS



2023 Chanslor Avenue  
Richmond



146 19<sup>th</sup> Street  
Richmond

**QUALIFICATIONS OF SARA A. COHN, MAI**  
California Certified General Real Estate Appraiser No. AG014469

**EXPERIENCE**

Sara A. Cohn is a Partner with Watts, Cohn and Partners, Inc. a new firm providing commercial real estate valuation. From 1988 to 2016, she worked for Carneghi and Partners and was a Senior Project Manager/Partner in their San Francisco office. Carneghi and Partners, and now Watts, Cohn and Partners, provide real estate appraisal and consulting services in the San Francisco Bay Area. Clients include financial institutions, government agencies, law firms, development companies and individuals. Typical assignments include both valuation and evaluations of a broad variety of property types, uses and ownership considerations.

Ms. Cohn has over 30 years of appraisal experience. She has completed a wide variety of valuation and evaluation analyses. Ms. Cohn has extensive knowledge of the San Francisco Bay Area and has appraised many property types including office buildings, industrial properties, retail centers, hotels, residential projects, mixed-use properties and development sites. Recent work has involved the analysis of commercial buildings, residential subdivisions, valuation of affordable housing developments with bond financing and/or Low-Income Housing Tax Credits (LIHTCs), assessment districts, as well as co-housing projects.

**EDUCATION**

Bachelor of Arts, University of California, Berkeley, 1978

Successful completion of all professional appraisal courses offered by the Appraisal Institute as a requirement of membership.

Continued attendance at professional real estate lectures and seminars.

**PROFESSIONAL AFFILIATION AND STATE CERTIFICATION**

Appraisal Institute - MAI Designation (Member Appraisal Institute) No. 12017  
Continuing Education Requirement Complete

State of California Certified General Real Estate Appraiser No. AG014469  
Certified Through March 2021

State of California Licensed Landscape Architect No. 2102

Member, Board of Directors, Northern California Chapter of the Appraisal Institute,  
2008-2010

Seminars Co-Chair, Northern California Chapter of the Appraisal Institute, 2005-2007

## **QUALIFICATIONS OF MARK A. WATTS**

Mark A. Watts is a Partner with Watts, Cohn and Partners, Inc.

Following is a brief summary of his background and experience:

### **EXPERIENCE**

#### **Commercial Real Estate Appraisal Experience**

Mr. Watts has been a commercial real estate appraiser since 1987, and has over 20 years experience in the analysis of commercial real estate. He has completed valuation assignments on a variety of projects, including industrial facilities, residential subdivisions, apartments, shopping centers, cemeteries and recreational facilities. He has also performed feasibility studies and assisted owners in making asset management decisions.

Mr. Watts has provided litigation support and served as an expert witness in court. He has also served in arbitrations as an expert witness. He has been qualified as an expert in San Francisco and San Mateo County Superior Courts.

He served on the San Francisco County Assessment Appeals Board from 2011 to 2016.

#### **Commercial Real Estate Investment Experience**

Simultaneous to his work as a commercial appraiser, Mr. Watts has been an active real estate investor/developer. He is experienced in the acquisition, redevelopment and management of commercial properties. He has witnessed and experienced many real estate cycles and stays abreast of current trends. His personal experience as an investor makes him uniquely qualified to appraise commercial real estate.

Over the last 20 years he has completed more than 30 investment real estate transactions, an average of 1.5 transactions per year. He has negotiated with buyers and sellers directly as a principal. He has completed nearly a dozen 1031 exchanges. Beginning with a small initial capital investment, he has built a large real estate portfolio. Based on his ownership experience, Mr. Watts is keenly aware that the success or failure of an acquisition is closely related to its location. Likewise, he is sensitive to locational differences in the appraisal of real estate.

Mr. Watts has broad experience with the construction, maintenance and repair of real estate. He has demolished and re-built two structures from the ground up. He has completed fire damage repairs and remediated toxic mold. He has remodeled kitchens and baths. He has replaced foundations on structures, made additions, and made other improvements. As the quality and condition of real estate has a strong correlation with its value, his experience enables superior judgement of these attributes in his work as a commercial real estate appraiser.

#### **Community Involvement**

Mr. Watts served on the Board of Managers of the Stonestown Family YMCA from 2002 to 2017. This is an approximately 30,000 square foot health club facility. He was active on the Facilities Committee. He served as the Board Chair in 2008. He has been a member of the Olympic Club in San Francisco since 1976. He served the Forest Hill Neighborhood Association as President from 2013 to 2017.

### **EDUCATION**

Bachelor of Arts, University of California, Davis

### **PROFESSIONAL AFFILIATION**

State Accredited Affiliate of the Appraisal Institute  
State of California Certified General Real Estate Appraiser No. AG015362



**RELOCATION PLAN  
FOR THE  
RAD CONVERSION  
OF THE  
LAS DELTAS PUBLIC HOUSING SITE**

**Housing of the  
County of Contra Costa  
(HACCC)**

**3133 Estudillo Street  
Martinez CA, 94553**

**Prepared By**



**7901 Oakport Street, Suite 4800, Oakland, CA 94621**

**June 13, 2016**

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## INTRODUCTION

The Housing Authority of the County of Contra Costa (HACCC) owns and manages 1,168 units of public housing in 13 different properties spread throughout the County. All but one of these properties was built during the 1940s, 50s and 1960s and all are in need of significant modernization. As is true with many housing authorities around the country, HACCC does not receive enough federal funding and tenant rent to fund all of the required modernization and maintenance at these properties. In order to improve its affordable housing stock, HACCC is pursuing several strategies to address the inadequate financing structure underlying its public housing.

The Las Deltas property is located in unincorporated North Richmond and is comprised of 214 units built in three phases in 1952, 1960 and 1961. There are 76 units in the phase built in 1952. These are a mix of duplexes and six-unit row houses located together in a roughly 2x4 block area. Of these 76 units, 4 are being used for service delivery and 46 are vacant. The remaining two phases are comprised of 138 units scattered throughout North Richmond, all but 5 of which are duplexes (the 5 are single unit homes). Of these 138 units, 64 are vacant. The 46.7% overall occupancy rate at Las Deltas is an anomaly for HACCC. All 12 of HACCC's other properties have occupancy rates ranging from 96% to 100%.

The strategy at Las Deltas is to utilize the U.S. Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program to convert public housing units to project-based vouchers (PBVs) that will be used to develop new, high-quality affordable housing off-site. While HACCC may commit PBVs to future projects in North Richmond, it does not expect to do so as part of the RAD Conversion process. Under RAD, HACCC intends to sell most, or all, of the vacant units and land at Las Deltas and use the proceeds to upgrade its remaining public housing stock. HACCC has been awarded RAD for 90 units at Las Deltas and Las Deltas Annex, but has since amended its request to include all 214 units for RAD conversion. The proposed permanent relocation of all remaining occupants, disposition of the property, and conversion to RAD is hereinafter referred to as the Project.

Las Deltas will hereinafter be referred to as the Subject Property or Site. Figure 1 below provides the area location of the Subject Property. Figure 2 provides the approximate location of the Site.

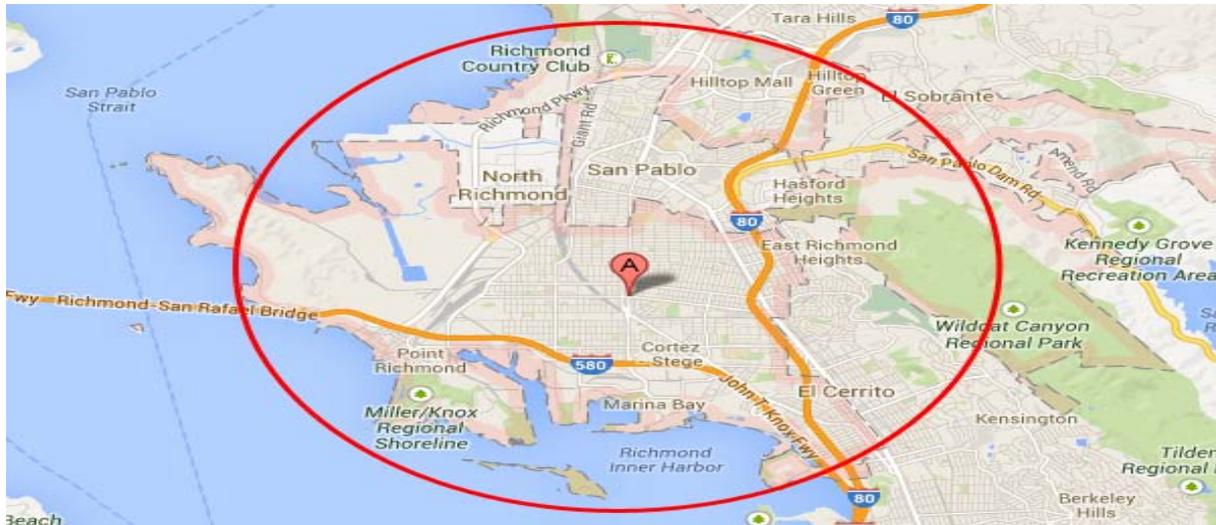


Figure 1: Area Map

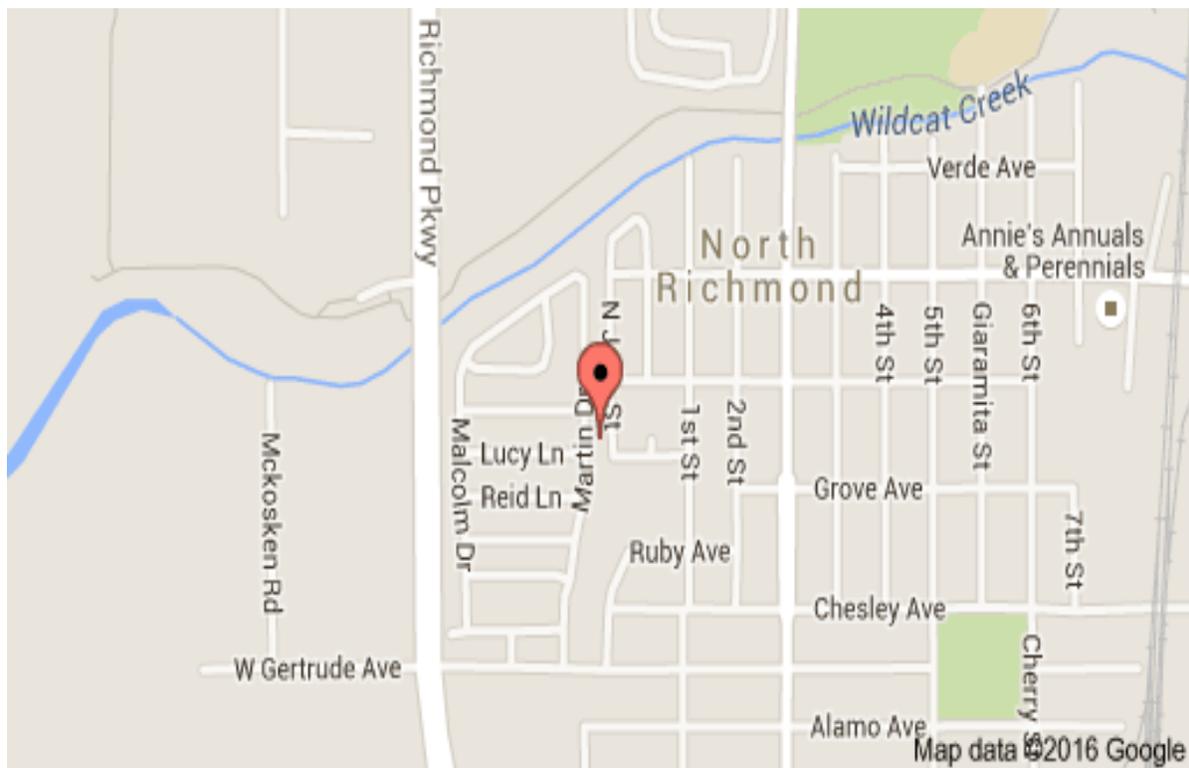


Figure 2: Subject Property Location Map

### **Overview of RAD Conversion Strategy**

Following HUD approval of the RAD Application amendment request, HACCC will proceed with the relocation of the remaining households at Las Deltas. These households will be made eligible for permanent relocation assistance including a Housing Choice Voucher (HCV) and either a fixed moving payment *or* payment of their actual and reasonable moving expenses by HACCC.

All eligible households in *good standing* (current on their rent and in compliance with their lease) will be offered a Voucher. If available, a household may choose to transfer to another public housing unit or offered a Project Based Voucher unit, and receive actual and reasonable relocation expenses.

Being “current on rent” means the household has paid the prior month’s rent and does not owe any back rent to HACCC or, if there is back rent owed, the household has entered into a repayment agreement with HACCC and is following the terms of that agreement. Being “in compliance with the lease” means the household has not been served with an eviction notice, written notice of violation or have been evicted. If a household or one of its members has been issued a Notice to Vacate, or has otherwise been informed in writing they are not in compliance with their lease, and the case has not been resolved at the time the Housing Choice Vouchers are available, HACCC will not issue the household a Voucher at that time. If the case is resolved, or if a court rules in favor of the resident, HACCC will provide a Voucher at that time.

### **Scope and Purpose of This Relocation Plan**

This Relocation Plan(Plan) is designed to do the following:

1. Satisfy legal and regulatory requirements for a relocation plan in accordance with the Uniform Relocation Act (URA) and California Relocation Assistance Law (CRAL) and Guidelines;
2. Describe and analyze the laws, statutes and regulations governing the relocation of the Project occupants, including the requirements for a relocation plan;
3. Describe the persons to be displaced by the Project and their relocation needs;
4. Describes the roles and responsibilities of HACCC and its designated relocation team;
5. Outline the relocation rights and benefits that HACCC is obligated to provide to the persons that may be displaced by the Project;

6. Outline the relocation process and mitigation measures required to ensure the Project residents are provided the relocation assistance that reasonably meets their needs;
7. Describe the relocation program to be provided, including the rights of the existing households, required notifications, benefits, and other services they are eligible to receive, and criteria for eligibility for assistance;
8. Describe the replacement housing resources that may be available to rehouse the residents including access to HCV's and other Low Income Public Housing Units (LIPH) in HACCC's portfolio;
9. Describe the process to develop, approve and update the Plan;
10. Describe the process for any appeals of the relocation benefits and services provided; and
11. Provide the general schedule and budget for relocation activities.
12. Attend resident meetings as needed with or on behalf of HACCC.

The Plan is limited to this scope, which is consistent with the guidance for relocation planning described under the URA, RAD Relocation Guidelines, CRAL and the Guidelines.

Beyond being a legal requirement, a relocation plan is a communication and management tool for the stakeholders involved in the relocation process. Identified stakeholders include the residential occupants who may be displaced, HACCC, community-based service organizations, housing counseling organizations and other interested parties.

### **Overview of Relocation Planning and Implementation**

Overland, Pacific & Cutler, Inc. (OPC), a public real estate services consulting firm specializing in relocation planning and implementation services, was hired by the HACCC to prepare this Plan. OPC has also been retained to implement this relocation plan and provide relocation services to the households who may be displaced by the Project.

A copy of this Plan will be made available to Las Deltas households and interested parties for a period of a minimum of 30 calendar days. Each household will be notified in writing where and how they can review the draft Plan, with directions to provide written

comments directly to OPC for analysis and inclusion in the Final Relocation Plan to be reviewed and adopted by the HACCC Board of Commissioners.

Appendix A of this Plan provides definitions of many of the technical and regulatory relocation terms found in this Plan.

### **Overview of Relocation Assistance Program**

HACCC must offer each displaced household, “comparable housing”. Such comparable housing may include, if available, tenant-based assistance such as a HCV, project based voucher assistance or, occupancy in a unit operated, or assisted by HACCC at a rental rate paid by the household that is comparable to the rental rate applicable to the unit which the household presently occupies. Those residents, who are required to move, are also entitled to payment of actual and reasonable relocation expenses and are eligible to receive relocation advisory services.

In the event any of HACCC’s actions resulting from the implementation of the RAD Application result in residential displacement, such displacement will be pursuant to the policies and procedures which would be necessary to conform to the statutes and regulations established by the federal and state law for residential displacements. No mandatory displacement activities will take place prior to the required reviews and approval of this Plan.

## RELOCATION PLAN

### A. REGULATORY FRAMEWORK AND REQUIREMENT ANALYSIS

The laws, regulations and statutes may become applicable to the relocation of the households at Las Deltas are listed below.

- Section 18 of the United States Housing Act of 1937 (Section 18);
- 24 CFR Part 970 – Public Housing Program – Demolition or Disposition of Public Housing Projects (Part 970);
- 49 CFR part 24 - Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (URA);
- HUD Handbook 1378 - HUD's implementing guidelines of the URA;
- HUD Rental Assistance Demonstration (RAD) relocation guidelines
- California Government Code Title 1, Chapter 16, Section 7260-7277 – State of California Relocation Assistance Law (CRAL); and
- California Code of Regulations Title 25, Division 1, Chapter 6 - State of California Relocation Assistance and Real Property Acquisition Guidelines (Guidelines);

The primary relocation regulations that guide the Plan and the relocation process are the URA, CRAL and the Guidelines. HACCC and their Legal Counsel shall have the responsibility of making the final determination regarding the laws, regulations and statutes applicable to the Project.

Disposition of public housing projects is subject to the provisions of Section 18 of the U.S. Housing Act of 1937, and implementing regulations found at 24 CFR Part 970 (collectively, "Section 18"), and is not subject to the Uniform Relocation Act (46 U.S.C. §4600 et seq.) and its implementing regulations (49 CFR Part 24)(collectively, "URA").

However, the ultimate utilization of RAD triggers the URA and makes this Project subject to it. Pursuant to both the federal and state laws, relocation planning is required to minimize displacement to affected Project occupants.

HACCC as the Displacing Agency is a local public agency in the State of California making the Project subject to CRAL and the Guidelines.

The regulatory requirement for the preparation of a relocation plan, 30-day review and comment period, approval, and adoption of the plan by the appropriate local legislative body comes from CRAL and the Guidelines.

It has been determined the Housing Authority of the County of Contra Costa Commission (“Commission”) is the appropriate legislative body to approve the Plan, because they make all legislative and policy decisions for the HACCC, including those necessary and required for the conversion and disposition of the Site.

These regulations require that eligible persons relocated by a publicly assisted project receive the following services and benefits, which are explained in detail throughout this Plan:

1. Required advanced notice of the relocation.
2. Written information statement describing their rights to relocation benefits and services for which they are eligible.
3. Assistance locating replacement housing that is decent, safe and sanitary and meets the household’s needs.
4. Assistance moving to replacement housing, including relocation of personal property and transfer of any household owned utility accounts.
5. Other advisory services and financial assistance that may be necessary to reasonably assist the household permanently relocate.
6. Right to appeal decisions made within the relocation program that affect them.

Appendix B of this Plan provides a side by side comparison of the URA, Section 18, CRAL, and RAD.

## **B. PROGRAM ASSURANCES AND STANDARDS**

Adequate funds will be made available for the relocation of all households within the Project’s budget. HACCC will pay all actual, reasonable and necessary relocation expenses through its own Project or general funds.

Relocation assistance services will be provided to ensure that displacement does not result in different, or separate treatment of households based on race, nationality, color, religion, national origin, sex, marital status, familial status, disability or any other basis protected by the federal Fair Housing Amendments Act, the Americans with Disabilities

Act, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, and the Unruh Act, as well as any otherwise arbitrary or unlawful discrimination. Relocation notices will be provided in the household's primary language.

All eligible residential occupants will be provided relocation assistance and benefits under the URA and RAD Relocation Guidelines. Where the Guidelines or CRAL provide a higher level of benefit, the resident will receive benefits under the Guidelines or CRAL.

The opportunity for review and to provide written comments to the Plan by the residents and other interested stakeholders for a period of no less than 30 days is required before any displacements may occur.

Each household eligible for relocation assistance lawfully occupying a Las Deltas unit as of the Initiations of Negotiations (ION) date must be provided a Notice of Eligibility (NOE) for relocation assistance prior to, or concurrently with, a 90-Day Notice to Vacate. If a household is deemed ineligible for relocation assistance, they must be informed in writing of the reasons why the household is not eligible to receive relocation assistance and the procedures to appeal this decision.

Any resident, who disagrees with the determination of eligibility or ineligibility for relocation assistance, or the type and amount of relocation assistance that is being offered, is afforded the right to appeal the decision to the HACCC and their designated appeals hearing body.

### **C. RELOCATION PLANNING AND NEEDS ASSESSMENT METHODOLOGY**

#### **Early Resident Outreach**

A relocation committee was not established for this Project. Instead, a series of informational community meetings will be conducted. Translation services will be provided as necessary. Materials related to these meetings will be included in Appendix C of this Plan.

The questions, comments and concerns raised at these meetings will be documented by OPC and used to develop a list of policy questions for HACCC to consider. Documentation of these meetings will be provided in Appendix D of this Plan.

### **Analysis of Existing Data**

Preliminary needs assessment was conducted by OPC based on data provided by the HACCC in March 2016. From the results of this household survey, OPC was able to ascertain household information such as the number of households, the ages of members of the households, and special needs. This data has been used to describe the impacted residential population found later in this Plan. This data and other data will be updated and ascertained through the resident interview process as described below.

### **Resident Interview Process**

An important process in relocation planning is collecting primary information from the impacted households. This typically occurs by conducting an interview with the household in their home. Through these meetings, household composition, special needs, and specific concerns regarding relocation are gained, which will be used by OPC to better plan for the household's relocation needs on an individual basis.

OPC will be responsible for conducting interviews with all households impacted. Resident interviews are expected to take approximately one hour to complete. Resident interview services will be made available in other languages other than English as needed.

OPC will mail each household an Interview Request Letter that provides them direction and contact information to arrange a time to meet. OPC Staff will use multiple methods to make contact with residents, including phone calls and door-to-door outreach to attempt to make contact with the household and conduct the interview. OPC Staff will document the interview in the household's relocation file, which will be maintained by OPC.

### **Plan Preparation, Approval and Updates**

HACCC has elected to make this plan available for a 45-day comment and review period to the Project occupants and other interested parties. This exceeds the required 30-day period under the Guidelines. After this review and comment period, this Plan will be sent to the HACCC Commission for adoption. Section O of this Plan describes the review and comment period in more detail.

Adoption of the Plan is required before any date specific Notice to Vacate can be served. No residential occupant can be served a 90-day Notice to Vacate without being provided an NOE and at least one decent, safe and sanitary housing unit that meets their needs is made available to them.

This Plan should be periodically reviewed for consistency with the Project's goals and process as changes occur. The Plan should be updated substantive changes occur in the Project such as, but not limited to, additional resident information, housing resource alternatives identification, utilization of a phased approach to the relocation that may create additional projects, and/or regulatory changes that impact relocation requirements.

In accordance with the Guidelines, should implementation of the Plan not occur within 12 months of the Plan's approval, the Plan must be updated. If substantial changes are made to the Plan once it is approved, it may be necessary to recirculate the Plan for public comment and re-submit the Plan to the Board for approval.

#### **D. GENERAL DEMOGRAPHICS AND OCCUPANT DATA & DESCRIPTIONS**

##### **Geography**

The public housing units which are the subject of this Relocation Plan are located in North Richmond, California (Contra Costa County), in the "East Bay" region of the San Francisco Bay Area; carved between the Cities of Richmond and San Pablo.

##### **General Demographics and Housing Characteristics**

###### **Population**

As of 2010, it was estimated that there were 3,717 people, residing in North Richmond.

###### **Race and Ethnicity**

The U.S. Census Bureau's 2010 estimates provide that the racial, and ethnic group break-out of North Richmond's population as being 17.06% 'White'; 33.33% 'African American'; 50.01% 'Hispanic or Latino of Any Race'; 11.60% 'Asian American'; 32.04% 'Some Other Race'; 4.87% 'Two or More Races'. 62% 'Native-American'; and, .48% 'Pacific Islander'.

**Income**

According to 2013 American FactFinder data, the median *household* income in North Richmond was \$37,396 per annum with approximately 22.1% of the total population living below the poverty line. Incomes were distributed as follows in Table 1:

**Table 1: Income Distribution**

Median earnings (dollars)	21,955.00
Full-time, year-round workers with earnings	928
\$1 to \$9,999 or loss	0.00%
\$10,000 to \$14,999	7.80%
\$15,000 to \$24,999	27.00%
\$25,000 to \$34,999	20.30%
\$35,000 to \$49,999	24.50%
\$50,000 to \$64,999	13.80%
\$65,000 to \$74,999	0.00%
\$75,000 to \$99,999	4.00%
\$100,000 or more	2.70%

**Las Deltas Households**

Of the 214 public housing units in Las Deltas, 95 units are currently occupied by 215 persons of all ages. The average household size within the occupied, Las Deltas units is 2.3 persons.

Of the 95 households, 73 heads of household are female and 22 heads of household are male.

Table 2 below provides HUD’s Extremely Low-, Very Low-, Lower-income upper limits, effective March 28, 2016, reflecting the Median and Moderate income limits for households of from one to eight persons. The State income limits are informational only. For households to be assisted with Housing Choice Voucher tenant-based or project-based vouchers, the HUD income limits in the Table are applied in determining the household’s income category in qualifying the household for one program, or another. The Area Median Income (AMI) for a household of four in Contra Costa County is \$92,900

The ‘Extremely Low’ income category represents “thirty percent (30%)” or less of Area Median Income (AMI); the ‘Very Low ’income category represents 30% to “fifty

percent (50%)” of the AMI; and, the ‘Lower ’income category represents 50% to “eighty percent (80%)”of AMI. All incomes are adjusted by household size.

**Table 2: HUD Annual Income Limits – Contra Costa County (2016)**

Household Size	Extremely Low Annual Income	Very Low Annual Income	Lower Annual Income
One Person	\$20,500	\$34,150	\$52,650
Two Person	23,400	39,000	60,150
Three Person	26,350	43,900	67,650
Four Person	29,250	48,750	75,150
Five Person	31,600	52,650	81,200
Six Person	33,950	56,550	87,200
Seven Person	36,730	60,450	93,200
Eight Person	40,890	64,350	99,200

By comparison with the County Median incomes above, Table 3 below shows the income distribution of the 95 households presently residing in Las Deltas public housing site, determined by their household income and respective household size.

**Table 3: Las Deltas Income Category Distribution**

Measurement	Extremely low	Very Low	Low	Total
All Households (#)	82	11	2	95
All Households (%)	86%	12%	2%	100%

**Disabilities**

There are an estimated 57 households with one or more members who have some degree of a physical or mental disability. It is not known at this time whether anyone

with disabilities currently requires special accommodations. HACCC is prepared to provide all necessary and required accommodations.

### **Existing Low Income Public Housing Units and Unit Needs**

Monthly tenant rent portions at Las Deltas range from \$0.00/month to \$1152/month. Table 4 below shows the unit mix of the existing units at Las Deltas that are planned to be demolished compared to the number presently occupied where a household will be relocated from.

**Table 4: Existing Units**

<b>Las Deltas Units</b>		
<b>BR Size</b>	<b>Total # of Units</b>	<b>Total # Occupied</b>
1 BR	34	15
2 BR	54	22
3 BR	97	48
4 BR	29	10
<b>Total</b>	<b>214</b>	<b>95</b>

Based upon a recent survey of households and the occupancy standards of HACCC as they apply to establishing the size of the replacement household by bedroom count, there appears to be 4% that are under-housed and require a larger unit, approximately 33 % of the households are over-housed and require a smaller-sized unit and 63 % are in a right-sized unit at this time.

HACCC's occupancy standard for the Housing Choice Voucher program provides for a bedroom for the head of household and spouse and a bedroom for each additional two persons in the household regardless of age or sex.

## **E. RELOCATION ASSISTANCE ELIGIBILITY**

### **Relocation Eligibility Under 24 CFR Part 970 and the URA**

Part 970.5 (h) determines that it is the responsibility of HACCC to comply with the URA and to ensure compliance with the URA (not withstanding any third party contractual

agreements).As applied to this project, 970.5 (i) defines a displaced person as any person (household, business or non-profit organization) that moves from Las Deltas as a direct result of the demolition. Notwithstanding that definition, in accordance with 970.5 (i) (2) (v) (B) (3) a person does not qualify as a displaced person if they have been:

- Evicted for serious or repeated violation of the terms and conditions of their lease, violation of applicable Federal, State or local law or other good cause, and HACCC determines that eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance;
- The person moved into the property after submission of the application for demolition or disposition and the person was informed of the impact the Project could have on them in writing (also referred to as a Move-In Notice); or
- The person is otherwise ineligible for relocation assistance under the URA as described in in 24.2 (9) (ii) of the URA.

All relocation programs must establish the date on which a person becomes eligible to receive relocation assistance. This date is known as the Initiation of Negotiations (ION). Per 970.5 (k), the ION is the date that HUD approves the HACCC demolition and disposition application for all 214 units, which may occur late 2016 or early 2017. In accordance with the URA, the ION is the date the project agrees to accept federal assistance, which will be the date that a RAD Conversion Certificate (RCC) is received and HACCC agrees to accept to RAD assistance per its Conversion Strategy outlined in the Introduction of this Plan.

For the purposes of this Plan, the ION date for the intent of establishing the date a person became is eligible for relocation assistance will be determined by the date HUD approves the RAD Conversion Commitment (RCC) for all 214 units. This date is used to establish the ION for determining relocation assistance eligibility under the Guidelines and CRAL. Households who were lawful tenants on this date will be eligible to receive relocation assistance, so long as they are in good standing, did not sign a move in notice, and do not vacate the property prior to receiving an NOE from HACCC or OPC.

HACCC issued a General Information Notice (GIN) to all households on October 22, 2015. This notice advises the household not to move until they receive further notice. Any household or person who vacates after receiving this notice and prior to receiving an NOE or notice of ineligibility will not be eligible to receive relocation assistance. After

HUD approves the demolition and disposition of the Site, an NOE may be issued to all households immediately or shortly thereafter. The NOE will be issued to each household at least 90-days prior to the date the household must vacate before demolition of the unit.

### **Relocation Eligibility Under RAD**

RAD is a source of federal participation that requires relocation to be in accordance with the URA. Under the RAD program, a household is eligible to receive permanent relocation assistance if they are displaced by a project such as what is planned for Las Deltas. The household becomes eligible for relocation assistance once HUD issues an RCC. An RCC has not been issued by HUD for all 214 units.

Each household will receive a RAD Relocation Notice after the RCC is issued. The notice will explain their relocation rights under the RAD program, including the requirement to be provided permanent relocation assistance in accordance with the URA including advisory services, replacement housing, and moving assistance. This notice will be in addition to other notices required under the URA.

### **Ineligibility for Relocation Assistance**

Any residential household that has been evicted for cause, voluntarily moves from the property after receiving the General Information Notice (GIN), or does not have a lease documenting lawful occupation of their unit will not be eligible to receive relocation assistance.

## **F. REPLACEMENT HOUSING NEEDS**

Residents will have four months from the point at which their HCV and/or Notice of Eligibility are issued to them, to move from their unit. During that time, the resident will be offered advisory assistance to assist them in the move. HACCC will consider an extension of the 120-day period, on a case-by-case basis for extenuating circumstances. Should the request for an extension of time be denied, families will have the right to grieve this determination pursuant to the grievance procedure outlined in this document.

Generally, the Housing Choice Voucher Program is limited to families earning 50% of Annual Median Income (AMI), by household size, as compared to an income-limit of

80% of AMI for the public housing program. However, because families at Las Deltas will be treated as “continuing participants”, all families in good standing will be offered a HCV.

Any household in good standing will be afforded, depending upon availability, the opportunity to transfer to ‘comparable replacement housing’ utilizing occupancy standards applicable to public housing units or the Housing Choice Voucher program, depending on choice of continuing housing assistance, and payment of actual and reasonable moving expenses.

In addition to meeting Housing Choice Voucher Housing Quality Standards (HQS), “comparable replacement housing” includes standards such as:

- Comparable as to the number of bedrooms, living space, and type and quality of construction, but neither lesser, nor greater in rooms or living space than necessary to accommodate the household pursuant to HACCC’s occupancy standards;
- In an area that does not have unreasonable environmental conditions;
- Is not generally less desirable than the Las Deltas unit with respect to proximity to schools, employment, health and medical facilities and other public and commercial facilities and services; and,
- Is within the financial means of the household as defined in Section 6008, subdivision (c)(5) of the Guidelines.

### **Replacement Housing and Re-housing Plan**

All households will be required to permanently vacate their current unit. This will result in a permanent displacement of all households. No eminent replacement housing construction project is planned for the site. No opportunities have been identified for the household’s to return to a new replacement housing unit at the Site. The primary replacement housing resources will be,

- Housing Units accepting a HCV available on the market in Contra Costa County and other jurisdictions,
- Other low income housing units such as Low Income Housing Tax Credit (LIHTC) units available on the market in Contra Costa County and in other jurisdictions,

- Existing and under construction affordable housing projects with Project Based Voucher contracts (which may require the household to forgo its HCV),
- Units within below market rate housing programs that accepts a HCV,
- Other LIPH units in the HACCC portfolio,
- Other housing on the market not owned or controlled by HACCC and not presently participating in the Housing Choice Voucher Program that may elect to do so.

Should a household elect to leave HACCC jurisdiction they would be required to “port” their voucher. HACCC and OPC would provide assistance to the household to do so.

### **Replacement Housing Survey**

An estimated 95 replacement housing units will be required to provide permanent replacement housing for those displaced from Las Deltas.

To assess the current availability of potential replacement housing units, OPC conducted a preliminary housing survey in March and April of 2016 of units currently available in the North Richmond area, other communities in Contra Costa County, and outside of HACCC jurisdiction. This survey provides a sample of unit availability at this point in time. OPC included studio up to 5 bedroom units in its search to provide as broad of search possible given the potential for a household to elect to downsize, move to a larger unit to alleviate over-crowding, or find opportunities to lease a larger unit within the payment standard of their voucher size.

Table 5 provides the results of this survey. OPC will conduct periodic survey updates and track the progress of new affordable housing projects currently under construction.

**Table 5: Replacement Housing Survey Results Housing Choice Voucher Units**

Housing Authority Jurisdiction	Unit Size					
	Studio	1 BR	2 BR	3 BR	4 BR	5 BR
Contra Costa County		7	10	7	4	
Richmond			2	2		
Alameda County	1		3			2
Oakland			31	15	5	
Berkeley		2	2	1		
Vallejo			2	1	2	
Solano County		2	10	5		
Marin	1		2			
Napa County			1			
<b>Total Located</b>	<b>2</b>	<b>11</b>	<b>63</b>	<b>31</b>	<b>11</b>	<b>2</b>

<b>Grand Total Located/Needed</b>	<b>120/95</b>
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More in-depth replacement housing searches, based on the residents’ needs and location requests prior to relocations will occur as often as necessary to provide ample rehousing information to the displaced households. Outreach will be necessary by HACCC and OPC to promote acceptance of the HCV. OPC will work with households early in the process (as early as the interview stage) to place their names on waitlists for affordable housing and below market rate housing programs. Table 6 below provides a tally of properties that currently have open waitlists in various locations.

Based on the limited availability of units located within HACCC jurisdiction, a phased relocation process or a longer duration under the notice to vacate may be warranted.

Any over-income households will be offered a transfer to other public housing units or referred to open-market housing.

**Table 6: Open Waitlist Properties by Location**

<b>Location</b>	<b># of</b>
Alameda	1
Concord	4
El Cerrito	1
Emeryville	1
Hayward	1
Hercules	1
Martinez	3
Oakland	3
Orinda	1
San Pablo	1
Walnut Creek	1
<b>Total Properties</b>	<b>18</b>

**G. CONCURRENT RESIDENTIAL DISPLACEMENT**

There are no major public housing conversion projects or large redevelopment, dispositions, conversion, or repositioning of other forms of affordable housing that are expected to impact the ability of HACCC, through OPC, to relocate the displaced households. There are three active and proposed rehabilitation projects in the City of Richmond that could reduce unit availability; however, these projects are largely utilizing on-site temporary housing units, extended stay style hotels and properties that are primarily market rate with rents priced above the current HACCC payment standard. These projects do not pose a substantial impact or threat to a successful rehousing program for this Project.

**H. RELOCATION ASSISTANCE PROGRAM**

**Relocation Staff Availability and Responsibilities**

OPC’s Oakland, CA based staff will be available to assist all displaced household with questions about relocation and/or assistance in relocating. For the time being, OPC staff can be contacted at 510.638.3081 between the hours of 9 am and 5 pm Monday-Friday. After business hour appointments will be made as needed for households who cannot meet during normal business hours. The households will be notified in the future of the names, phone numbers and email addresses of the team assigned to the Project.

Should staff contact information change, this relocation plan will be updated, and the households will receive a notice of the change.

OPC may utilize space at Las Deltas for a relocation office. In the interim, OPC's main office in the area is located at 7901 Oakport Street, Suite 480, Oakland, CA 94621. OPC staff should be contacted in advance to schedule an appointment at this office to ensure that a knowledgeable person is available to meet with the household.

Specific activities performed by relocation staff will include:

1. Personally present and explain the household's NOE.
2. Distribute the 90 Notice to Vacate, and where applicable, a 30-Day Notice to Vacate and other reminder notices related to the household's vacate date.
3. Provide referrals to at least three comparable replacement housing units with the household's NOE and provide additional referrals as needed and required.
4. Provide the households with relocation counseling services to assist them in making good decisions to plan their move.
5. Coordinate moves to the household's permanent replacement unit.
6. Assist with the completion and filing of relocation claims, rental applications, and appeals forms, if necessary.
7. Other assistance that may be appropriate to ensure the household receives services and benefits that are reasonably permitted and/or required under the URA and necessary to ensure that hardships and impacts are reduced as much as possible in the relocation process.
8. Document receipt of all required notices, housing referrals provided, signed claims and receipts of payments, and demonstration of advisory services and relocation assistance provided to the residents in the household's relocation file.
9. Attend tenant meetings, as needed, with or in place of HACCC.

### **Noticing**

Notices may be personally served where needed or mailed with a certified return receipt. All notices and proof of service will be maintained in OPC's relocation case files. At a minimum, each household will receive the following from OPC. Samples of these notices are provided in Appendix E. All notices and other informational documents

provided will include OPC's contact information and any directions to the resident to contact OPC. Notices will be provided to the household in their primary language.

1. Interview request letter. This letter shall be the first formal notification the household's will receive from OPC. This letter shall invite the household to contact OPC to conduct their relocation interview.
2. A relocation assistance informational brochure or statement. These statements will be personally served in all cases with the exception of cases where the household does not make itself available to meet with OPC. In such a case this statement will be mailed certified returned receipt mail.
3. A RAD Relocation Notice in addition to their NOE, if applicable. These notices will be personally served in all cases with the exception of cases where the household does not make itself available to meet with OPC. In such a case this notice will be mailed certified returned receipt mail.
4. NOE. This notice describes the relocation assistance the household is eligible to receive and the households and HACCC's rights and responsibilities. This notice provides the maximum level housing assistance payment the household may be eligible to receive and the maximum fixed move payment (aka self-move payment) they will be eligible to receive. These notices will be personally served in all cases with the exception of cases where the household does not make itself available to meet with OPC. In such a case this notice will be mailed certified returned receipt mail.
5. A notice of ineligibility. Any person not eligible for relocation assistance will receive a notice of ineligibility. The notice will state why they are not eligible to receive relocation assistance. This notice will be mailed certified mail.
6. A 90-Day Notice to Vacate prior to their required vacation date. These notices will be mailed to each household via certified mail/return receipt requested and first class mail unless served concurrently with the NOE.
7. A 30-Day Notice to Vacate prior to their required vacation date. These notices will be mailed to each household via certified mail/return receipt requested and first class mail. NOTE: A 30-Day Notice to Vacate would only be served in cases where a household is still occupying their unit 30 days prior to the expiration of the 90-Day Notice.

### **Replacement Housing Assistance**

**Advisory Assistance:** All households will be required to permanently relocate from Las Deltas. OPC will meet with all households to ascertain their replacement housing needs, locations they will consider, and other information to assist them locate appropriate replacement housing. OPC will provide assistance to all households to locate and secure a suitable replacement housing unit including providing them referrals, assisting prepare and submit applications and coordinating transportation for them where needed. HACCC will work with OPC to provide residents with assistance to be placed on waiting lists for properties that HACCC holds Project Based Voucher Housing Assistance Payment (HAP) contracts on.

### **Permanent Replacement Housing Assistance Payment:**

#### ***Households Transferring to Other Public Housing***

Households may have the opportunity to move into another public housing unit within HACCC's portfolio. In these cases the household would lease a unit with a rent at no greater than 30% of their income with adjustments for utility services such as electricity and gas. The household would not receive any further housing assistance.

#### ***Housing Choice Voucher Eligible Households***

As residents of public housing, on-going rental assistance will be provided pursuant to the provisions of the Housing Choice Voucher (HCV) program of the U.S. Department of Housing and Urban Development (HUD). The HCV program provides for a household to continue paying thirty percent (30%) of the household adjusted income for their monthly housing rental costs. The provision is subject to the gross rent not exceeding the HCV Payment Standard for that household's voucher size.

In order to alleviate hardships for tenants who must pay "move-in costs" (such as credit report fees and security deposits), HACCC will provide up to seventy-five dollars (\$75.00) for credit checks and a maximum of two months' security deposit based upon the maximum monthly rent payment standards as approved by HACCC.

Housing Choice Voucher Program (HCVP) Payment Standards are set by HACCC based upon the U.S. Department of Housing and Urban Development (HUD)-published Fair Market Rents. They're updated, at least, annually. A payment standard is the

maximum allowable monthly assistance payment in HACCC's jurisdiction for an assisted household's (1) contract rent; and (2) those essential utilities for which the tenant is responsible, including a stove or refrigerator provided by the household.

Payment standards are used to determine how much of the rent is paid by HACCC, and how much by the household. Payment standards do NOT determine or limit the rent a landlord may charge.

The maximum contract rent a landlord may charge is based on the reasonable rent for the unit and the household's income. HACCC Payment Standards are listed below. Households can request the payment standards for other areas from OPC.

**HACCC HOUSING CHOICE VOUCHER PAYMENT STANDARDS**

Voucher Size	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR
Payment Standard *	<b>\$1242</b>	<b>\$1497</b>	<b>\$1,893</b>	<b>\$2,639</b>	<b>\$2,941</b>	<b>\$3,383</b>

Manufactured Home Space Rent \$841 -40% of 2 BR FMR

\* Antioch, Bay Point, Bethel Island, Brentwood, Byron, Discovery Bay, Knightsen, Oakley Only

**HOUSING CHOICE VOUCHER PAYMENT STANDARDS:**

**HACCC HIGH COST AREA**

Voucher Size	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR
Payment Standard	<b>\$1,449</b>	<b>\$1,746</b>	<b>\$2,208</b>	<b>\$3,079</b>	<b>\$3,431</b>	<b>\$3,946</b>

The above listed payment standards, which includes all utilities, represent the maximum amount the contract rent may be for each bedroom size indicated. Once a Request for Tenancy Approval (RTA) has been received, the Program Specialist will

negotiate the contract rent with the owner. The rents offered will be based on comparable rents in the area and the condition of the unit submitted on the RTA.

If a household cannot find a comparable replacement home at a monthly rent that is at or below HACCC’s payment standard, that household may be eligible to receive a gap differential, called a “rental assistance payment. ”This differential will enable the household to cover the gap for 42 months.

The household may receive this adjustment only if without such assistance, in HACCC’s determination, the household cannot lease a comparable home or apartment that is affordable at 30% of their adjusted monthly income. If a household qualifies for a rental assistance payment, the household’s rent share plus utilities still must not exceed 40% of their adjusted monthly income.

Table 7 on the following page provides a sample calculation of this payment.

**Table 7: Example Computation of Rent Differential Payment \***

<b>1. Rent of Displacement Unit</b>	\$800	Displacement Rent plus Utility Costs
or		
<b>2. Ability to Pay</b>	\$750	30% of the Gross Household Income
<b>3. Lesser of lines 1 or 2</b>	<b>\$750</b>	
<b>Subtracted From:</b>		
<b>4. Actual New Rent</b>	\$950	Actual New Rent including Utility Allowance
or		
<b>5. Comparable Rent</b>	\$1,000	Determined by Agency; <u>includes</u> Utility Allowance
<b>6. <u>Lesser</u> of lines 4 or 5</b>	<b>\$950</b>	
<b>7. Yields Monthly Need:</b>	<b>\$200</b>	Subtract line 3 from line 6
<b>8. Rental Assistance</b>	<b>\$8,400</b>	<b>Multiply line 7 by 42 months</b>

**\*Note: This is a sample case only and is not reflective of actual market conditions. Not all households will receive this type of relocation assistance. The household should discuss their eligibility for this type of relocation assistance prior to making any decisions regarding their replacement housing options. This form of payment will be provided based on need.**

**Moving Assistance**

Households will have two options for moving assistance; a professional or self-move. OPC Staff will meet with each household to explain the moving assistance services that will be made available to them and ascertain the move option that best suit their needs and abilities.

**Option 1: Self-Move (Fixed Payment In-lieu of Actual and Reasonable Move Costs):** Should a household choose to conduct a self-move to their replacement housing, they will receive a Fixed Move Payment (FMP) based on the current number of rooms of personal property in their Las Deltas unit in lieu of having a professional mover relocate their personal property for them. The current federal FMP schedule for the state of California is presented in Table 8 on the following page. The household would not receive moving compensation for costs such as labor, boxes and other packing materials, utility transfers, or other costs related to the physical move of their home, if they elect the FMP, because the intent of the FMP is to provide funds to the household to pay for all costs associated with the move per the URA. OPC will prepare and process the appropriate claim for the household to receive assistance.

**Table 8: Federal Fixed Move Payment Schedule**

<b># of Moveable Rooms</b>	<b>Typical Unit Size Equivalent</b>	<b>Payment Amount</b>
3 Rooms	Typical 1 BR	\$1,100
4 Rooms	Typical 2 BR	\$1,295
5 Rooms	Typical 3 BR	\$1,570
6 Rooms	Typical 4 BR	\$1,815
Additional Rooms	i.e. outdoor storage	\$250

**Option 2: Professional Move.** HACCC will directly pay for any professional moving services required. OPC staff will obtain multiple bids for HACCC’s consideration to hire the lowest responsible bidding moving contractor (or contractors if multiple contractors may serve the Project’s needs better) to provide moving services to senior and disabled households. Vendors will be licensed by the California Public Utilities Commission (CPUC), insured and bonded.

Services would include full packing, moving, loading, unloading, unpacking, and full replacement value insurance necessary to move the household’s personal property to their permanent housing unit. Additional vendors may be needed for debris hauling services and other services that may be needed by senior and/or disabled households. These needs will be handled on a phase by phase, case by case basis. Such services are referred to as related services. OPC will coordinate all services needed by the resident for their move.

**Utility Transfer Fee Reimbursement**

All households that elect to be moved by the mover will be reimbursed for the actual cost of transferring/reconnecting existing telephone, utility and cable services. HACCC will not cover the cost of modifying existing telephone, utility or cable bill arrangements, or cost associated with new service. Residents are responsible for notifying the telephone, cable, electric, gas, and other utility companies of the need for a transfer. Special assistance will be provided to elderly, disabled and non-English speaking households as necessary. HACCC will reimburse residents for the actual transfer cost upon presentation of an itemized bill from the appropriate company. Advance payments may be considered, if a household demonstrates a financial hardship.

**I. PAYMENT OF RELOCATION BENEFITS**

Should there be any payment of relocation assistance payments payable to the household, the payment will be made expeditiously. In order to receive any applicable replacement housing payments, the household must rent and occupy a decent, safe and sanitary replacement housing within 12 months after they vacate Las Deltas. All persons eligible to receive a payment must submit claims and supporting documentation for relocation benefits to OPC no later than 18 months after the date they vacate the Project Site in order to remain eligible for payment.

A sample claim form is provided in Appendix E of this Plan. The procedure for the preparation and filing of claims and the processing and delivery of payments will be as follows:

1. Claimant(s) will provide all necessary documentation to substantiate eligibility for assistance;
2. OPC will review all necessary documentation before reaching a determination as to which expenses are eligible for compensation;
3. Required claim forms will be prepared by OPC and be presented to the claimant for their review and signature. Signed claims and supporting documentation will be returned to relocation staff for processing of payment;
4. OPC will review and approve claims for payment or request additional information;
5. OPC will issue benefit checks to claimants in the most secure, expeditious manner possible;
6. Receipts of payment and all claims materials will be maintained in the relocation case file;
7. In cases where the displacee disputes the amount of payment they are awarded in the claim, they may make a written appeal in accordance with the appeals process defined in Section L of this plan. Further details regarding the appeals process and a sample appeals request form is provided in Appendix F of this Plan.

## **J. IMMIGRATION STATUS**

Federal legislation (PL105-117) prohibits the payment of relocation assistance benefits under the URA to any alien not lawfully present in the United States unless such ineligibility would result in an exceptional and extremely unusual hardship to the alien's spouse, parent, or child any of whom is a citizen or an alien admitted for permanent residence. Exceptional and extremely unusual hardship is defined as significant and demonstrable adverse impact on the health or safety, continued existence of the household unit, and any other impact determined by HACCC to negatively affect the alien's spouse, parent or child.

In order to track and account for relocation assistance and benefit payments, OPC will be required to seek immigration status information from each displacee 18 years of age or older by having them self-certify as to their legal status. Each household will be

required to sign a certificate of lawful presence prior to any direct payment of relocation payments. Any residents not lawfully present in the United States that are paid relocation assistance will not be paid with any source of federal funds.

HACCC will pay relocation assistance with a non-federal source of funds to eligible persons not lawfully present in the United States.

#### **K. EVICTION POLICY**

It is recognized that eviction is permissible only as a last resort and that relocation records must be documented to reflect the specific circumstances surrounding any eviction. Eviction will only take place in cases of nonpayment of rent; a serious violation of the rental agreement; a dangerous or illegal act in the unit; violation of federal, state, or local laws; or, if the household refuses all reasonable offers to move.

#### **L. APPEALS POLICY**

HACCC's Grievance Policy will follow the standards described in Article 5, Section 6150 et seq., Title 25, Chapter 6, State of California, Department of Housing and Community Development (H&CD) Program guidelines.

Briefly stated, a displaced household will have the right to ask for review when there is a perceived grievance regarding any of its (the household's) rights to relocation and relocation assistance, including the determination as to eligibility, the amount of payment, or the failure to provide a comparable replacement housing referral. Appeals regarding HACCC property management practices may also be considered. Appendix F provides a full description of the appeals process.

Requests for review will be directed first to OPC to attempt to resolve between the Household and the relocation agent. If the matter cannot be resolved in this manner, the appeal would then be sent

Housing Authority of the County of Contra Costa,  
Attn: TBD  
3133 Estudillo Street  
Martinez, CA 94553

Should the appellant and HACCC not be able to resolve the appeal, the appellant may forward their appeal to the HACCC Commission or a duly appointed body serving as the Appeals Board.

Pursuant to California Code of Regulations Section 6156(d), a complainant shall have 18 months from the time s/he moves from the property to file a request for an informal settlement of a grievance or a formal grievance hearing under HACCC's Grievance Procedure.

#### **M. PROJECTED RELOCATION SCHEDULE**

The general relocation planning and implementation schedule is shown below. The relocation schedule is subject to change and will be updated in future updates to this Plan.

- Relocation Plan Development: March – April, 2016
- Household interviews – 3<sup>rd</sup> Quarter of 2016
- Plan Public Comment Period: 4<sup>th</sup> Quarter of 2016
- Board Adoption Hearing: 4<sup>th</sup> Quarter of 2016
- Relocation Status Update Meetings With Tenants: Periodically 2016 –2017
- Relocations: 1<sup>st</sup> and 2<sup>nd</sup> Quarter of 2017

The relocation schedule will be developed in greater detail by OPC once more detailed project schedules are available from the HACCC. OPC will prepare and provide periodic schedule updates to the HACCC as requested and to the households as needed to keep them advised and informed of upcoming relocation activity that may affect them.

#### **N. ESTIMATED RELOCATION COSTS**

The estimated relocation cost provided below is based on the best current available data related to the overall project schedule, potential number of relocations, and the estimated vendor costs as of April 4, 2016.

This cost estimate includes the cost of professional services, utility transfer, security deposit and application fee reimbursements, and potential rental assistance payments that may be required.

The cost estimate is considered conservative at this time and should remain as such until certain factors are better understood and more easily controlled, including the number of total relocations and the number of household that may be able to conduct self-moves.

A 20% contingency has been used to mitigate against potential cost increases, including the provision of services not yet considered in the Plan, higher than estimated rent differential payments, moving cost increases based on formal bids and ultimate vendor contracts, and other unforeseen factors that could increase the cost of implementing this Plan. A 20% contingency is used, because there is a lengthy time horizon between its approval and actual implementation of relocation.

The approval of this Plan does not constitute the approval of the relocation budget for the purposes of determining maximum levels of eligible compensation. These maximums will be based on actual data at the time of the preparation of an NOE in accordance with the URA. The HACCC cannot offer lesser relocation payments than those required by the URA, Guidelines or CRAL in order to conform to the parameters of the preliminary budget that is included in the approved relocation plan.

This is an important Section of the Plan to be monitored and periodically updated.

As the project variables become more reliable, updates to the budget will be prepared. Table 9 below provides the preliminary proforma cost estimate for the Project. As stated, the cost estimate is subject to change as the project details are solidified in greater detail.

**Table 9: Proforma Relocation Cost Estimate \***

<b>Cost Estimate Line Item</b>	<b>Estimated Cost</b>
Estimated Residential Relocation Costs	\$1,338,000.00

**\*Cost estimate is subject to change. Estimate is not an assumption of any cash payout to any household.**

## **O. RESIDENT PARTICIPATION/PLAN REVIEW**

In accordance with the Guidelines, the Plan is required to be circulated for a minimum of a 30-day public review and comment period. HACCC has elected to exceed this requirement.

The Plan will be made available to each Project household for a 45-day review period and their written comments will be collected. Households will receive a notice of the Plan's availability and a summary of the Plan. Non-Las Deltas residents, including public agencies, advocacy groups and other interested parties, will also be invited to provide written comments to the Plan. The comment period will open on June 17, 2016 and the public will have the opportunity to comment on the document until the public hearing on August 9, 2016 when it is submitted to the Board of Commissioners for approval.

A copy of this Plan will be available for review at the following locations beginning on June 17, 2016:

- Las Deltas Housing Development: 1601 No. Jade Street, North Richmond, CA
- El Pueblo Housing Development: 875 El Pueblo Ave., Pittsburg, CA
- Oakley Housing Development: 909 A Rosemary Lane Oakley, CA
- Rodeo Housing Development: 2 California Street, Rodeo, CA
- Main Office: 3133 Estudillo Street, Martinez, CA
- Housing Choice Voucher Office: 2870 Howe Rd., Martinez, CA

The Plan may also be accessed online at [www.contracostahousing.org](http://www.contracostahousing.org). A summary of the draft Relocation Plan will also be presented at a resident meeting on July 21, 2016 at the Las Deltas site.

The Plan will be presented for approval to the HACCC Commission Board on or around August 9, 2016. Further notice will be provided to the Project residents regarding the Commission hearing.

Any written comments or questions received will be included in Appendix G of the Final Relocation Plan to be presented to the Commission for approval.

All written comments should be mailed, faxed, or emailed to:

***Chad Wakefield***  
***Senior Project Manager***  
***Overland, Pacific and Cutler***  
***7901 Oakport Street, Suite 4800***  
***Oakland, CA 94621***  
***Email: [cwakefield@opcservices.com](mailto:cwakefield@opcservices.com)***  
***Fax: (562) 304-2020***

Once approved, this Plan will be updated if regulatory changes occur that impact the Project and relocation of the households.

**LIST OF APPENDICES:**

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## A. GLOSSARY OF RELOCATION TERMS

**90-Day Notice** This is a notice that may be given to a person who will be required to move a residence, business or personal property as a result of the agency's project. It informs the person that he or she must move the residence, business or personal property 90 days from the date of the notice. This notice can only be given after a relocation plan is approved and a Notice of Eligibility or other form of eligibility notice for relocation benefits has been given to the displaced person(s).

**30-Day Notice** This is a notice that may be given to a person who will be required to move a residence, business or personal property as a result of the agency's project. It informs the person that he or she must move the residence, business or personal property 30 days from the date of the notice. This notice can only be given after a 90-day notice is given to the displaced person(s).

**Comparable Replacement Dwelling** The term *comparable replacement dwelling* means a dwelling which is:

(i) Decent, safe and sanitary; (ii) Functionally equivalent to the displacement dwelling. The term *functionally equivalent* means that it performs the same function, and provides the same utility. While a comparable replacement dwelling need not possess every feature of the displacement dwelling, the principal features must be present. Generally, functional equivalency is an objective standard, reflecting the range of purposes for which the various physical features of a dwelling may be used. However, in determining whether a replacement dwelling is functionally equivalent to the displacement dwelling, the Agency may consider reasonable trade-offs for specific features when the replacement unit is equal to or better than the displacement dwelling; (iii) Adequate in size to accommodate the occupants; (iv) In an area not subject to unreasonable adverse environmental conditions; (v) In a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities and commercial and public facilities, and reasonably accessible to the person's place of employment; (vi) on a site that is typical in size for residential development with normal site improvements, including customary landscaping. The site need not include special improvements such as outbuildings; (vii) Currently available to the displaced person on the private market; and (viii) Within the financial means of the displaced person: A replacement dwelling rented by an eligible displaced person is considered to be within

his or her financial means if, after receiving rental assistance under this part, the person's monthly rent and estimated average monthly utility costs for the replacement dwelling do not exceed the person's base monthly rental for the displacement dwelling; For a displaced person who is not eligible to receive a replacement housing payment because of the person's failure to meet length-of occupancy of occupancy requirements, comparable replacement rental housing is considered to be within the person's financial means if an Agency pays that portion of the monthly housing costs of a replacement dwelling which exceeds the person's base monthly rent for the displacement dwelling. Such rental assistance must be paid under Replacement housing of last resort. (ix) For a person receiving government housing assistance before displacement, a dwelling that may reflect similar government housing assistance. In such cases any requirements of the government housing assistance program relating to the size of the replacement dwelling shall apply.

**Decent, Safe, and Sanitary Dwelling** The term *decent, safe, and sanitary dwelling* means a dwelling which meets local housing and occupancy codes. However, any of the following standards which are not met by the local code shall apply unless waived for good cause by the Federal Agency funding the project. The dwelling shall: (i) Be structurally sound, weather tight, and in good repair; (ii) Contain a safe electrical wiring system adequate for lighting and other devices; (iii) Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system; (iv) Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced person. The number of persons occupying each habitable room used for sleeping purposes shall not exceed that permitted by local housing codes or, in the absence of local codes, the policies of the displacing Agency. In addition, the displacing Agency shall follow the requirements for separate bedrooms for children of the opposite gender included in local housing codes or in the absence of local codes, the policies of such Agencies; (v) There shall be a separate, well lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator; (vi) Contains unobstructed egress to safe, open space at ground level; and

(vii) For a displaced person with a disability, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.

**Displacement** The act of requiring a displaced person to move permanently from the dwelling in which they occupy for a federally or State funded or sponsored project.

**Displacement Dwelling** The term displacement dwelling means the dwelling unit on the real property that the displaced person moves from or moves his or her personal property from the real property.

**Displacing Agency** The term displacing Agency means any Federal Agency carrying out a program or project, and any State, State Agency, or person carrying out a program or project with Federal financial assistance, which causes a person to be a displaced person.

**Displaced Person** (i) *General* the term *displaced person* means any person who moves from the real property or moves his or her personal property from the real property. This includes a person who occupies the real property prior to its acquisition, but who does not meet the length of occupancy requirements. (A) As a direct result of a written notice of intent to acquire, the initiation of negotiations for, or the acquisition of, such real property in whole or in part for a project; (B) As a direct result of rehabilitation or demolition for a project. (ii) *Persons not displaced*. The following is a nonexclusive listing of persons who do not qualify as displaced persons under this part: (A) A person who moves before the initiation of negotiations, unless the Agency determines that the person was displaced as a direct result of the program or project; (B) A person who initially enters into occupancy of the property after the date of its acquisition for the project; (C) A person who has occupied the property for the purpose of obtaining assistance under the Uniform Act; (D) A person who is not required to relocate permanently as a direct result of a project. Such determination shall be made by the Agency in accordance with any guidelines established by the Federal Agency funding the project, or as a result of the rehabilitation or demolition of the real property. (However, the displacement of a tenant as a direct result of any acquisition, rehabilitation or demolition for a Federal or federally assisted project is subject to this part.); (E) A person who, after receiving a notice of relocation eligibility, is notified in writing that he or she will not be displaced for a project. Such written notification shall not be issued unless the person has not moved and the Agency agrees to reimburse

the person for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility.

**Fixed Residential Moving Cost Schedule** This schedule is used to calculate the amount of reimbursement that displaced persons may be eligible to receive if they decide to move their own personal property. The Federal Highways Administration periodically updates and distributes this schedule. A copy can be found on our web site at: <http://www.fhwa.dot.gov/realestate/index.htm> in the section *Relocation Assistance*. Payment per this schedule is also known as a fixed move payment.

**Good Standing** means that a household is the lawful tenant of the unit and the household must not have been evicted or be in the process of an eviction to maintain their eligibility.

**Household** means one or more persons occupying a housing unit.

**Low-income Families** means families whose annual incomes do not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low household incomes.

**Memorandum of Understanding (MOU)** The term Memorandum of Understanding is used to describe the document that explains the temporary relocation benefits to be provided to an occupant of a residential dwelling unit that is required to move from the unit temporarily. The MOU will be provided the occupant for their review and signature prior to the expected move date.

**Notice of Eligibility (NOE)** The term Notice of Eligibility, also referred to as an NOE, is the written description of the type of permanent relocation benefits and the monetary amount(s) of those benefits a displaced person is eligible to receive under the appropriate relocation statutes or laws (for example the URA.) This notice can be given prior to the approval of the relocation plan as deemed appropriate by the displacing agency.

**Relocation** The act of moving permanently or temporarily from a dwelling unit as a result of a federally or State funded or sponsored project where the URA or other relocation statutes or laws are triggered.

**Rent Differential Payment** Amount of assistance paid to a displaced person, who is a renter, to compensate for the difference between the monthly rent and utility payment that they will pay at the replacement dwelling unit and what was paid for rent and utilities at the displacement dwelling. This difference is calculated over a 42 month period. If Tenant-based Rental Assistance such as Housing Choice Voucher is available to the displaced person, that amount of assistance will offset a portion of the difference and any un-met portion of the difference is eligible to be paid for with a rent differential payment. The payment must be claimed within 18 months after the displaced person moves from the displacement dwelling. Also referred to as a Rental Assistance Payment (RAP) or Replacement Housing Payment (RHP).

**Replacement Dwelling** A replacement dwelling is the unit the displaced person elects to move to from the displacement dwelling. A displaced person must locate and move into a replacement dwelling within 12 months of the date they vacate the displacement dwelling to claim a RAP.

**Tenant-based Rental Assistance** is a form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. Tenant-based rental assistance under this part also includes security deposits for rental of dwelling units. A common form of Tenant Based Rental Assistance is a Housing Choice Voucher.

**Uniform Act Relocation (URA)** The term *Uniform Act* means the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L.91–646, 84 Stat. 1894; 42 U.S.C. 4601 *et seq.*), and amendments thereto. Also known as the URA.

**B. APPLICABLE RELOCATION REGULATIONS**

Permanent Relocation Assistance for Displaced Public Housing Tenants: URA, 104(d), California, and RAD Relocation Requirements<sup>1</sup>

	URA	Section 18	California Law	RAD
Relocation Plan	<p>Must plan for relocation which may include conducting a survey of needs including:</p> <ul style="list-style-type: none"> <li>• Estimate of the number of households to be displaced including information such as owner/tenant status, estimated value and rental rates of properties to be acquired, household characteristics, and special consideration of the impacts on minorities, the elderly, large families, and persons with disabilities when applicable</li> <li>• Estimate of comparable replacement housing available (including price ranges and rental rates).</li> <li>• Consideration of any special relocation advisory services that may be necessary from the housing authority and other cooperating agencies.</li> </ul> <p>No formal plan documents are required, and no approval process is required.</p>	<p>Relocation Plan must include:</p> <ul style="list-style-type: none"> <li>• The number of individual residents to be displaced;</li> <li>• The type of counseling and advisory services the PHA plans to provide;</li> <li>• What housing resources are expected to be available to provide housing for displaced residents; and</li> <li>• An estimate of the costs for counseling and advisory services and resident moving expenses, and the expected source for payment of these costs.</li> </ul> <p>Relocation must be executed on a nondiscriminatory basis</p> <p>PHA must provide in <b>disposition application</b> the following information:</p> <ul style="list-style-type: none"> <li>• The number of occupied units;</li> <li>• A schedule for relocation on a month-to-month basis;</li> </ul>	<p>As soon as possible following initiation of negotiation PHA must prepare relocation plan and submit for approval of PHA board of Head of PHA. Plan must be available for public comment and review at least 30 days prior to approval. Plan must contain -</p> <ul style="list-style-type: none"> <li>• Analysis of relocation needs</li> <li>• Projected dates of displacement</li> <li>• Analysis of comparable housing resources</li> <li>• Description of relocation advisory services</li> <li>• Description of relocation payments</li> <li>• Cost of carrying out relocation plan</li> <li>• Last resort housing plan if necessary</li> <li>• Temporary relocation plan if applicable</li> <li>• Plans for citizens participation</li> <li>• Comments from relocation committee if applicable.</li> </ul>	<ul style="list-style-type: none"> <li>• Written relocation plan is not required but strongly encouraged</li> <li>• Must conform w/ URA 49 CFR 24.205(a)</li> <li>• Relocation budget</li> <li>• Certificate of URA Compliance</li> </ul> <p>The Relocation Plan should provide a general description of and purpose for the project (e.g., year built, location, # of units, configuration, occupancy information, and funding sources.)</p> <p>The basic components of a plan include:</p> <ul style="list-style-type: none"> <li>• A general description of the project and the site, including acq., demolition, rehab, and construction activities and funding sources;</li> <li>• A detailed discussion of the specific steps to be taken to minimize the adverse impacts of relocation, including when transferring the assistance to a new site;</li> <li>• Info on occupancy (including the # of residents, residential owner-occupants and non-residential occupants, if any, to be permanently or temp relocated);</li> </ul>

<sup>1</sup> California Relocation Law (California Government Code Section 7260 et seq. (the CRAL"), and the California Relocation Assistance and real Property Acquisition Guidelines, Title 15, CCR, Section 6000 et seq. (the "Guidelines") (collectively, the "California Relocation Law"); Section 18 of the U.S. Housing Act of 1937, and implementation regulations at 24 CFR Part 970) (collectively, "Section 18"); the Uniform Relocation Act (46 U.S.C. §4600 et seq.), and its implementation regulations (49 CFR Part 24)(collectively, "URA"); RAD is subject to the URA.

	URA	Section 18	California Law	RAD
				<ul style="list-style-type: none"> <li>• Info on relocation needs and costs (including the # of residents who plan to relocate with Housing Choice Voucher assistance);</li> <li>• General moving assistance info;</li> <li>• Temp move assistance (including info on duration of temp moves);</li> <li>• Permanent move assistance; and</li> <li>• Appeals process</li> </ul>
<p>Moving &amp; Related Expenses (PHA unit move to a PHA unit)</p>	<p>PHA choice!</p> <ul style="list-style-type: none"> <li>• PHA move resident with force account staff or contractor (\$100 allowance to resident), or allow resident to choose:                             <ul style="list-style-type: none"> <li>○ Payment for actual costs of a self-move, or</li> <li>○ Payment for self-move at DOT schedule amount</li> </ul>                             Or                             <ul style="list-style-type: none"> <li>○ A combination of both</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Actual and reasonable relocation expenses</li> </ul>		<p>PHA choice!</p> <ul style="list-style-type: none"> <li>• PHA move resident with force account staff or contractor (\$100 allowance to resident), or allow resident to choose:                             <ul style="list-style-type: none"> <li>○ Payment for actual costs of a self-move, or</li> <li>○ Payment for self-move at DOT schedule amount</li> </ul>                             Or                             <ul style="list-style-type: none"> <li>○ A combination of both</li> </ul> </li> <li>• PHA responsible for covering all reasonable moving expenses incurred in connection with temporary relocation of a resident.</li> <li>• The PHA will not make fixed payments since such payments may not be representative of actual reasonable costs incurred. However, in order for a resident to be sure of full reimbursement, the resident should submit a moving cost estimate to the PHA for approval prior to the move unless the PHA is directly carrying out the move and the resident will incur any reasonable out-of-pocket</li> </ul>

	URA	Section 18	California Law	RAD
Moving & Related Expenses (PHA unit move to non-public housing—with or without Voucher assistance)	<p><b>Resident’s choice!</b></p> <ul style="list-style-type: none"> <li>• Payment for actual costs of a Self-move, or</li> <li>• Payment for self-move at DOT schedule amount, or</li> <li>• A combination of both.</li> </ul> <p>(Optional) PHA may offer to move resident with force account staff or contractor (\$100 allowance to resident)</p>	<ul style="list-style-type: none"> <li>• Actual and reasonable relocation expenses</li> </ul>	<p>Actual and reasonable moving costs including costs for</p> <ul style="list-style-type: none"> <li>• Transportation not to exceed a distance of 50 miles except where justified</li> <li>• Packing and unpacking</li> <li>• Storage of personal property if necessary</li> <li>• Replacement value of property lost, stolen or damaged</li> </ul>	<p>moving expenses.</p> <p><b>Resident’s choice!</b></p> <ul style="list-style-type: none"> <li>• Payment for actual costs of a Self-move, or</li> <li>• Payment for self-move at DOT schedule amount, or</li> <li>• A combination of both.</li> </ul> <p>(Optional) PHA may offer to move resident with force account staff or contractor (\$100 allowance to resident)</p>
Replacement Housing	<ul style="list-style-type: none"> <li>• Offer comparable replacement dwelling which may be:                             <ul style="list-style-type: none"> <li>○ Tenant based assistance (voucher)</li> <li>○ Project-based assistance</li> <li>○ Public housing unit</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Provide comparable housing which may be:                             <ul style="list-style-type: none"> <li>○ Tenant based assistance (voucher)</li> <li>○ Project-based assistance</li> <li>○ Public housing unit</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Provide at least three offers of comparable replacement housing – no specific provisions regarding the use of subsidized housing as an offer of comparability.</li> </ul>	<ul style="list-style-type: none"> <li>• Offer comparable replacement dwelling which may be:                             <ul style="list-style-type: none"> <li>○ Tenant based assistance (voucher)</li> <li>○ Project-based assistance</li> <li>○ Public housing unit</li> <li>○ Homeownership housing</li> <li>○ Private-market rental housing (affordable, non-subsidized).</li> </ul> </li> </ul>
Replacement Housing Payment (RAP)	<ul style="list-style-type: none"> <li>• Computed on 42-month period</li> <li>• Amount needed to reduce new rent/utility costs to the lower of old rent/utility costs or (for low income persons only, 30% of gross monthly income)</li> <li>• “Gap” payments may be necessary even between old PHA rent/utilities and new subsidized rent/utilities</li> </ul>	<ul style="list-style-type: none"> <li>• No Replacement Housing Payment</li> <li>• No provisions for “gap” payments</li> </ul>	<ul style="list-style-type: none"> <li>• Computed on 42-month period</li> <li>• Amount needed to reduce new rent/utility costs to the lower of old rent/utility costs or 30% of gross monthly income</li> <li>• “Gap” payments may be necessary even between old PHA rent/utilities and new subsidized rent/utilities</li> </ul>	<ul style="list-style-type: none"> <li>• Computed on 42-month period</li> <li>• Amount needed to reduce new rent/utility costs to the lower of old rent/utility costs or (for low income persons only, 30% of gross monthly income)</li> <li>• “Gap” payments may be necessary even between old PHA rent/utilities and new subsidized rent/utilities</li> </ul>

	URA	Section 18	California Law	RAD
Notices	<ul style="list-style-type: none"> <li>• General Information Notice (GIN)</li> <li>• Notice of Eligibility or Non-displacement at ION</li> <li>• 90 day notice to vacate</li> </ul>	<ul style="list-style-type: none"> <li>• 90 day notice to move</li> </ul>	<ul style="list-style-type: none"> <li>• General Information Notice (GIN) within sixty days of Initiation of Negotiations</li> <li>• Notice of Eligibility o</li> <li>• 90 day notice to vacate</li> </ul>	<ul style="list-style-type: none"> <li>• General Information Notice (GIN)</li> <li>• RAD Notice of Relocation</li> <li>• Notice of Intent to Acquire</li> <li>• URA Notice of Relocation Eligibility-for residents whose temporary relocation exceeds one year</li> <li>• 90 day notice to vacate</li> </ul>
Services	<ul style="list-style-type: none"> <li>• Advisory services                             <ul style="list-style-type: none"> <li>○ Determine resident needs and preferences</li> <li>○ Explain payments and assistance</li> <li>○ Current and continuing information on comparable housing</li> <li>○ Inspection of replacement housing</li> <li>○ Assistance filling out claim forms</li> <li>○ Mobility counseling</li> <li>○ Transportation to inspect replacement housing</li> <li>○ Advice on other assistance sources</li> <li>○ Information on federal and state housing programs</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Necessary counseling</li> <li>• Mobility counseling</li> </ul>	<ul style="list-style-type: none"> <li>• Advisory services                             <ul style="list-style-type: none"> <li>○ Determine resident needs and preferences</li> <li>○ Explain payments and assistance</li> <li>○ Current and continuing information on comparable housing</li> <li>○ Inspection of replacement housing</li> <li>○ Assistance filling out claim forms and applications</li> <li>○ Mobility counseling</li> <li>○ Transportation to inspect replacement housing</li> <li>○ Advice on other assistance sources</li> </ul> </li> <li>• Information on federal and state housing programs</li> <li>• Inform all persons about eviction policies</li> </ul>	<ul style="list-style-type: none"> <li>• Advisory services                             <ul style="list-style-type: none"> <li>○ Determine resident needs and preferences</li> <li>○ Explain payments and assistance</li> <li>○ Current and continuing information on comparable housing</li> <li>○ Inspection of replacement housing</li> <li>○ Assistance filling out claim forms</li> <li>○ Mobility counseling</li> <li>○ Transportation to inspect replacement housing</li> <li>○ Advice on other assistance sources</li> <li>○ Information on federal and state housing programs</li> </ul> </li> <li>• May include housing counseling that should be facilitated to ensure that residents affected by the project understand their rights and responsibilities and the assistance available to them</li> <li>• Must also inform residents of their fair housing rights</li> <li>• PHAs should inform residents that if they believe they have experienced unlawful discrimination, they may contact HUD at 1-800-669-9777 (Voice) or 1-800-927-9275 (TDD) or at <a href="http://www.hud.gov">http://www.hud.gov</a>.</li> </ul>

	URA	Section 18	California Law	RAD
Aliens not lawfully present in country	<ul style="list-style-type: none"> <li>Aliens not lawfully in the country are not eligible for relocation benefits</li> </ul>	<ul style="list-style-type: none"> <li>No prohibition on benefits for illegal aliens</li> </ul>	<ul style="list-style-type: none"> <li>No prohibition on benefits for illegal aliens</li> </ul>	<ul style="list-style-type: none"> <li>Aliens not lawfully in the country are not eligible for relocation benefits</li> </ul>
Impact of eviction on eligibility	<ul style="list-style-type: none"> <li>Persons who are evicted before or after initiation of negotiation are ineligible for benefits</li> </ul>	<ul style="list-style-type: none"> <li>No provisions</li> </ul>	<ul style="list-style-type: none"> <li>Eviction does not impact eligibility for benefits. Displaced persons do not include unlawful occupants (those persons evicted by court order or who vacated after receipt of a termination notice) unless persons was occupant of permanently affordable housing.</li> </ul>	<ul style="list-style-type: none"> <li>Persons who are evicted before or after initiation of negotiation are ineligible for benefits</li> </ul>

## **C. RESIDENT MEETING MATERIALS**

## **D. RESIDENT MEETING DOCUMENTATION**

**E. SAMPLE RELOCATION FORMS**



## General Information Notice

Residential Occupant to Be Displaced

<<DATE>>

<<HEAD-OF-HOUSEHOLD>> and All Other Occupants

<<MAILING ADDRESS>>

<<CITY, STATE ZIP>>

Dear Occupants:

The <<**CLIENT NAME**>> (called here the “Displacing Agency”) is interested in <<**INSERT ACTION:** e.g. acquiring, rehabilitating, demolishing>> the property you currently occupy at <<**SITE ADDRESS**>> for the <<**PROJECT NAME**>> (Project). This notice is to inform you of your rights under Federal and or State law. If the Displacing Agency acquires the property and you are displaced for the Project, you will be eligible for relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended and California Relocation Assistance Law (Sec 7260 et. seq. of the CA Government Code.

**However, you do not have to move now.**

**This is not a notice to vacate the premises or a notice of relocation eligibility.**

The Displacing Agency has retained the professional firm of **Overland, Pacific & Cutler, Inc.** (OPC) to represent the Agency and assist in the relocation process.

In order to assess and better plan for the relocation needs of possible displaced households in the Project, the Displacing Agency is preparing a Relocation Plan. In order to prepare this relocation plan, OPC staff will need to meet with you to assess your relocation needs. OPC will be out in the neighborhood beginning the week of <<**INTERVIEW DATE**>>, and will be trying to contact you then. If you want to make an appointment that is convenient for you, please call the relocation agent identified below.

If you rent your unit, you should continue to pay your monthly rent to your landlord because failure to pay rent and meet your obligations as a tenant may be cause for eviction and loss of relocation assistance. You are urged not to move or sign any agreement to purchase or lease a unit before receiving formal notice of eligibility for relocation assistance. If you move or are evicted before receiving such notice, you will not be eligible to receive relocation assistance. Please contact us before you make any moving plans.

If the Displacing Agency acquires the property and you are eligible for relocation assistance, you will be given advisory services, including referrals to replacement housing, and at least 90 days advance written notice of the date you will be required to move. You would also receive a payment for moving expenses and may be eligible for financial assistance to help you rent or buy a replacement dwelling. Any person aggrieved by a determination as to eligibility for, or the amount of, a payment authorized by the Displacing Agency's Relocation Assistance Program may have the appeal application reviewed by the Displacing Agency in accordance with its appeals procedure. Complete details on appeal procedures are available upon request from the Displacing Agency.

Note that pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

Again, this is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance. If the Displacing Agency decides not to purchase the property, you will be notified in writing.

If you have any questions about this or any other relocation issues, please contact me at the address and the phone number below.

Sincerely,

<<PROJECT MANAGER NAME>>

<<PROJECT MANAGER TITLE>>

Overland, Pacific & Cutler, Inc.

<<OFFICE ADDRESS>>

Phone <<PHONE>>

Carbon Copy To:

<<CC NAME>>

<<CC ADDRESS>>

\_\_\_\_\_ Delivered on/by: \_\_\_\_\_ / \_\_\_\_\_  
*Received by*

X \_\_\_\_\_ Posted on/by: \_\_\_\_\_ / \_\_\_\_\_  
*Recipient's Signature*

\_\_\_\_\_ Mailed/receipt received on: \_\_\_\_\_ / \_\_\_\_\_  
*Date*

## Relocation Assistance Informational Statement for Families and Individuals

(Federal)

Displacing Agency:

<< CLIENT NAME >>

Project Name:

<<PROJECT NAME >>

Displacing Agency Representative:



Overland, Pacific & Cutler, Inc.

<< OFFICE ADDRESS >>

<< OFFICE CITY >>

Phone: <<OFFICE PHONE >>

### Informational Statement Content:

1. General Information
2. Assistance In Locating A Replacement Dwelling
3. Moving Benefits
4. Replacement Housing Payment - Tenants And Certain Others
5. Housing Choice Voucher Tenants
6. Replacement Housing Payment – Homeowners
7. Qualification For And Filing Of Relocation Claims
8. Last Resort Housing Assistance
9. Rental Agreement
10. Evictions
11. Appeal Procedures – Grievance
12. Tax Status of Relocation Benefits
13. Legal Presence Requirement
14. Non-Discrimination and Fair Housing
15. Additional Information And Assistance Available

Spanish speaking agents are available. Si necesita esta información en español, por favor llame a su agente.

## Informational Statement for Families and Individuals

(Federal)

### **1. GENERAL INFORMATION**

The dwelling in which you now live is in a project area to be improved by, or financed through, the Displacing Agency using federal funds. If and when the project proceeds, and it is necessary for you to move from your dwelling, you may be eligible for certain benefits. You will be notified in a timely manner as to the date by which you must move. Please read this information, as it will be helpful to you in determining your eligibility and the amount of the relocation benefits you may receive under the federal law. You will need to provide adequate and timely information to determine your relocation benefits. The information is voluntary, but if you don't provide it, you may not receive the benefits or it may take longer to pay you. We suggest you save this informational statement for reference.

The Displacing Agency has retained the professional firm of **Overland, Pacific & Cutler, Inc. (OPC)** to provide relocation assistance to you. The firm is available to explain the program and benefits. Their address and telephone number is listed on the cover.

**PLEASE DO NOT MOVE PREMATURELY. THIS IS NOT A NOTICE TO VACATE YOUR DWELLING.** However, if you desire to move sooner than required, you must contact your representative with Overland, Pacific & Cutler, Inc., so you will not jeopardize any benefits. This is a general informational brochure only, and is not intended to give a detailed description of either the law or regulations pertaining to the Displacing Agency's relocation assistance program.

**Please continue to pay your rent to your current landlord, otherwise you may be evicted and jeopardize the relocation benefits to which you may be entitled to receive. Once the Displacing Agency acquires the property, you will also be required to pay rent to the Displacing Agency.**

### **2. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING**

The Displacing Agency, through its representatives, will assist you in locating a comparable replacement dwelling by providing referrals to appropriate and available housing units. You are encouraged to actively seek such housing yourself. When a suitable replacement dwelling unit

has been found, your relocation agent will carry out an inspection and advise you as to whether the dwelling unit meets decent, safe and sanitary housing requirements. A decent, safe and sanitary housing unit provides adequate space for its occupants, proper weatherproofing and sound heating, electrical and plumbing systems. Your new dwelling must pass inspection before relocation assistance payments can be authorized.

**3. MOVING BENEFITS**

If you must move as a result of displacement by the Displacing Agency, you will receive a payment to assist in moving your personal property. The actual, reasonable and necessary expenses for moving your household belongings may be determined based on the following methods:

- A Fixed Moving Payment based on the number of rooms you occupy (see below); **or**
- A payment for your Actual Reasonable Moving and Related Expenses based on at least two written estimates and receipted bills; **or**
- A combination of both (in some cases).

For example, you may choose a Self-Move, receiving a payment based on the Fixed Residential Moving Cost Schedule shown below, plus contract with a professional mover to transport your grand piano and /or other items that require special handling. In this case, there may be an adjustment in the number of rooms which qualify under the Fixed Residential Moving Cost Schedule.

**A. Fixed Moving Payment (Self-Move)**

A Fixed Moving Payment is based upon the number of rooms you occupy and whether or not you own your own furniture. The payment is based upon a schedule approved by the Displacing Agency, and ranges, for example, from \$450.00 for one furnished room to \$2,365.00 for eight rooms in an unfurnished dwelling. (For details see the table). Your relocation agent will inform you of the amount you are eligible to receive, if you choose this type of payment.

If you select a fixed payment, you will be responsible for arranging for your own move, and the Displacing Agency will assume no liability for

<b>Fixed Moving Schedule CALIFORNIA (Effective 2012)</b>	
<b>Occupant Owns Furniture:</b>	
1 room	\$685
2 rooms	\$880
3 rooms	\$1,100
4 rooms	\$1,295
5 rooms	\$1,570
6 rooms	\$1,815
7 rooms	\$2,090
8 rooms	\$2,365
Each additional room	\$250
<b>Occupant does NOT Own Furniture:</b>	
1 room	\$450
Each additional room	\$85

any loss or damage of your personal property. A fixed payment also includes utility hook-ups and other related moving fees.

**B. Actual Moving Expense (Commercial Move)**

If you wish to engage the services of a licensed commercial mover and have the Displacing Agency pay the bill, you may claim the ACTUAL cost of moving your personal property up to 50 miles. Your relocation agent will inform you of the number of competitive moving bids (if any) which may be required, and assist you in developing a “mover” scope of services for Displacing Agency approval.

**4. REPLACEMENT HOUSING PAYMENT – TENANTS AND CERTAIN OTHERS**

You may be eligible for a payment up to \$7,200.00 to assist in renting or purchasing a comparable replacement dwelling. In order to qualify, you must either be a tenant or owner who has occupied the present dwelling for at least 90 days immediately prior to the initiation of negotiations.

**A. Rental Assistance.** If you **wish to rent** your replacement dwelling, your maximum rental assistance benefits will be based upon the difference over a forty-two (42) month period between the rent you must pay for a comparable replacement dwelling and the lesser of your current rent or thirty percent (30%) of your monthly household income if your total gross income is classified as “low income” by the U. S. Department of Housing and Urban Development’s (HUD) Annual Survey of Income Limits for Public Housing and Housing Choice Voucher Programs. You will be required to provide your relocation agent with monthly rent and household income verification prior to the determination of your eligibility for this payment.

- OR -

**B. Down-payment Assistance.** If you qualify, and **wish to purchase** a home as a replacement dwelling, you can apply up to the total amount of your rental assistance payment towards the down-payment and non-recurring incidental expenses. Your relocation agent will clarify procedures necessary to apply for this payment.

**5. HOUSING CHOICE VOUCHER TENANTS**

When you do move, you may be eligible to transfer your Housing Choice Voucher eligibility to a replacement site. In such cases, a comparable replacement dwelling will be determined based on your household composition at the time of displacement and the current housing program

criteria. This may not be the size of the unit you currently occupy. Your relocation agent will provide counseling and other advisory services along with moving benefits.

#### **6. QUALIFICATION FOR, AND FILING OF, RELOCATION CLAIMS**

To qualify for a Replacement Housing Payment, you must rent or purchase and occupy a comparable replacement unit **within one year from the following:**

- For a tenant, the date you move from the displacement dwelling.
- For an owner-occupant, the latter of:
  - a. The date you receive final payment for the displacement dwelling, or, in the case of condemnation, the date the full amount of estimated just compensation is deposited in court; **or**
  - b. The date the Displacing Agency fulfills its obligation to make available comparable replacement dwellings.

All claims for relocation benefits must be filed with the Displacing Agency **within eighteen (18) months** from the date on which you receive final payment for your property, or the date, on which you move, whichever is later.

#### **7. LAST RESORT HOUSING ASSISTANCE**

If comparable replacement dwellings are not available when you are required to move, or if replacement housing is not available within the monetary limits described above, the Displacing Agency will provide Last Resort Housing assistance to enable you to rent or purchase a replacement dwelling on a timely basis. Last Resort Housing assistance is based on the individual circumstances of the displaced person. Your relocation agent will explain the process for determining whether or not you qualify for Last Resort assistance.

If you are a tenant, and you choose to purchase rather than rent a comparable replacement dwelling, the entire amount of your rental assistance and Last Resort eligibility must be applied toward the down-payment and eligible incidental expenses of the home you intend to purchase.

#### **8. RENTAL AGREEMENT**

As a result of the Displacing Agency's action to purchase the property where you live, you may become a tenant of the Displacing Agency. If this occurs, you will be asked to sign a rental agreement which will specify the monthly rent to be paid, when rent payments are due, where they are to be paid and other pertinent information.

## **9. EVICTIONS**

Eviction for cause must conform to applicable State and local law. Any person who occupies the real property and is not in unlawful occupancy on the date of initiation of negotiations, is presumed to be entitled to relocation benefits, unless the Displacing Agency determines that:

- The person received an eviction notice prior to the initiation of negotiations and, as a result, was later evicted; or
- The person is evicted after the initiation of negotiations for serious or repeated violation of material terms of the lease; and
- The eviction was not undertaken for the purpose of evading relocation assistance regulations.

Except for the causes of eviction set forth above, no person lawfully occupying property to be purchased by the Displacing Agency will be required to move without having been provided with at least 90 days written notice from the Displacing Agency.

## **10. APPEAL PROCEDURES - GRIEVANCE**

Any person aggrieved by a determination as to eligibility for, or the amount of, a payment authorized by the Displacing Agency's Relocation Assistance Program may have the appeal application reviewed by the Displacing Agency in accordance with its appeals procedure. Complete details on appeal procedures are available upon request from the Displacing Agency.

## **11. TAX STATUS OF RELOCATION BENEFITS**

California Government Code Section 7269 indicates no relocation payment received shall be considered as income for the purposes of the Personal Income Tax Law, Part 10 (commencing with Section 170 01) of Division 2 of the Revenue and Taxation Code, or the Bank and Corporation Tax law, Part 11 (commencing with Section 23001) of Division 2 of the Revenue and Taxation Code. Furthermore, federal regulations (49 CFR Part 24, Section 24.209) also indicate that no payment received under this part (Part 24) shall be considered as income for the purpose of the Internal Revenue Code of 1954, which has been redesignated as the Internal Revenue Code of 1986. The preceding statement is not tendered as legal advice in regard to tax consequences, and displacees should consult with their own tax advisor or legal counsel to determine the current status of such payments.

*(IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the*

*Internal Revenue Code or (ii) promoting marketing or recommending to another party any matters addressed herein)*

## **12. LAWFUL PRESENCE REQUIREMENT**

In order to be eligible to receive relocation benefits in federally-funded relocation projects, all members of the household to be displaced must provide information regarding their lawful presence in the United States. Any member of the household who is not lawfully present in the United States or declines to provide this information may be denied relocation benefits, unless such ineligibility would result in an exceptional and extremely unusual hardship to the alien's spouse, parent, or child, any of whom is a citizen or an alien admitted for permanent residence. Exceptional and extremely unusual hardship is defined as significant and demonstrable adverse impact on the health or safety, continued existence of the household unit, and any other impact determined by the Displacing Agency to negatively affect the alien's spouse, parent or child. Relocation benefits will be prorated to reflect the number of household members with certified lawful presence in the US.

## **13. NON-DISCRIMINATION AND FAIR HOUSING**

No person shall on the grounds of race, color, national origin or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the Displacing Agency's relocation assistance program pursuant to Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, and other applicable state and federal anti-discrimination and fair housing laws. You may file a complaint if you believe you have been subjected to discrimination. For details contact the Displacing Agency.

## **14. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE**

Those responsible for providing you with relocation assistance hope to assist you in every way possible to minimize the hardships involved in relocating to a new home. Your cooperation will be helpful and greatly appreciated. If you have any questions at any time during the process, please do not hesitate to contact your relocation agent at Overland, Pacific & Cutler.

Residential Relocation Interview						
Client/Project:			Case ID:			
Site Address:			Total occupants:	Interview Date:	<input type="checkbox"/> Unoccupied	
City, St, ZIP:				Interviewer:	<input type="checkbox"/> No Contact	
INDIVIDUAL OCCUPANTS (use additional pages as needed)						
1. Name:		Gender: F M	Employer/School:			
Relationship (list 1): HEAD OF HOUSEHOLD	<input type="checkbox"/> ID verified		Income srce (list 2):	Income/empl. description:	Hire/start date:	Mo Income:
Lawful presence (list 3):	Date of birth:					
Phone/fax/email:	Move-in date:					
Notes/special needs:						
2. Name:		Gender: F M	Employer/School:			
Relationship (list 1):	<input type="checkbox"/> ID verified		Income srce (list 2):	Income/empl. description:	Hire/start date:	Mo Income:
Lawful presence (list 3):	Date of birth:					
Phone/fax/email:	Move-in date:					
Notes/special needs:						
3. Name:		Gender: F M	Employer/School:			
Relationship (list 1):	<input type="checkbox"/> ID verified		Income srce (list 2):	Income/empl. description:	Hire/start date:	Mo Income:
Lawful presence (list 3):	Date of birth:					
Phone/fax/email:	Move-in date:					
Notes/special needs:						
4. Name:		Gender: F M	Employer/School:			
Relationship (list 1):	<input type="checkbox"/> ID verified		Income srce (list 2):	Income/empl. description:	Hire/start date:	Mo Income:
Lawful presence (list 3):	Date of birth:					
Phone/fax/email:	Move-in date:					
Notes/special needs:						
5. Name:		Gender: F M	Employer/School:			
Relationship (list 1):	<input type="checkbox"/> ID verified		Income srce (list 2):	Income/empl. description:	Hire/start date:	Mo Income:
Lawful presence (list 3):	Date of birth:					
Phone/fax/email:	Move-in date:					
Notes/special needs:						
6. Name:		Gender: F M	Employer/School:			
Relationship (list 1):	<input type="checkbox"/> ID verified		Income srce (list 2):	Income/empl. description:	Hire/start date:	Mo Income:
Lawful presence (list 3):	Date of birth:					
Phone/fax/email:	Move-in date:					
Notes/special needs:						

DWELLING			HOUSEHOLD		
Mailing Address:			<input type="checkbox"/> Primary residence of all occupants? (If not, explain in notes)		
City, St, ZIP:			<input type="checkbox"/> Can someone read/understand English? If not, language:		
Carbon Copy Address:			Race/Ethnicity: <input type="checkbox"/> American Indian/Alaskan <input type="checkbox"/> Asian		
City, St, ZIP:			<input type="checkbox"/> Black/African-American <input type="checkbox"/> Hawaiian/Pacific Islander		
Dwelling Type (list 4):			<input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> White <input type="checkbox"/> Other <input type="checkbox"/> Mixed		
Bedrooms:	Attic/Utility/Storage:	Approx Sq Ft:	Subscribe to: <input type="checkbox"/> Land phone <input type="checkbox"/> TV service <input type="checkbox"/> Internet		
Kitchen:	Basement:	Bathrooms:	<input type="checkbox"/> Home-based business? (describe in notes)		
Living/family rooms:	Garage:	Garage Spaces:	<input type="checkbox"/> Rent rooms in dwelling? (describe in notes)		
Dining room:	Other/Extra:	Carport Spaces:	<input type="checkbox"/> On fixed income or public assistance? (describe in Occupants)		
Den/Office:	Total physical and content rooms to move:	Parking Spaces:	<input type="checkbox"/> Disabled occupants? (describe modifications/needs in Occupants)		
Total Rooms:		Number of cars:	<b>Replacement site special needs (mark and describe in Notes)</b>		
Air Cond: <input type="checkbox"/> Central <input type="checkbox"/> Wall/Window <input type="checkbox"/> Heat Pump <input type="checkbox"/> Evap./Swamp <input type="checkbox"/> None			<input type="checkbox"/> Employment access <input type="checkbox"/> Shopping		
Heating: <input type="checkbox"/> FAU <input type="checkbox"/> Radiant <input type="checkbox"/> Hot Water <input type="checkbox"/> Space Htr <input type="checkbox"/> Solar <input type="checkbox"/> Heat Pump			<input type="checkbox"/> Public transport <input type="checkbox"/> Religious		
Dwelling Condition: <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor			<input type="checkbox"/> Medical facilities/services <input type="checkbox"/> Social/Public services		
Neighborhood Condition: <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor			<input type="checkbox"/> School needs <input type="checkbox"/> Relatives/Ethnic		
Amenities:			<input type="checkbox"/> Childcare <input type="checkbox"/> Other special needs		
			<input type="checkbox"/> All occupants to move to the same dwelling? (If not, explain in notes)		
TENANT			Replacement dwelling preference: <input type="checkbox"/> Rent <input type="checkbox"/> Buy		
Rent terms: <input type="checkbox"/> Month-Month <input type="checkbox"/> Lease, months left:			Can relocate from: <input type="checkbox"/> Neighborhood <input type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> State		
<input type="checkbox"/> Rent reduced in exchange for service		<input type="checkbox"/> Unit furnished by tenant	Preferred relocation areas:		
Monthly contract rent: \$		Security deposit: \$	HOMEOWNER		
Landlord/manager name/ph:			Lot Size (sq ft):	Date purchased:	Age (yrs):
<input type="checkbox"/> Written rental agreement available?		<input type="checkbox"/> Rent receipts available?	<input type="checkbox"/> Own clear with no mortgages/loans		# of stories:
<input type="checkbox"/> Receiving Section 8 or other housing assistance?			1st Loan Information		2nd Loan Information
Caseworker name/ph:			Lender:		Lender:
Monthly tenant portion of rent: \$			Loan Type (list 5):		Loan Type (list 5):
Annual family/child care expenses to allow work: \$			Current % Rate:		Current % Rate:
Annual non-reimbursed medical expenses: \$			Principal Balance: \$		Principal Balance: \$
Annual non-reimb. handicapped assistance expenses: \$			Original Date:		Original Date:
Utilities paid by tenant:		Pets:	Remaining months:		Remaining months:
<input type="checkbox"/> Gas: \$			Monthly P&I payment:		Monthly P&I payment:
<input type="checkbox"/> Electric: \$		Energy source: Gas Electr Oil Other	MOBILE HOME		
<input type="checkbox"/> Water: \$		Cooking Stove: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> _____	Pad space: <input type="checkbox"/> Rent <input type="checkbox"/> Own		Coach: <input type="checkbox"/> Rent <input type="checkbox"/> Own
<input type="checkbox"/> Sewer: \$		Water Heater: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> _____	Pad rent: \$		Make/Model:
<input type="checkbox"/> Trash: \$		Space Heat: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> _____	Coach length (ft):		Year:
<input type="checkbox"/> NONE		Air Conditioning: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> _____	Coach width (ft):		Decal #:

**INTERVIEW NOTES (explain all special dwelling/household circumstances, including those noted on page 2)**

Lined area for interview notes.

- 1. **Relation:** Spouse, Child, Foster Child, Parent, Partner, Sibling, Aunt/Uncle, Cousin, Grandparent, Parent In-Law, Sibling In-Law, Other Relative, Roommate
- 2. **Income:** Wages/Salaries, Social Security/Disab/Pension, Child Support/Alimony, Welfare/TANF/AFDC, Family Subsidy/Gift, Business Income, Interest/Dividends, Unempl./Workers Comp, AF pay, EITC, Cash Income, Rent Reduction, Other
- 3. **Legal Status:** Unknown, Citizen/National, Lawful Other, NOT Lawful, Decline to provide.
- 4. **Dwelling:** SFR, Duplex, 3-Plex, 4-Plex, Apartment, Condo/Townhome, Hotel/Motel, Mobile Home, RV, Other
- 5. **Loans:** Fixed Mortgage, Adjustable Mortgage, Interest Only, Fixed HELOC, Adjustable HELOC, Reverse Mortgage, Other

***I certify that all occupants have been identified above and that all information provided for this survey is true and complete to the best of my knowledge.***

Claimant Name: \_\_\_\_\_ Date: \_\_\_\_\_ Signature: \_\_\_\_\_

## SAMPLE RAD RELOCATION NOTICE

PHA Letterhead

[Date]

[Head of Household] and All Other Lawful Occupants  
[Address]

Dear [Head of Household]:

The property you currently occupy at the Las Deltas Public Housing property is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program.

On [date], the [Public Housing Authority] (PHA) notified you of proposed plans to completely vacate the property you currently occupy at [address]. On [date], HUD issued the RAD Conversion Commitment (RCC) and committed federal financial assistance to the project.

You will receive permanent relocation assistance and payments consistent with the URA instead of returning to the completed RAD project.

However, **you do not need to move now**. You will not be required to move sooner than 90 days after you receive written notice that at least one comparable replacement unit is available to you in accordance with 49 CFR 24.204(a).

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

Permanent relocation assistance, this assistance will include:

Relocation Advisory Services. You are entitled to receive current and continuing information on available comparable replacement units and other assistance to help you find another home and prepare to move.

Payment for Moving Expenses. You will be able to elect to have a professional moving company move your household goods to your replacement housing unit. This service will be paid for on your behalf by the HACCC. Or you may choose your own mover. The movers cost cannot exceed the lowest responsible bid received by the HACCC. You will be required to enter into a self-move agreement should you elect to hire your own mover. Or you may elect a fixed move payment based on the current federal fixed move payment schedule provided below, which is based on the number of

moveable rooms. Your relocation specialist will calculate this payment for you and prepare the appropriate claim form.

Applicable Fixed Move Payment Schedule

# of Moveable Rooms	Typical Unit Size Equivalent	Payment Amount
3 Rooms	Typical 1 BR	\$1,100
4 Rooms	Typical 2 BR	\$1,295
5 Rooms	Typical 3 BR	\$1,570
6 Rooms	Typical 4 BR	\$1,815
Additional Rooms	i.e. outdoor storage	\$250

Replacement Housing Payment – Housing Choice Voucher Eligible. If a Housing Choice Voucher is available and you are eligible for it, you will be notified under a separate notice. The HCV may satisfy all of your monthly housing cost. If you have increased out of pocket cost you may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present unit, and (3) 30% of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.

**OR**

Replacement Housing Payment – Non Housing Choice Voucher Eligible. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present unit, and (3) 30% of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.

Listed below are the comparable replacement units that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement units.

Address Rent & Utility Costs Contact Info:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**[Applies to Non-Housing Choice Voucher Eligible Occupants]** We believe that the unit located at [address] is most representative of your original unit in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is [\$ amount] and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a maximum replacement housing payment of approximately [\$ (42 x monthly amount)], if you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#] installments.

You may choose to purchase (rather than rent) a decent, safe and sanitary replacement home. If you do, you would be eligible for a down-payment assistance payment which is equal to your maximum replacement housing payment, [\$amount.] Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe and sanitary before any replacement housing payments are made.

**[Applies to Housing Choice Voucher Eligible Occupants]** We believe that the unit located at [address] is most representative of your original unit in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is [\$ amount]. This rent and utility is within the current payment standard for the area. If Housing Choice Voucher eligible rents increase, you may be entitled to additional relocation assistance. If this is the case, the information will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a replacement housing payment on the monthly rent differential amount between either 30% of your income or your current rent and utilities, and the contract rent for the replacement housing unit. If you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#] installments.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe and sanitary before any replacement housing payments are made.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [Name, Title, Address, Phone, Email Address] before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which you may be entitled. Please do not rent or purchase a replacement property prior to discussing your relocation assistance with us.

This letter is important to you and should be retained.

Sincerely,

Print name:

Title:

Enclosure/s

**RESIDENT ACKNOWLEDGMENT OF RECEIPT/PROOF OF SERVICE**

\_\_\_\_\_ Delivered on/by: \_\_\_\_\_ / \_\_\_\_\_  
*Received by*

X \_\_\_\_\_ Posted on/by: \_\_\_\_\_ / \_\_\_\_\_  
*Recipient's Signature*

\_\_\_\_\_ Mailed/receipt received on: \_\_\_\_\_ / \_\_\_\_\_



## Residential 90-Day Notice to Vacate

<<DATE>>

Your OPC Relocation Agent	
Name:	<<AGENT NAME>>
Phone:	<<OFFICE PHONE>>
Case ID:	<<CASE ID>>

<<HEAD-OF-HOUSEHOLD>> and All Other Occupants

<<MAILING ADDRESS>>

<<CITY, STATE ZIP>>

Dear Occupants:

On <<RCC DATE>> the <<CLIENT NAME>>(called here the “Displacing Agency”) received approval from HUD to dispose of the property which you occupy at <<SITE ADDRESS>> (called here the “Premises”). The Displacing Agency has now determined that it will be necessary for you to vacate the Premises.

**Notice is hereby given that the Displacing Agency elects to terminate your tenancy in ninety (90) days beginning <<90DAY START>> and ending <<90DAY END>> and you are hereby to quit and deliver up possession of the property you occupy on or before <<90DAY END>>. If you do not vacate the Premises by that date, the Displacing Agency will initiate legal proceedings to recover possession of the Premises, along with any rents and damages.**

During this period, **Overland, Pacific & Cutler, Inc.** will be available to provide assistance with referrals to replacement sites, coordination with movers and other vendors, the processing of relocation benefit claim forms, and other tasks to help facilitate your relocation. Please contact your relocation agent listed below if you have any questions regarding this notice or the relocation process. Upon vacating your unit,

you are responsible for removing all of your personal property, delivering the Premises in satisfactory condition and turning in the keys to your relocation agent.

Sincerely,

<<AGENT NAME>>

<<AGENT TITLE>>

Overland, Pacific & Cutler, Inc.

<<OFFICE ADDRESS>>

Phone <<OFFICE PHONE>>

Carbon Copy To:

<<CC NAME>>

<<CC ADDRESS>>

\_\_\_\_\_

*Received by*

Delivered on/by: \_\_\_\_\_ / \_\_\_\_\_

X \_\_\_\_\_

*Recipient's Signature*

Posted on/by: \_\_\_\_\_ / \_\_\_\_\_

\_\_\_\_\_

*Date*

Mailed/receipt received on: \_\_\_\_\_ / \_\_\_\_\_



## Residential 30-Day Notice to Vacate

(Federal/State)

<<DATE>>

Your OPC Relocation Agent	
Name:	<<AGENT NAME>>
Phone:	<<OFFICE PHONE>>
Case ID:	<<CASE ID>>

<<HEAD-OF-HOUSEHOLD>> and All Other  
Occupants

<<MAILING ADDRESS>>

<<CITY, STATE ZIP>>

Dear Occupants:

On <<RCC DATE>> the <<CLIENT NAME>>(called here the “Displacing Agency”) received HUD approval to dispose the property which you occupy at <<SITE ADDRESS>> (called here the “Premises”). The Displacing Agency has now determined that it will be necessary for you to vacate the Premises.

**Previously you received a 90-Day Informational Notice advising that the Displacing Agency had elected to terminate your tenancy of the Premises. In accordance with that notice, the Displacing Agency is again notifying you that they have elected to terminate your tenancy in thirty (30) days beginning <<30DAY START>> and ending <<30DAY END>>, and you are hereby to quit and deliver up possession of the Premises you occupy on or before <<30DAY END>>. If you do not vacate the Premises by that date, the Displacing Agency will initiate legal proceedings against you to recover possession of the Premises, along with any rents and damages.**

Please be reminded that the firm of **Overland, Pacific & Cutler, Inc.**, hired by the Displacing Agency, is available to provide you with relocation assistance and to answer any questions you may have. Please continue to coordinate your move with your relocation agent listed below. Upon vacating your unit, you are responsible for removing all of your personal property, delivering the Premises in satisfactory condition and turning in the keys to your relocation agent.

Sincerely,

<<AGENT NAME>>

<<AGENT TITLE>>

Overland, Pacific & Cutler, Inc.

<<OFFICE ADDRESS>>

Phone <<OFFICE PHONE>>

Carbon Copy To:

<<CC NAME>>

<<CC ADDRESS>>

\_\_\_\_\_ Delivered

on/by:

\_\_\_\_\_  
\_\_\_\_\_/\_\_\_\_\_  
\_\_\_\_\_

*Received by*

X \_\_\_\_\_ Posted

on/by:

\_\_\_\_\_  
\_\_\_\_\_/\_\_\_\_\_  
\_\_\_\_\_

*Recipient's Signature*

\_\_\_\_\_ Mailed/receipt

received

on:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_/\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Date*

**SAMPLE RELOCATION EXPENSE  
PAYMENT/REIMBURSEMENT  
CLAIM FORM**

---

**Relocation Information**

**Project Name:**

**Claimant Name:**

**Project Address:**

**Temporary/Permanent Replacement Address:**

**Purpose/Type of Payment:**

**Backup Documentation Used in Calculation of Payment:**

**Total Payment Amount:**

**Issue Check Payable To:**

***Certification by Claimant:*** I certify that I have not submitted any other claim for the relocation payment listed and I have not been paid by any other source. Furthermore, I certify that by accepting the “Total Payment Amount” described above represents the entire claim for the relocation expense described above.

**Claimant**

**Signature/Date:** \_\_\_\_\_

**Claim Approval**

<b>Payment Action (Initial Payment)</b>	<b>Initial Payment Amount</b>	<b>Signature</b>	<b>Date</b>
Recommended			
Approved			

**F. RELOCATION APPEAL / GRIEVANCE PROCEDURES**

## **Purpose**

The purpose of this procedure is to set forth the Housing Authority of the County of Contra Costa's ("Authority") guidelines for processing appeals to determinations as to relocation eligibility, the amount of a relocation payment, or the failure to provide comparable replacement housing referrals.

## **Right of Review**

(a) Any appellant, that is any person who believes him/herself aggrieved by a determination by the Authority as to eligibility, the amount of a relocation payment or failure to provide comparable replacement housing referrals, may, at his or her election, have his/her claim reviewed and reconsidered by the Authority, other than by the person who made the determination in question, in accordance with the procedures set forth herein, as supplemented by the procedures the Authority may establish for the conduct of hearings.

(b) A person or organization directly affected by the relocation project may petition the California Housing and Community Development Department ("HCD") to review the Authority's final relocation plan to determine if the plan is in compliance with state laws and guidelines, or to review the implementation of the relocation plan to determine if the Authority is acting in compliance with its relocation plan. Failure to petition HCD shall not limit a complainant's right to seek judicial review.

## **Notification to Appellant**

If the Authority denies or refuses to consider a claim, the Authority's notification to the appellant of its determination shall inform the appellant of its reasons, and the applicable procedures for obtaining review of the decision. If necessary, such notification shall be printed in a language other than English.

## **Stages of Review by the Authority**

(a) **Request for Further Written Information.** An appellant may request the Authority to provide him or her with a full written explanation of its determination and the basis therefore, if he/she feels that the explanation of the Authority's

determination accompanying the payment of the claim or notice was incorrect or inadequate. The Authority shall provide such an explanation to the appellant within three weeks of its receipt of his or her request.

(b) **Informal Oral Presentation.** An appellant may request an informal oral presentation before seeking formal review and reconsideration. A request for an informal oral presentation shall be filed with the Authority within the period described in subsection (d) of this section. The Authority shall afford the appellant the opportunity to make such presentation before a management-level Housing Authority staff person, designated by the Executive Director, who has not previously participated in the relocation decision, within 15 days of the request. The appellant may be represented by an attorney or other person of his/her choosing at his/her expense.

This oral presentation shall enable the appellant to discuss the claim with the designated Housing Authority staff person. The designated Housing Authority staff person shall make a summary of the matters discussed in the oral presentation to be included as part of the Authority's file on the appellants relocation. The right to formal review and reconsideration shall not be conditioned upon requesting an oral presentation.

(c) **Written Request for Review and Reconsideration.** At any time within the period described in subsection (d) below, an appellant may file a written request with the Authority for formal review and reconsideration. The appellant may include in the request for review any statement of fact within the appellant's knowledge or belief or other material that may have a bearing on the appeal. If the appellant requests more time to gather and prepare additional material for consideration or review and demonstrates a reasonable basis therefore, the Authority may grant the appellants request by granting the appellant a definite period of time to gather and prepare materials.

(d) **Time Limit for Requesting Review.** An appellant desiring either an informal oral presentation or seeking formal review and reconsideration, shall make a request to the Authority within eighteen (18) months following the date he/she moves from the property or the date that he/she receives final compensation for the property, whichever is later.

## **Formal Review and Reconsideration by HACCC**

(a) **General.** The Authority shall consider the request for formal review and shall decide whether a modification of its initial determination is necessary. The arbitrator shall have the authority to revise the initial determination or the determination of a previous oral presentation. This formal review shall be conducted by an independent arbitrator (the “Arbitrator”). The Arbitrator shall consider the appeal regardless of form, and the Authority staff shall, if necessary, provide assistance to the claimant in preparing the written claim. When a claimant seeks review, Authority staff shall inform him/her that he/she has the right to be represented by an attorney at the claimant’s expense, to present his/her case by oral or documentary evidence, to submit rebuttal evidence, to conduct such cross-examination as may be required for a full and true disclosure of facts, and to seek judicial review once he/she has exhausted the administrative appeal.

(b) **Scope of Review.** The Arbitrator shall review and reconsider the initial determination of the claimant’s case in light of: (1) all material upon which the Authority based its original determination, including all applicable rules and regulations, except that no evidence shall be relied upon where a claimant has been improperly denied an opportunity to controvert the evidence or cross-examine the witness(es); (2) the reasons given by the claimant for requesting review and reconsideration of the claim; (3) any additional written or relevant documentary material submitted by the claimant; (4) any further information which the Arbitrator, in its discretion, obtains by request, investigation, or research, to ensure fair and full review of the claim.

(c) **Determination on Review.** The determination on review by the Arbitrator shall include, but is not limited to: (1) the Arbitrator’s decision on reconsideration of the claim; (2) the factual and legal basis upon which the decision rests, including any pertinent explanation or rationale; and (3) a statement to the claimant that administrative remedies have been exhausted and judicial review may be sought. The determination shall be in writing with a copy provided to the claimant. The Arbitrator’s decision shall be binding on the Authority.

(d) **Time Limits.** The Authority and/or arbitrator shall issue its determination on review as soon as possible but no later than six weeks from receipt of the last material submitted for consideration by the claimant or the date of the hearing, whichever is later. In the case of appeals dismissed for un-timeliness or for any other reason not based on the merits of the claim, the Authority shall furnish a written statement to the claimant stating the reason for the dismissal of the claim as soon as possible but not later than two weeks from receipt of the last material submitted by the claimant, or the date of the hearing, whichever is later.

### **Refusals to Waive Time Limitation**

Whenever the Authority rejects a request by a claimant for a waiver of the time limits, the claimant may file a written request for reconsideration of this decision in accordance with the review procedure set forth herein, except that such written request for reconsideration shall be filed within 90 calendar days of the claimant's receipt of the Authority's determination.

### **Extension of Time Limits**

The time limits specified in the stages of review may be extended for good cause by the Authority.

### **Recommendations by Third Party**

Upon agreement between the claimant and the Authority, a mutually acceptable third party or parties may review the claim and make advisory recommendations thereon to the Authority for its final determination. In reviewing the claim and making recommendations to the Authority, the third party or parties shall be guided by the provisions of this Appeals/Grievance Procedure.

### **Review of Files by Claimant**

Except to the extent the confidentiality of material is protected by law or its disclosure is prohibited by law, the Authority shall permit the claimant to inspect all files and records bearing upon his or her claim or the prosecution of the appellant's grievance.

If an appellant is improperly denied access to any relevant material bearing on his or her claim, such material may not be relied upon in reviewing the initial determination.

### **Effect of Determination on Other Persons**

The principles established in all determinations by the Authority shall be considered as precedent for all eligible persons in similar situations regardless of whether or not a person has filed a written request for review. All written determinations shall be kept on file and available for public review.

### **Right to Counsel**

Any aggrieved party has a right to representation by legal or other counsel at his or her expense at any and all stages of the proceedings set forth in this procedure.

### **Stay of Displacement Pending Review**

If an appellant seeks to prevent displacement, the Authority shall not require the appellant to move until at least twenty (20) calendar days after the Authority has made a determination and the appellant has had an opportunity to seek judicial review. In all cases the Authority shall notify the appellant in writing, twenty (20) calendar days prior to the proposed new date of displacement.

### **Joint Appellants**

Where more than one person is aggrieved by the failure of the Authority to refer them to comparable permanent or adequate temporary replacement housing, the appellants may join in filing a single written request for review. A determination shall be made by the Authority for each of the appellants.

### **Judicial Review**

Nothing in this Appeals/Grievance Procedure shall in any way preclude, or limit a claimant or the Authority from seeking judicial review of a claim upon exhaustion of such administrative remedies as are available herein.

**RELOCATION ASSISTANCE APPEAL FORM**

**INSTRUCTIONS:** This is an appeal of a determination made by the Displacing Agency under the California Relocation Assistance Law (Government Code, Section 7260 et seq.) or Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 USC §§4601 et. seq.). Complete this document, explaining the nature of your complaint and reasons for this appeal below. Attach extra pages if needed. You will be notified of the date when your complaint will be considered.

Claimant:		Agency:	
Site Address:		Project:	
Mailing Address:		Consultant:	
Phone number:		OPC case ID:	

<b>Claimant Type:</b> Residential Tenant	<b>This appeal is based on:</b> <input type="checkbox"/> Eligibility only <input type="checkbox"/> Amount of Payment only <input type="checkbox"/> Eligibility amount
<b>Appeal Type:</b> <input type="checkbox"/> Request for Further Written Information <input type="checkbox"/> Informal Oral Presentation <input type="checkbox"/> Formal Review and reconsideration	
<b>Will you be present at the hearing?:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Will you be represented by counsel?:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

. . . . continued next page.

**Claimant's Statement:**

*I certify that the information provided on this form is accurate and complete.*

---

**Claimant Signature**

---

**Date**

**G. WRITTEN COMMENTS AND RESPONSES TO MASTER RELOCATION PLAN**



**From:** Tony Ucciferri  
**To:** ["Amerson, Patricia A"; "Windt, Gerard"](#)  
**Cc:** [Joseph Villarreal](#); [Rod Solomon](#); [Elizabeth Campbell](#)  
**Subject:** Draft Letter - Las Deltas Early Relocation  
**Date:** Monday, June 19, 2017 3:01:55 PM  
**Attachments:** [Las Deltas Pictures for Early Relocation Request.pdf](#)  
[HACCC RAD Early Relocation Request to HUD 6-19-17 edit for Pat.doc](#)

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Hi Pat and Gerard,

See attached the draft letter requesting clarification of HACCC's ability to do early relocation. The letter will accompany the attached photos which document the existing conditions including a unit found with a squatter when we went to take pictures.

Please make any comments or edits you think we should include and forward back to us as soon as possible so we can formally present it to HUD.

Thanks for your help on this matter.  
Tony

Tony Ucciferri  
Special Assistant to the Executive Director  
Housing Authority of the County of Contra Costa  
3133 Estudillo Street  
Martinez, CA 94553  
(925) 957-8055

**From:** Tony Ucciferri  
**To:** ["Amerson, Patricia A"](mailto:Amerson.Patricia.A)  
**Subject:** RE: Rental Assistance Demonstration (RAD) CHAP Awards - Contra Costa, CA  
**Date:** Tuesday, August 16, 2016 12:12:20 PM

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Super. Also want to look at getting relocation going.

Tony

Tony Ucciferri  
Special Assistant to the Executive Director  
Housing Authority of the County of Contra Costa  
3133 Estudillo Street  
Martinez, CA 94553  
(925) 957-8055

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**From:** Amerson, Patricia A [<mailto:patricia.a.amerson@hud.gov>]  
**Sent:** Tuesday, August 16, 2016 12:12 PM  
**To:** Tony Ucciferri  
**Subject:** RE: Rental Assistance Demonstration (RAD) CHAP Awards - Contra Costa, CA

Sounds great

We will start the process of dividing up the chaps into 14 and creating the RAD desk homes for all the deals

---

**From:** Tony Ucciferri [<mailto:tucciferri@contracostahousing.org>]  
**Sent:** Tuesday, August 16, 2016 3:02 PM  
**To:** Amerson, Patricia A <[patricia.a.amerson@hud.gov](mailto:patricia.a.amerson@hud.gov)>  
**Subject:** RE: Rental Assistance Demonstration (RAD) CHAP Awards - Contra Costa, CA

Couldn't have done this without you. THANK YOU, again. Look forward to continuing to work through this process with you. Will begin with the process of updating PIC and as soon as we have a place to start uploading material, we will do so.

Tony

Tony Ucciferri  
Special Assistant to the Executive Director  
Housing Authority of the County of Contra Costa  
3133 Estudillo Street  
Martinez, CA 94553  
(925) 957-8055

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**From:** Amerson, Patricia A [<mailto:patricia.a.amerson@hud.gov>]  
**Sent:** Tuesday, August 16, 2016 11:15 AM  
**To:** Tony Ucciferri  
**Subject:** FW: Rental Assistance Demonstration (RAD) CHAP Awards - Contra Costa, CA  
**Importance:** High

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**From:** RADapplications

**Sent:** Tuesday, August 16, 2016 1:49 PM

**To:** [jvillarreal@contracostahousing.org](mailto:jvillarreal@contracostahousing.org)

**Cc:** Amerson, Patricia A <[patricia.a.amerson@hud.gov](mailto:patricia.a.amerson@hud.gov)>; Byrne, Gregory A <[Gregory.A.Byrne@hud.gov](mailto:Gregory.A.Byrne@hud.gov)>; Ruppel, Chad <[Chad.X.Ruppel@hud.gov](mailto:Chad.X.Ruppel@hud.gov)>; Glover-Johnson, Sarah J <[Sarah.J.Glover-Johnson@hud.gov](mailto:Sarah.J.Glover-Johnson@hud.gov)>; [ecampbell@contracostahousing.org](mailto:ecampbell@contracostahousing.org); [tucciferri@contracostahousing.org](mailto:tucciferri@contracostahousing.org); [rmooore@contracostahousing.org](mailto:rmooore@contracostahousing.org); Windt, Gerard <[Gerard.Windt@hud.gov](mailto:Gerard.Windt@hud.gov)>; Moses, Edward L <[Edward.L.Moses@hud.gov](mailto:Edward.L.Moses@hud.gov)>

**Subject:** Rental Assistance Demonstration (RAD) CHAP Awards - Contra Costa, CA

**Importance:** High

Thank you for your applications under the Rental Assistance Demonstration for the conversion of assistance at the below properties. Your applications have been accepted and we are pleased to be able to issue the attached Commitments to Enter into Housing Assistance Payment Contracts (CHAP).

CA011600000B

CA011700000B

We have included some additional information below to assist you as you begin the conversion process:

#### RAD Transaction Manager

As referenced in PIH Notice 2012-32, Rev-2, there are various requirements that must be met in order to successfully complete the RAD conversion. To assist you with completing these requirements, Pat Amerson (copied) will be serving as your Readiness Transaction Manager and will be your main point of contact.

#### RAD Resource Desk

The RAD Resource Desk ([www.radresource.net](http://www.radresource.net)) will serve as the primary portal for communicating with your RAD Readiness Transaction Manager, uploading documents, and tracking your progress. These CHAPs will be added to your existing RAD Resource Desk account and will be available for viewing by the end of the week. Please email [resourcedesk@radresource.net](mailto:resourcedesk@radresource.net) if you have any questions regarding accessing or navigating the website.

#### Required RAD PIC Updates Within 30 Days of CHAP Issuance

You must submit an application in the Inventory Removals module in PIC for all units under the CHAPs within 30 days of CHAP issuance. HUD has developed a streamlined PIC Inventory Removal application for PHAs with RAD CHAPs. Detailed instructions are included in the PDF attached to this email.

We look forward to working with you to complete your RAD conversions, and encourage you to stay in constant contact with your Readiness Transaction Manager.

Sincerely,  
RAD Team

**From:** Tony Ucciferri  
**To:** ["Amerson, Patricia A"; Joseph Villarreal](#)  
**Cc:** [Windt, Gerard](#); [Elizabeth Campbell](#); [Robert Moore](#); ["Glover-Johnson, Sarah J"](#)  
**Subject:** RE: Early relocation  
**Date:** Wednesday, June 15, 2016 4:59:49 PM  
**Attachments:** [HACCC - Las Deltas Relocation Plan - Revised June 2016.pdf](#)  
[Tabora Gardens - Early Relocation Request.pdf](#)  
[RAD TM Relocation Checklist March 2015 - Las Deltas Annex 1.docx](#)  
[RAD TM Relocation Checklist March 2015 - Las Deltas.docx](#)

---

Hi Pat,

Per your request, attached please find the items listed below needed for requesting Early Relocation. In the RAD Relocation Checklists, I split the units by AMP and also the replacement units and relocation budget so it would all align with everything else. Hope I got it right!! Please let me know if you have any questions.

Thanks for all your help on this.  
Tony

BTW, we have uploaded all items to the Resource Desk for Tabora Gardens.

Tony Ucciferri  
Special Assistant to the Executive Director  
Housing Authority of the County of Contra Costa  
3133 Estudillo Street  
Martinez, CA 94553  
(925) 957-8055

---

**From:** Amerson, Patricia A [mailto:patricia.a.amerson@hud.gov]  
**Sent:** Tuesday, June 14, 2016 4:15 PM  
**To:** Tony Ucciferri; Joseph Villarreal  
**Cc:** Windt, Gerard  
**Subject:** Early relocation

Ok, here we go,

The following are required to be submitted to the Early Relocation Committee.

- 1 -Memo from the HA stating your request for early relocation. outlining why you want to relocate early – it will be going to a committee in multifamily -not RAD, so I would suggest attaching the pictures to the memo
- 2- Relocation Plan
3. TM Early Relocation Approval Recommendation Memo, -That will be my internal memo in support of your request and plan -I'll add that piece before forwarding to committee
4. Approved RAD Relocation Checklist, - I have attached a blank one for you to complete. You will need to complete one for las deltas and one for annex. At the moment use the numbers for each piece in full as if all 214 units were in RAD. For questions like change in unit configuration or change in occupancy, when you check the box yes you can add a few lines that will explain the how's and whys of the transfers of assistance to the new sites and

the over housing issues. I will then get it approved by the Regional Relocation Specialist.(in LA) This piece is required of all transactions prior to approval committee.

5. Approved FHEO Accessibility and Relocation Checklist and Relocation Plan – this is already done

Let me know if you have any questions,

Thanks

Pat

**From:** Tony Ucciferri  
**To:** ["Amerson, Patricia A"](mailto:Amerson, Patricia A)  
**Subject:** RE: Early relocation  
**Date:** Thursday, June 16, 2016 3:52:51 PM

---

Awesome. Thanks, Pat.

Tony

Tony Ucciferri  
Special Assistant to the Executive Director  
Housing Authority of the County of Contra Costa  
3133 Estudillo Street  
Martinez, CA 94553  
(925) 957-8055

---

**From:** Amerson, Patricia A [mailto:[patricia.a.amerson@hud.gov](mailto:patricia.a.amerson@hud.gov)]  
**Sent:** Thursday, June 16, 2016 3:49 PM  
**To:** Tony Ucciferri  
**Subject:** RE: Early relocation

Tony

Thank for the super quick turnaround. I have pushed these documents on to the Regional Relocation Specialist for review and approval. Will keep you posted.

Thanks

Pat

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**From:** Tony Ucciferri [mailto:[tucciferri@contracostahousing.org](mailto:tucciferri@contracostahousing.org)]  
**Sent:** Wednesday, June 15, 2016 8:00 PM  
**To:** Amerson, Patricia A <[patricia.a.amerson@hud.gov](mailto:patricia.a.amerson@hud.gov)>; Joseph Villarreal <[jvillarreal@contracostahousing.org](mailto:jvillarreal@contracostahousing.org)>  
**Cc:** Windt, Gerard <[Gerard.Windt@hud.gov](mailto:Gerard.Windt@hud.gov)>; Elizabeth Campbell <[ECampbell@contracostahousing.org](mailto:ECampbell@contracostahousing.org)>; Robert Moore <[RMoore@contracostahousing.org](mailto:RMoore@contracostahousing.org)>; Glover-Johnson, Sarah J <[Sarah.J.Glover-Johnson@hud.gov](mailto:Sarah.J.Glover-Johnson@hud.gov)>  
**Subject:** RE: Early relocation

Hi Pat,

Per your request, attached please find the items listed below needed for requesting Early Relocation. In the RAD Relocation Checklists, I split the units by AMP and also the replacement units and relocation budget so it would all align with everything else. Hope I got it right!! Please let me know if you have any questions.

Thanks for all your help on this.

Tony

BTW, we have uploaded all items to the Resource Desk for Tabora Gardens.

Tony Ucciferri

Special Assistant to the Executive Director  
Housing Authority of the County of Contra Costa  
3133 Estudillo Street  
Martinez, CA 94553  
(925) 957-8055

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**From:** Amerson, Patricia A [<mailto:patricia.a.amerson@hud.gov>]  
**Sent:** Tuesday, June 14, 2016 4:15 PM  
**To:** Tony Ucciferri; Joseph Villarreal  
**Cc:** Windt, Gerard  
**Subject:** Early relocation

Ok, here we go,

The following are required to be submitted to the Early Relocation Committee.

- 1 -Memo from the HA stating your request for early relocation. outlining why you want to relocate early – it will be going to a committee in multifamily -not RAD, so I would suggest attaching the pictures to the memo
- 2- Relocation Plan
3. TM Early Relocation Approval Recommendation Memo, -That will be my internal memo in support of your request and plan -I'll add that piece before forwarding to committee
4. Approved RAD Relocation Checklist, - I have attached a blank one for you to complete. You will need to complete one for las deltas and one for annex. At the moment use the numbers for each piece in full as if all 214 units were in RAD. For questions like change in unit configuration or change in occupancy, when you check the box yes you can add a few lines that will explain the how's and whys of the transfers of assistance to the new sites and the over housing issues. I will then get it approved by the Regional Relocation Specialist.(in LA) This piece is required of all transactions prior to approval committee.
5. Approved FHEO Accessibility and Relocation Checklist and Relocation Plan – this is already done

Let me know if you have any questions,

Thanks

Pat

## RAD FHEO Accessibility and Relocation Plan Checklist

The following checklist is required to be submitted to the RAD Transaction Manager prior to, or concurrent with, submission of the Financing Plan.

PHA Name: Housing Authority of the County of Contra Costa PHA Code: CA011

PIC Project Number: CA011600000

Total Number of Units: 138

Proposed Number of Units to be Converted: 52

PHA Contact Person: Joseph Villarreal Email: jvillarreal@contracostahousing.org Phone: 925-957-8011

Date Completed: 11/03/2015

### **Section I: Threshold Questions**

Please check the appropriate box for the following threshold questions:

Question	Yes	No
Will the conversion of assistance impact current accessibility?		X
Will the conversion of assistance result in off-site temporary relocation for any resident that will last for more than 60 days or include the transfer of assistance to another site?	X	

**If you answered no to both of the above questions, please skip the remaining sections of this checklist and sign the bottom of the form. In all other cases, please complete the relevant section of the checklist. For example, if you answered yes to the first question, please complete Section II, Accessibility.**

### **Section II: Accessibility**

- a. Please describe how the conversion of assistance will impact accessibility. Additionally, please indicate the number of units to be converted and the units that will be accessible.

52 vacant units will be converted to off-site PBV assistance. Each project assisted with RAD PBVs will include 5 % of the units as fully accessible for persons with physical disabilities plus 1 % of the units will be accessible to persons with visual impairments and 1 % of the units will be accessible to persons with hearing impairments or a minimum of one unit.

## RAD FHEO Accessibility and Relocation Plan Checklist

- b. Please provide the following waiting list and occupancy data for accessible units. If the units are currently vacant, please provide the data for the most recent occupants of the project.

Bedroom Size	0	1	2	3	4	5	Other	Total
1. Number of persons on waiting list who have requested mobility accessible units		3	16	1	0	0		20
2. Number of persons on waiting list who have requested vision and/or hearing accessible units		2	8	1	0	0		11
3. Number of mobility accessible units occupied by tenants with disabilities who require the features of the unit		7	5					12
4. Number of hearing/vision accessible units occupied by tenants with disabilities who require the features of the unit								

- c. Please provide the distribution of all wheelchair and other accessible units that will be available in the project after RAD conversion.

Bedroom Size	0	1	2	3	4	5	Other	Total
1. All units								
2. Total units with project-based rental assistance		51	1					52 Off-Site
3. Mobility accessible units		8	1					5% of each project
4. Vision and/or Hearing accessible units		5						1% or one unit at each project
*5. (Total Accessible Units)		13	1					TBD - More than 11

### **Section III: Relocation Plan**

- a. Please explain any plans for the relocation of current residents, including the number of residents that will need to relocate, whether the relocation is temporary or permanent and, if temporary, the expected duration of the relocation, the type and location (including census tract) of the replacement housing, how the housing qualifies as a comparable unit as defined by the URA and 49 CFR 24.2(a)(6), and the method of determining which families will be subject to such long-term temporary relocation.

Units are vacant and no relocation will be required.
--

RAD FHEO Accessibility and Relocation Plan Checklist

- b. List the civil rights characteristics (race, national origin, familial status, and/or disability, etc.) of the residents to be transferred off-site for greater than 60 days or permanently relocated due to a transfer of assistance, as a result of the proposed conversion

White	African American	Asian	Hispanic	American Indian and Alaska Native	Native Hawaiian and Other Pacific Islander	Other (e.g., Families with Children; Disabled Individuals, etc.)

Please describe :

- c. The type of housing counseling or services provided to affected families.

N/A

- d. Describe the likely housing market areas/communities where tenants will relocate through HCV assistance or other HUD assistance programs, including whether they are relocated to an area of higher opportunity, areas (e.g., areas with better schools, employment, transportation opportunities), and the extent of improved housing choices and opportunities under the relocation plan.”

N/A

Joseph Villarreal, Executive Director  
Name and Title

  
Signature

11-3-15  
Date

The signature above indicates that (1) I am legally authorized to represent the agency in this matter, (2) all information provided in this checklist is true and accurate, (3) no resident shall be permanently and involuntarily relocated as a result of any conversion action associated with RAD, (4) the PHA will maintain compliance with Section 504 of the Rehabilitation Act of 1973, and HUD's two (2%) and five (5%) percent accessibility requirements, (5) any relocation lasting under 60 days shall comply with all civil rights and fair housing requirements, including Section 504 of

## RAD FHEO Accessibility and Relocation Plan Checklist

the Rehabilitation Act of 1973, (6) any relocation performed shall comply with Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and its implementing regulations (49 CFR Part 24), and (7) if the proposed relocation was to be for less than 60 days and something changes requiring a period of temporary relocation longer than 60 days, I shall fill out this form again with the additional details.

## RAD FHEO Accessibility and Relocation Plan Checklist

The following checklist is required to be submitted to the RAD Transaction Manager prior to, or concurrent with, submission of the Financing Plan.

PHA Name: Housing Authority of the County of Contra Costa PHA Code: CA011

PIC Project Number: CA011600000 - B

Total Number of Units: 138

Proposed Number of Units to be Converted: 86

PHA Contact Person: Joseph Villarreal Email: jvillarreal@contracostahousing.org Phone: 925-957-8011

Date Completed: 08/29/2016

### Section I: Threshold Questions

Please check the appropriate box for the following threshold questions:

Question	Yes	No
Will the conversion of assistance impact current accessibility?		X
Will the conversion of assistance result in off-site temporary relocation for any resident that will last for more than 60 days or include the transfer of assistance to another site?	X	

**If you answered no to both of the above questions, please skip the remaining sections of this checklist and sign the bottom of the form. In all other cases, please complete the relevant section of the checklist. For example, if you answered yes to the first question, please complete Section II, Accessibility.**

### Section II: Accessibility

- Please describe how the conversion of assistance will impact accessibility. Additionally, please indicate the number of units to be converted and the units that will be accessible.

86 vacant units will be converted to off-site PBV assistance. Each project assisted with RAD PBVs will include 5 % of the units as fully accessible for persons with physical disabilities plus 1 % of the units will be accessible to persons with visual impairments and 1 % of the units will be accessible to persons with hearing impairments or a minimum of one unit.

## RAD FHEO Accessibility and Relocation Plan Checklist

- b. Please provide the following waiting list and occupancy data for accessible units. If the units are currently vacant, please provide the data for the most recent occupants of the project.

Bedroom Size	0	1	2	3	4	5	Other	Total
1. Number of persons on waiting list who have requested mobility accessible units		3	16	1	0	0		20
2. Number of persons on waiting list who have requested vision and/or hearing accessible units		2	8	1	0	0		11
3. Number of mobility accessible units occupied by tenants with disabilities who require the features of the unit		7	5					12
4. Number of hearing/vision accessible units occupied by tenants with disabilities who require the features of the unit								

- c. Please provide the distribution of all wheelchair and other accessible units that will be available in the project after RAD conversion.

Bedroom Size	0	1	2	3	4	5	Other	Total
1. All units								
2. Total units with project-based rental assistance	24	62						52 Off-Site
3. Mobility accessible units		6						5% of each project
4. Vision and/or Hearing accessible units		2						1% or one unit at each project
*5. (Total Accessible Units)		8						May be more with new construction

### **Section III: Relocation Plan**

- a. Please explain any plans for the relocation of current residents, including the number of residents that will need to relocate, whether the relocation is temporary or permanent and, if temporary, the expected duration of the relocation, the type and location (including census tract) of the replacement housing, how the housing qualifies as a comparable unit as defined by the URA and 49 CFR 24.2(a)(6), and the method of determining which families will be subject to such long-term temporary relocation.

All remaining 96 households will be permanently relocated with tenant-based Housing Choice Vouchers or public housing units in other HACCC properties . Families will primarily relocate to units in the private rental market in the greater Contra Costa and surrounding Bay Area Counties.

**RAD FHEO Accessibility and Relocation Plan Checklist**

Replacement RAD units have been awarded to owners with existing or new construction units throughout the Housing Authority of the County of Contra Costa's jurisdiction.

- b. List the civil rights characteristics (race, national origin, familial status, and/or disability, etc.) of the residents to be transferred off-site for greater than 60 days or permanently relocated due to a transfer of assistance, as a result of the proposed conversion

White	African American	Asian	Hispanic	American Indian and Alaska Native	Native Hawaiian and Other Pacific Islander	Other (e.g., Families with Children, Disabled Individuals, etc.)
63	158	3	59	2	6	158

Please describe :

- c. The type of housing counseling or services provided to affected families.

A relocation consultant has been hired to provide customized relocation services to the remaining families of Las Deltas and Las Deltas Annex I. The services provided to these families will include the following:

1. Fully inform eligible occupants of the nature of, and procedures for, obtaining relocation assistance and benefits;
2. Determine the needs of each residential displacee eligible for assistance;
3. Provide an adequate number of referrals – which, pursuant to the Guidelines requires a minimum of three (3) – to comparable, decent, safe and sanitary housing units within a reasonable time prior to displacement, and assure that no residential occupant is required to move without a minimum of 90 days written notice to vacate;
4. Provide current, and continually updated information concerning replacement housing opportunities;
5. Provide special assistance in the form of referrals to governmental and social service agencies, if needed. Referral agencies may include, but not necessarily be limited to, the Department of Public and Social Services (DPSS) for income maintenance or food stamps, Medi-Cal, Employment Development Department, Contra Costa County Health and Human Services Department, and Child and Adult Protective Services.
6. Provide assistance that does not result in different or separate treatment due to race, color,

RAD FHEO Accessibility and Relocation Plan Checklist

- religion, national origin, sex, sexual orientation, marital status or other arbitrary circumstances;
- 7. Supply information concerning federal and state housing programs and other governmental programs providing assistance to displaced persons;
- 8. Assist each eligible person to complete applications for benefits;
- 9. Make relocation benefit payments in accordance with State of California Guidelines, including the provisions of the Last Resort Housing sections, where applicable;
- 10. Inform all persons subject to displacement of HACCC's policies with regard to eviction and property management; and,
- 11. Establish, and maintain a formal grievance procedure for use by displaced persons seeking administrative review of HACCC decisions with respect to relocation assistance...

d. Describe the likely housing market areas/communities where tenants will relocate through HCV assistance or other HUD assistance programs, including whether they are relocated to an area of higher opportunity, areas (e.g., areas with better schools, employment, transportation opportunities), and the extent of improved housing choices and opportunities under the relocation plan."

Families will primarily relocate to units in the private rental market in the greater Contra Costa and surrounding Bay Area Counties and public housing units in other HACCC properties. Efforts will be made to encourage households to move to low poverty, low minority concentrated areas. In addition, RAD PBV units have been awarded to projects that meet the Civil Rights criteria as outlined by HUD in determining site selection for RAD replacement units. The review of these projects has been completed and ensures that units will be located in areas of higher opportunity consistent with HUD standards.

Joseph Villarreal, Executive Director  
Name and Title

  
Signature

6-14-17  
Date

The signature above indicates that (1) I am legally authorized to represent the agency in this matter, (2) all information provided in this checklist is true and accurate, (3) no resident shall be permanently and involuntarily relocated as a result of any conversion action associated with RAD, (4) the PHA will maintain compliance with Section 504 of the Rehabilitation Act of 1973, and HUD's two (2%) and five (5%) percent accessibility requirements, (5) any relocation lasting under 60 days shall comply with all civil rights and fair housing requirements, including Section 504 of the Rehabilitation Act of 1973, (6) any relocation performed shall comply with Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and its implementing regulations (49 CFR Part 24), and (7) if the proposed relocation was to be for less than 60 days and

## RAD FHEO Accessibility and Relocation Plan Checklist

something changes requiring a period of temporary relocation longer than 60 days, I shall fill out this form again with the additional details.

## RAD FHEO Accessibility and Relocation Plan Checklist

The following checklist is required to be submitted to the RAD Transaction Manager prior to, or concurrent with, submission of the Financing Plan.

PHA Name: Housing Authority of the County of Contra Costa PHA Code: CA011

PIC Project Number: CA11700000 Total Number of Units: 76

Proposed Number of Units to be Converted: 38

PHA Contact Person: Joseph Villarreal Email: jvillarreal@contracostahousing.org Phone: 925-957-8011

Date Completed: 11/03/2015

### Section I: Threshold Questions

Please check the appropriate box for the following threshold questions:

Question	Yes	No
Will the conversion of assistance impact current accessibility?		X
Will the conversion of assistance result in off-site temporary relocation for any resident that will last for more than 60 days or include the transfer of assistance to another site?	X	

**If you answered no to both of the above questions, please skip the remaining sections of this checklist and sign the bottom of the form. In all other cases, please complete the relevant section of the checklist. For example, if you answered yes to the first question, please complete Section II, Accessibility.**

### Section II: Accessibility

- a. Please describe how the conversion of assistance will impact accessibility. Additionally, please indicate the number of units to be converted and the units that will be accessible.

38 vacant units will be converted to off-site PBV assistance. Each project assisted with RAD PBVs will include 5 % of the units as fully accessible for persons with physical disabilities plus 1 % of the units will be accessible to persons with visual impairments and 1 % of the units will be accessible to persons with hearing impairments or a minimum of one unit.

## RAD FHEO Accessibility and Relocation Plan Checklist

- b. Please provide the following waiting list and occupancy data for accessible units. If the units are currently vacant, please provide the data for the most recent occupants of the project.

Bedroom Size	0	1	2	3	4	5	Other	Total
1. Number of persons on waiting list who have requested mobility accessible units		3	16	1	0	0		20
2. Number of persons on waiting list who have requested vision and/or hearing accessible units		2	8	1	0	0		11
3. Number of mobility accessible units occupied by tenants with disabilities who require the features of the unit		7	5					12
4. Number of hearing/vision accessible units occupied by tenants with disabilities who require the features of the unit								

- c. Please provide the distribution of all wheelchair and other accessible units that will be available in the project after RAD conversion.

Bedroom Size	0	1	2	3	4	5	Other	Total
1. All units								
2. Total units with project-based rental assistance		37	1					38 Off-Site
3. Mobility accessible units	1	6						5% of each project
4. Vision and/or Hearing accessible units		3						1% or one unit at each project
*5. (Total Accessible Units)	1	9	0					TBD - More than 11

### **Section III: Relocation Plan**

- a. Please explain any plans for the relocation of current residents, including the number of residents that will need to relocate, whether the relocation is temporary or permanent and, if temporary, the expected duration of the relocation, the type and location (including census tract) of the replacement housing, how the housing qualifies as a comparable unit as defined by the URA and 49 CFR 24.2(a)(6), and the method of determining which families will be subject to such long-term temporary relocation.

Units are vacant and no relocation will be required.
--

RAD FHEO Accessibility and Relocation Plan Checklist

- b. List the civil rights characteristics (race, national origin, familial status, and/or disability, etc.) of the residents to be transferred off-site for greater than 60 days or permanently relocated due to a transfer of assistance, as a result of the proposed conversion

White	African American	Asian	Hispanic	American Indian and Alaska Native	Native Hawaiian and Other Pacific Islander	Other (e.g., Families with Children; Disabled Individuals, etc.)

Please describe :

- c. The type of housing counseling or services provided to affected families.

N/A

- d. Describe the likely housing market areas/communities where tenants will relocate through HCV assistance or other HUD assistance programs, including whether they are relocated to an area of higher opportunity, areas (e.g., areas with better schools, employment, transportation opportunities), and the extent of improved housing choices and opportunities under the relocation plan.”

N/A

Joseph Villarreal, Executive Director

Name and Title

  
Signature

11-3-15  
Date

The signature above indicates that (1) I am legally authorized to represent the agency in this matter, (2) all information provided in this checklist is true and accurate, (3) no resident shall be permanently and involuntarily relocated as a result of any conversion action associated with RAD, (4) the PHA will maintain compliance with Section 504 of the Rehabilitation Act of 1973, and HUD's two (2%) and five (5%) percent accessibility requirements, (5) any relocation lasting under 60 days shall comply with all civil rights and fair housing requirements, including Section 504 of

## RAD FHEO Accessibility and Relocation Plan Checklist

the Rehabilitation Act of 1973, (6) any relocation performed shall comply with Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and its implementing regulations (49 CFR Part 24), and (7) if the proposed relocation was to be for less than 60 days and something changes requiring a period of temporary relocation longer than 60 days, I shall fill out this form again with the additional details.

RAD FHEO Accessibility and Relocation Plan Checklist

The following checklist is required to be submitted to the RAD Transaction Manager prior to, or concurrent with, submission of the Financing Plan.

PHA Name: Housing Authority of the County of Contra Costa PHA Code: CA011

PIC Project Number: CA11700000 B Total Number of Units: 76

Proposed Number of Units to be Converted: 38

PHA Contact Person: Joseph Villarreal Email: jvillarreal@contracostahousing.org Phone: 925-957-8011

Date Completed: 08/29/2016

**Section I: Threshold Questions**

Please check the appropriate box for the following threshold questions:

Question	Yes	No
Will the conversion of assistance impact current accessibility?		X
Will the conversion of assistance result in off-site temporary relocation for any resident that will last for more than 60 days or include the transfer of assistance to another site?	X	

**If you answered no to both of the above questions, please skip the remaining sections of this checklist and sign the bottom of the form. In all other cases, please complete the relevant section of the checklist. For example, if you answered yes to the first question, please complete Section II, Accessibility.**

**Section II: Accessibility**

- a. Please describe how the conversion of assistance will impact accessibility. Additionally, please indicate the number of units to be converted and the units that will be accessible.

38 vacant units will be converted to off-site PBV assistance. Each project assisted with RAD PBVs will include 5 % of the units as fully accessible for persons with physical disabilities plus 1 % of the units will be accessible to persons with visual impairments and 1 % of the units will be accessible to persons with hearing impairments or a minimum of one unit.

## RAD FHEO Accessibility and Relocation Plan Checklist

- b. Please provide the following waiting list and occupancy data for accessible units. If the units are currently vacant, please provide the data for the most recent occupants of the project.

Bedroom Size	0	1	2	3	4	5	Other	Total
1. Number of persons on waiting list who have requested mobility accessible units		3	16	1	0	0		20
2. Number of persons on waiting list who have requested vision and/or hearing accessible units		2	8	1	0	0		11
3. Number of mobility accessible units occupied by tenants with disabilities who require the features of the unit		7	5					12
4. Number of hearing/vision accessible units occupied by tenants with disabilities who require the features of the unit								

- c. Please provide the distribution of all wheelchair and other accessible units that will be available in the project after RAD conversion.

Bedroom Size	0	1	2	3	4	5	Other	Total
1. All units								
2. Total units with project-based rental assistance		18	19	1				38 Off-Site
3. Mobility accessible units		7						5% of each project
4. Vision and/or Hearing accessible units		6						1% or one unit at each project
*5. (Total Accessible Units)		13						TBD - More than 11

### Section III: Relocation Plan

- a. Please explain any plans for the relocation of current residents, including the number of residents that will need to relocate, whether the relocation is temporary or permanent and, if temporary, the expected duration of the relocation, the type and location (including census tract) of the replacement housing, how the housing qualifies as a comparable unit as defined by the URA and 49 CFR 24.2(a)(6), and the method of determining which families will be subject to such long-term temporary relocation.

All remaining 96 households will be permanently relocated with tenant-based Housing Choice Vouchers or public housing units in other HACCC properties . Families will primarily relocate to units in the private rental market in the greater Contra Costa and surrounding Bay Area Counties.

**RAD FHEO Accessibility and Relocation Plan Checklist**

Replacement RAD units have been awarded to owners with existing or new construction units throughout the Housing Authority of the County of Contra Costa's jurisdiction.

- b. List the civil rights characteristics (race, national origin, familial status, and/or disability, etc.) of the residents to be transferred off-site for greater than 60 days or permanently relocated due to a transfer of assistance, as a result of the proposed conversion

White	African American	Asian	Hispanic	American Indian and Alaska Native	Native Hawaiian and Other Pacific Islander	Other (e.g., Families with Children; Disabled Individuals, etc.)
63	158	3	59	2	6	158

Please describe :

- c. The type of housing counseling or services provided to affected families.

A relocation consultant has been hired to provide customized relocation services to the remaining families of Las Deltas and Las Deltas Annex I. The services provided to these families will include the following:

1. Fully inform eligible occupants of the nature of, and procedures for, obtaining relocation assistance and benefits;
2. Determine the needs of each residential displacee eligible for assistance;
3. Provide an adequate number of referrals – which, pursuant to the Guidelines requires a minimum of three (3) – to comparable, decent, safe and sanitary housing units within a reasonable time prior to displacement, and assure that no residential occupant is required to move without a minimum of 90 days written notice to vacate;
4. Provide current, and continually updated information concerning replacement housing opportunities;
5. Provide special assistance in the form of referrals to governmental and social service agencies, if needed. Referral agencies may include, but not necessarily be limited to, the Department of Public and Social Services (DPSS) for income maintenance or food stamps, Medi-Cal, Employment Development Department, Contra Costa County Health and Human Services Department, and Child and Adult Protective Services.
6. Provide assistance that does not result in different or separate treatment due to race, color,

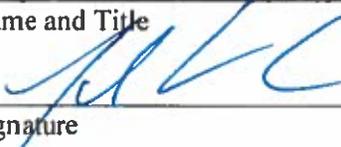
RAD FHEO Accessibility and Relocation Plan Checklist

- religion, national origin, sex, sexual orientation, marital status or other arbitrary circumstances;
- 7. Supply information concerning federal and state housing programs and other governmental programs providing assistance to displaced persons;
- 8. Assist each eligible person to complete applications for benefits;
- 9. Make relocation benefit payments in accordance with State of California Guidelines, including the provisions of the Last Resort Housing sections, where applicable;
- 10. Inform all persons subject to displacement of HACCC's policies with regard to eviction and property management; and,
- 11. Establish, and maintain a formal grievance procedure for use by displaced persons seeking administrative review of HACCC decisions with respect to relocation assistance..

d. Describe the likely housing market areas/communities where tenants will relocate through HCV assistance or other HUD assistance programs, including whether they are relocated to an area of higher opportunity, areas (e.g., areas with better schools, employment, transportation opportunities), and the extent of improved housing choices and opportunities under the relocation plan."

Families will primarily relocate to units in the private rental market in the greater Contra Costa and surrounding Bay Area Counties and public housing units in other HACCC properties. Efforts will be made to encourage households to move to low poverty, low minority concentrated areas. In addition, RAD PBV units have been awarded to projects that meet the Civil Rights criteria as outlined by HUD in determining site selection for RAD replacement units. The review of these projects has been completed and ensures that units will be located in areas of higher opportunity consistent with HUD standards.

Joseph Villarreal, Executive Director  
Name and Title

  
Signature

6-14-17  
Date

The signature above indicates that (1) I am legally authorized to represent the agency in this matter, (2) all information provided in this checklist is true and accurate, (3)no resident shall be permanently and involuntarily relocated as a result of any conversion action associated with RAD, (4) the PHA will maintain compliance with Section 504 of the Rehabilitation Act of 1973, and HUD's two (2%) and five (5%) percent accessibility requirements, (5) any relocation lasting under 60 days shall comply with all civil rights and fair housing requirements, including Section 504 of the Rehabilitation Act of 1973, (6) any relocation performed shall comply with Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and its implementing regulations (49 CFR Part 24),and (7) if the proposed relocation was to be for less than 60 days and something changes requiring a period of temporary relocation longer than 60 days, I shall fill out this form again with the additional details.



SEP 14 2018

U.S. Department of Housing and Urban Development  
San Francisco Regional Office - Region IX  
One Sansome Street, Suite 1200  
San Francisco, California 94104-4430  
www.hud.gov

espanol.hud.gov

**Via Electronic Transmission Only**

Joseph Villarreal  
Executive Director  
Housing Authority of the County of Contra Costa  
3133 Estudillo Street  
Martinez, CA 94553

Re: FHEO Front-End Civil Rights Review RAD Accessibility and Relocation Checklist  
Las Deltas TOA Antioch Scat Site Renovation  
Terrace Glen Apartments and Pinecrest Apartments

On September 06, 2018, the U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity (FHEO) disapproved the FHEO Front-End Civil Rights Review RAD Accessibility and Relocation Checklist for Las Deltas TOA Antioch Scat Site Renovation, comprised of Pinecrest Apartments, located at 1945 Cavallo Road, Antioch, CA 94509 and Terrace Glen Apartments, located at 107 W. 20<sup>th</sup> Street, Antioch, CA 94509.

This disapproval was based on an apparent disparity between the current need and expected demand for accessible units, and the proposed final distribution of accessible units. Based on the initial review of the original Accessibility and Relocation Checklists, the proposed final distribution of accessible units by bedroom size was weighted heavily towards one-bedroom units, whereas the current need and expected demand was weighted towards two-bedroom units. FHEO was concerned that this potentially created a situation where one-bedroom accessible units would be occupied by households not needing the accessible features while applicants requiring two-bedroom accessible units would remain on the waiting list for extended periods of time.

On September 12, 2018, the Housing Authority of Contra Costa County (HACCC) clarified that the waitlist data provided in the original Checklists was PHA-wide, and not specific to Las Deltas and Las Deltas Annex I. When FHEO learned that the waitlist was not specific to Las Deltas, and therefore not representative of the demand for accessible units at Las Deltas or at the sites to which assistance is to be transferred, FHEO examined if the accessible unit-related needs of current Las Deltas residents would be met by the proposed final distribution of accessible units across the Las Deltas portfolio, and FHEO examined if the overall demand for accessible units would be met by HACCC's portfolio of accessible units.

**Accessibility**

In order to assess if the accessible unit-related needs of current Las Deltas residents would be met by the proposed final distribution of accessible units across the Las Deltas portfolio, the overall number, and distribution, of UFAS-accessible units was gathered from the two checklists associated with this review, as well as those previously submitted and approved by FHEO as a part of the larger Las Deltas transfer of assistance:

<b>Las Deltas Portfolio- UFAS Accessible Units</b>				
<b>Configuration</b>	<b>Las Deltas</b>	<b>Las Deltas Portfolio Post-Conversion</b>	<b>Las Deltas Post-Conversion Pinecrest only</b>	<b>Las Deltas Post-Conversion Terrace Glen only</b>
0-bedroom	0	3	0	0
1-bedroom	7	29	2	0
2-bedroom	5	11	0	3
3-bedroom	0	1	0	0
4-bedroom	0	0	0	0
5-bedroom	0	0	0	0
<b>Total</b>	12	44*	2	3

\*does not include the unassigned RAD allocations

The totality of UFAS-accessible units post-conversion will exceed the minimum of 5% of units accessible for individuals with a mobility impairment, and will exceed the minimum of 1% of units accessible for individuals with a vision impairment and 1% of units accessible for individuals with a hearing impairment. According to the checklist, of the total number of assisted units post-conversion resulting from the Las Deltas transfer of assistance (totaling 375 RAD units and PBV units), “at least 25 units will be accessible for persons with physical disabilities with an additional 14 accessible to persons with vision and hearing impediments. This far exceeds the current 12 accessible units at Las Deltas.” Based on this analysis, the accessible unit-related needs of all current Las Deltas residents will be met post-conversion, as the number of accessible units post-conversion will exceed the number of accessible units at Las Deltas, and as the minimum number of each type of accessible unit will be exceeded.

In order to assess if the overall demand for accessible units would be met by HACCC’s portfolio of accessible units, FHEO gathered data from the four Accessibility and Relocation Checklists dated January 04, 2018:

<b>Post-Conversion</b>		<b>Current Resident Data</b>		<b>HACCC Portfolio</b>	<b>HACCC Waitlist Data</b>	
<b>Configuration</b>	<b>Las Deltas Portfolio Post-Conversion</b>	<b>Mobility-accessible units occupied by individuals needing the features</b>	<b>Vision/Hearing-accessible units occupied by individuals needing the features</b>	<b>"Disabled" Units**</b>	<b>Waitlist requesting mobility-accessible units</b>	<b>Waitlist requesting vision/hearing-accessible units</b>
0-bedroom	3	0		4	0	0
1-bedroom	29	7		244	3	2
2-bedroom	11	5		69	16	8
3-bedroom	1	0		0	1	1
4-bedroom	0	0		0	0	0
5-bedroom	0	0		0	0	0
<b>Total</b>	44*	12		317	20	11

\*Does not include the unassigned RAD allocations

\*\*Does not include post-conversion numbers for accessible units

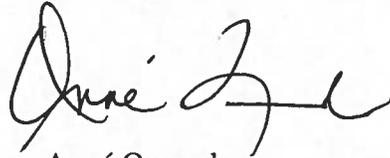
Based on this analysis, the overall HACCC-wide demand for accessible units (based on the waitlist numbers provided) will be met by the overall HACCC portfolio of accessible units.

Conclusion

Based upon FHEO's review of the Checklist, this Office approves the FHEO Front-End Civil Rights Review of the RAD Accessibility and Relocation Checklist for the Las Deltas TOA Antioch Scat Site Renovation.

If you have any questions, please contact Nathanael Hill, Equal Opportunity Specialist, at (415) 489-6541 or [nathanael.r.hill@hud.gov](mailto:nathanael.r.hill@hud.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Anné Quesada". The signature is fluid and cursive, with a large initial "A" and a long horizontal stroke at the end.

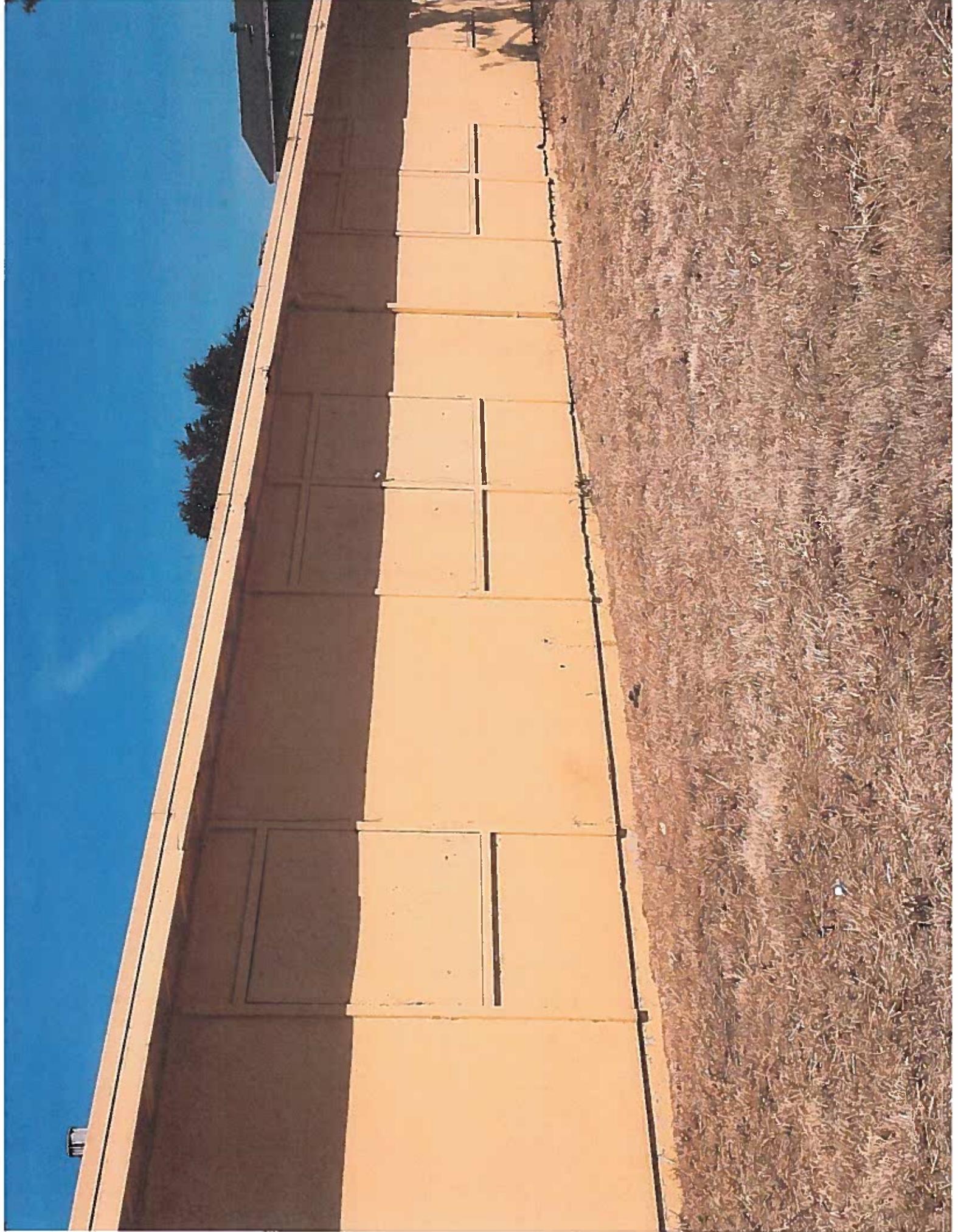
Anné Quesada  
Regional Director  
Office of Fair Housing and  
Equal Opportunity





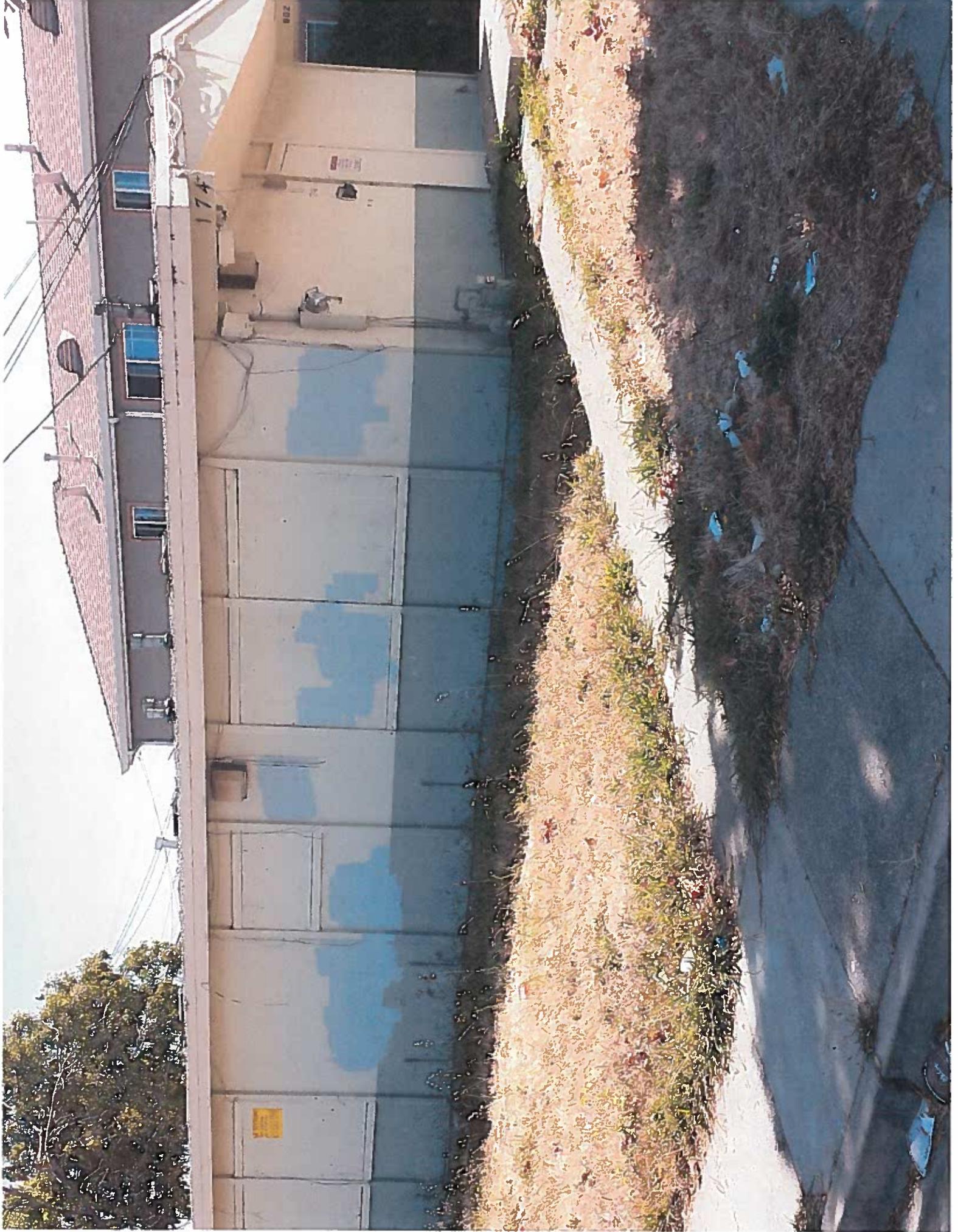


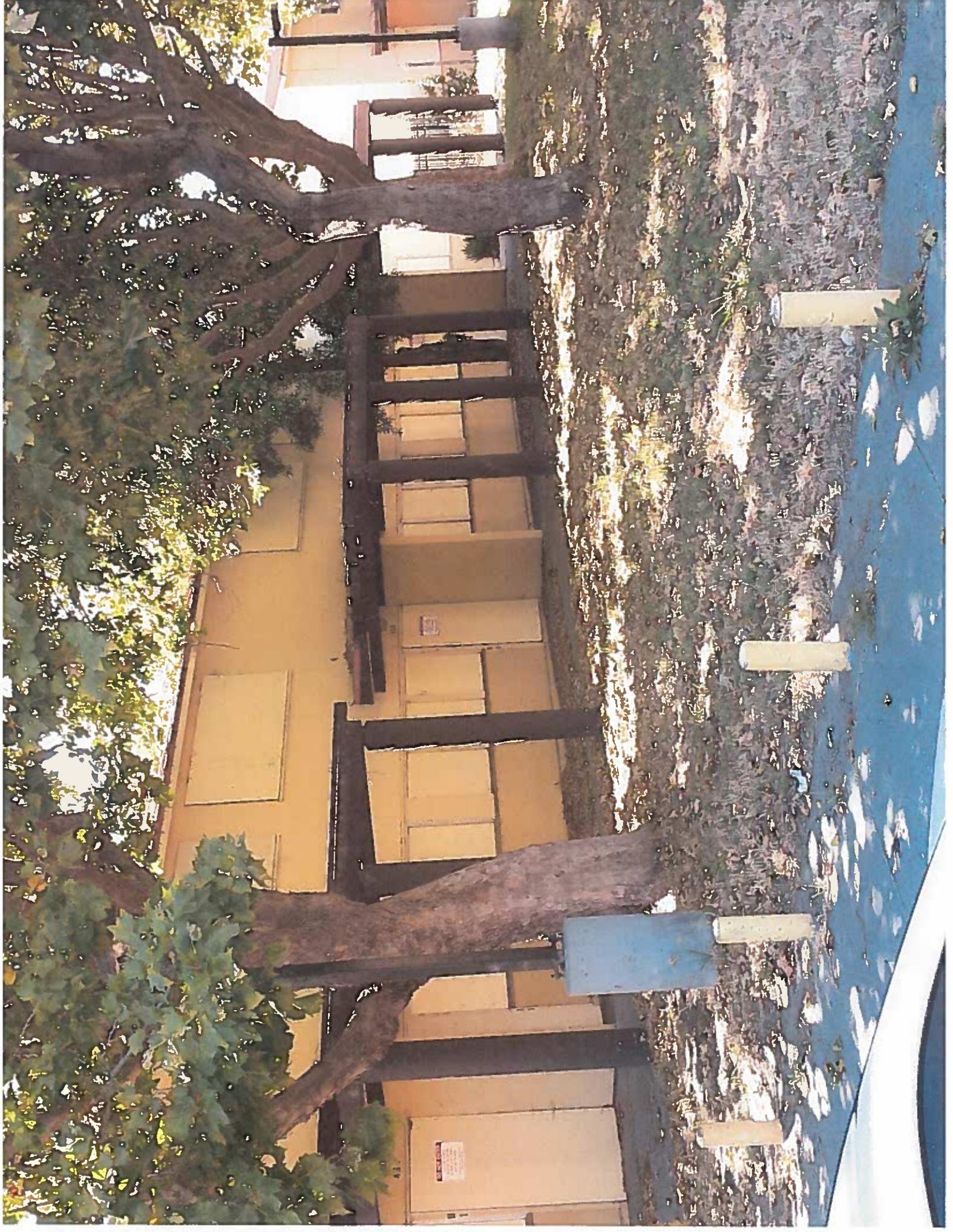


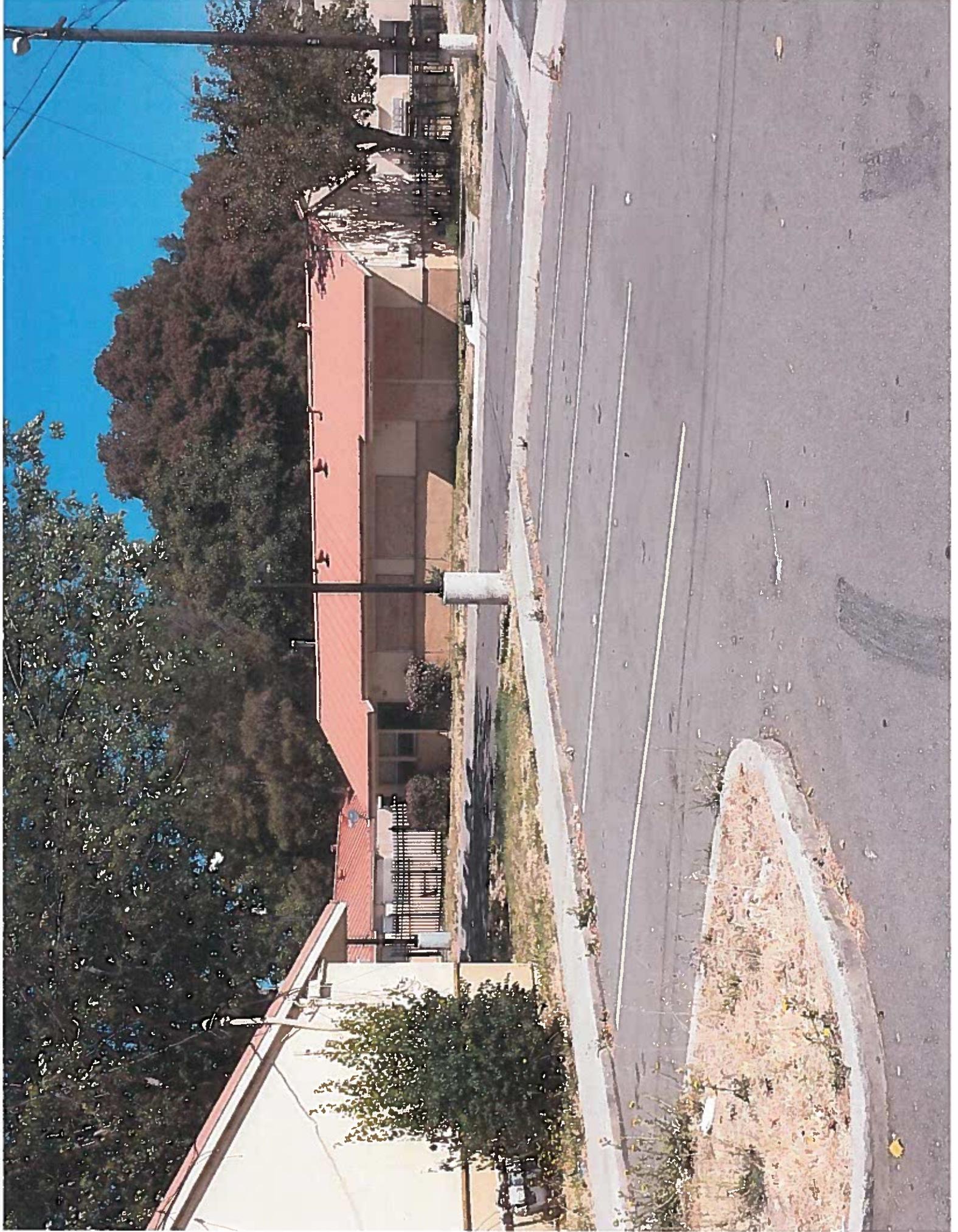


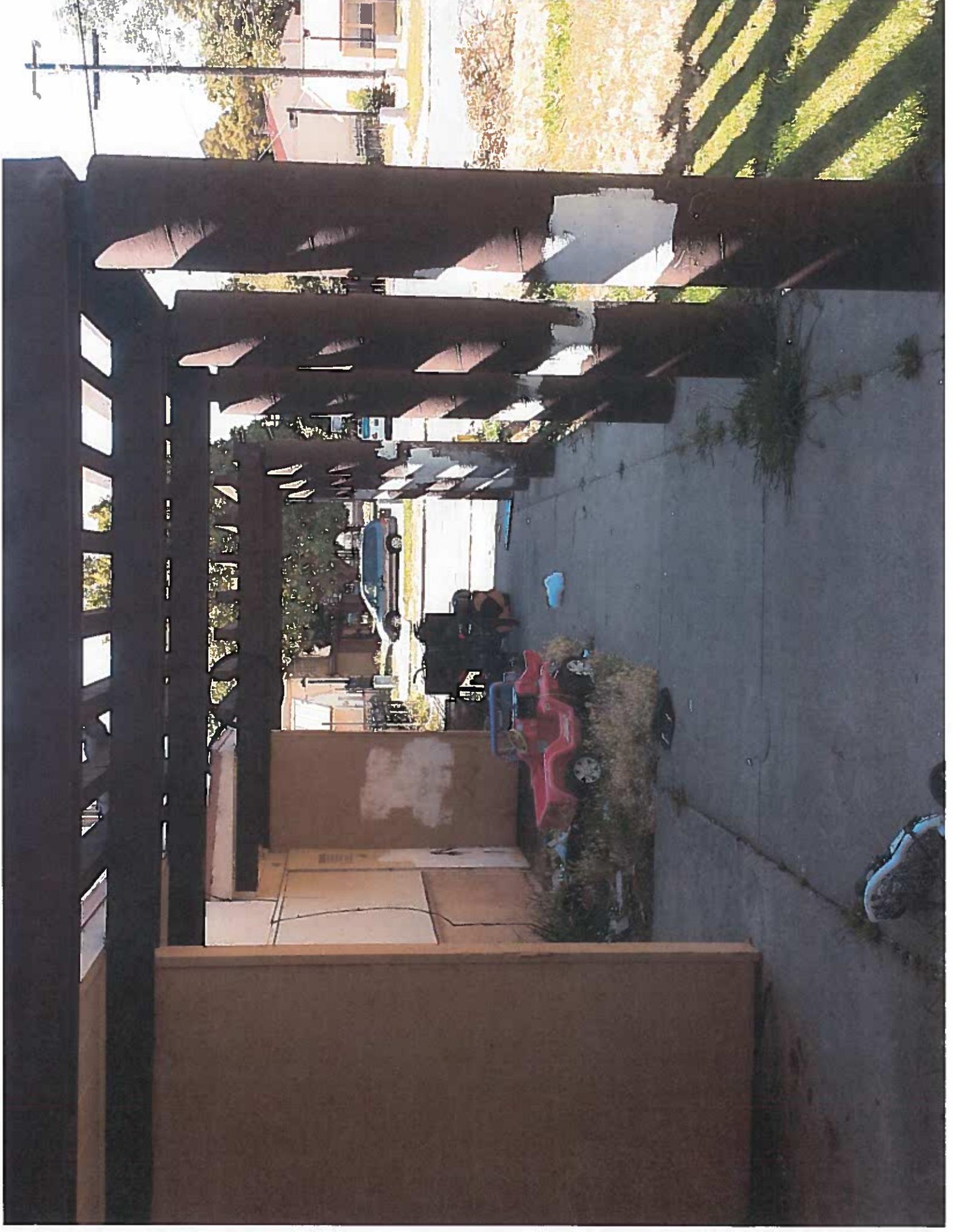




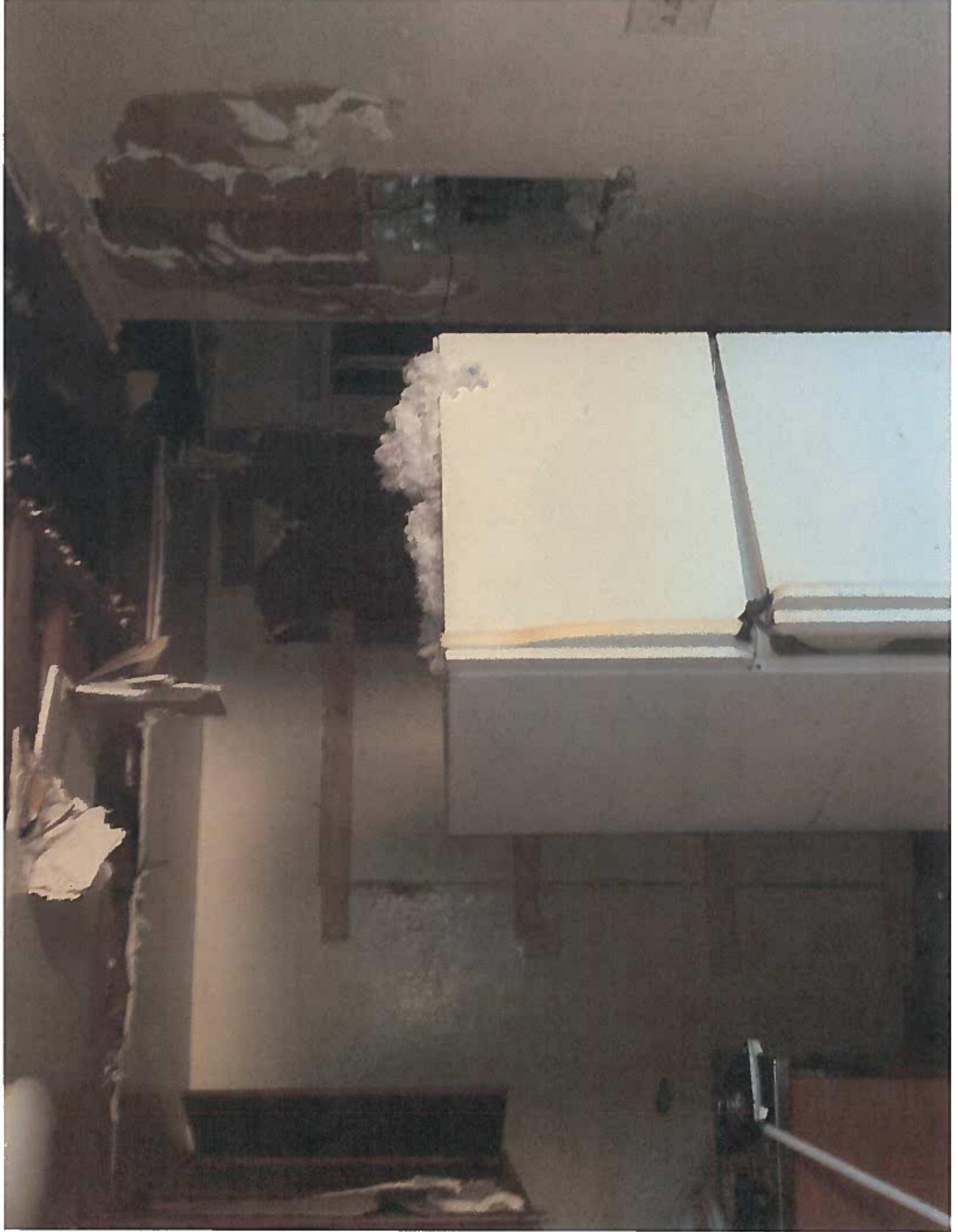














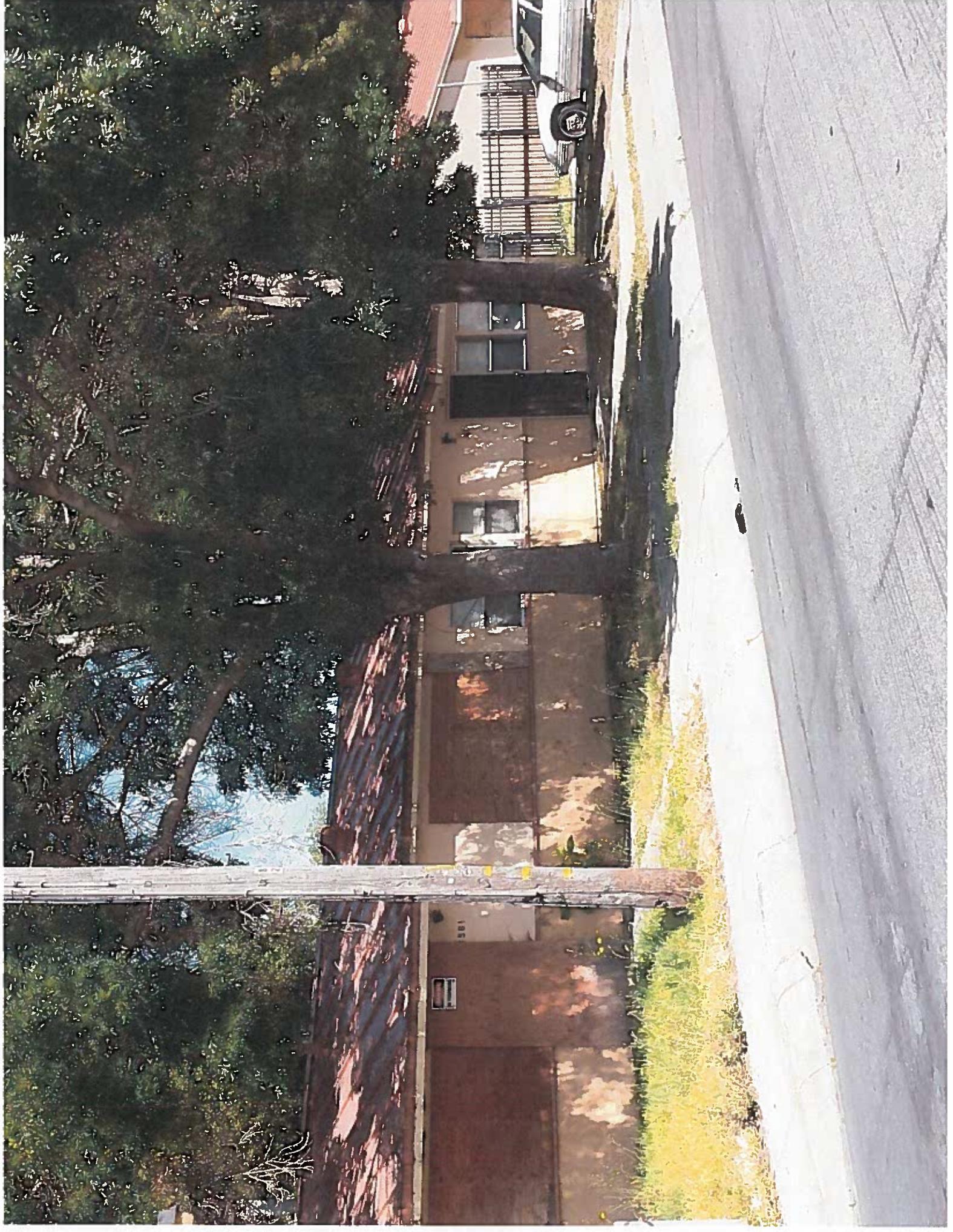


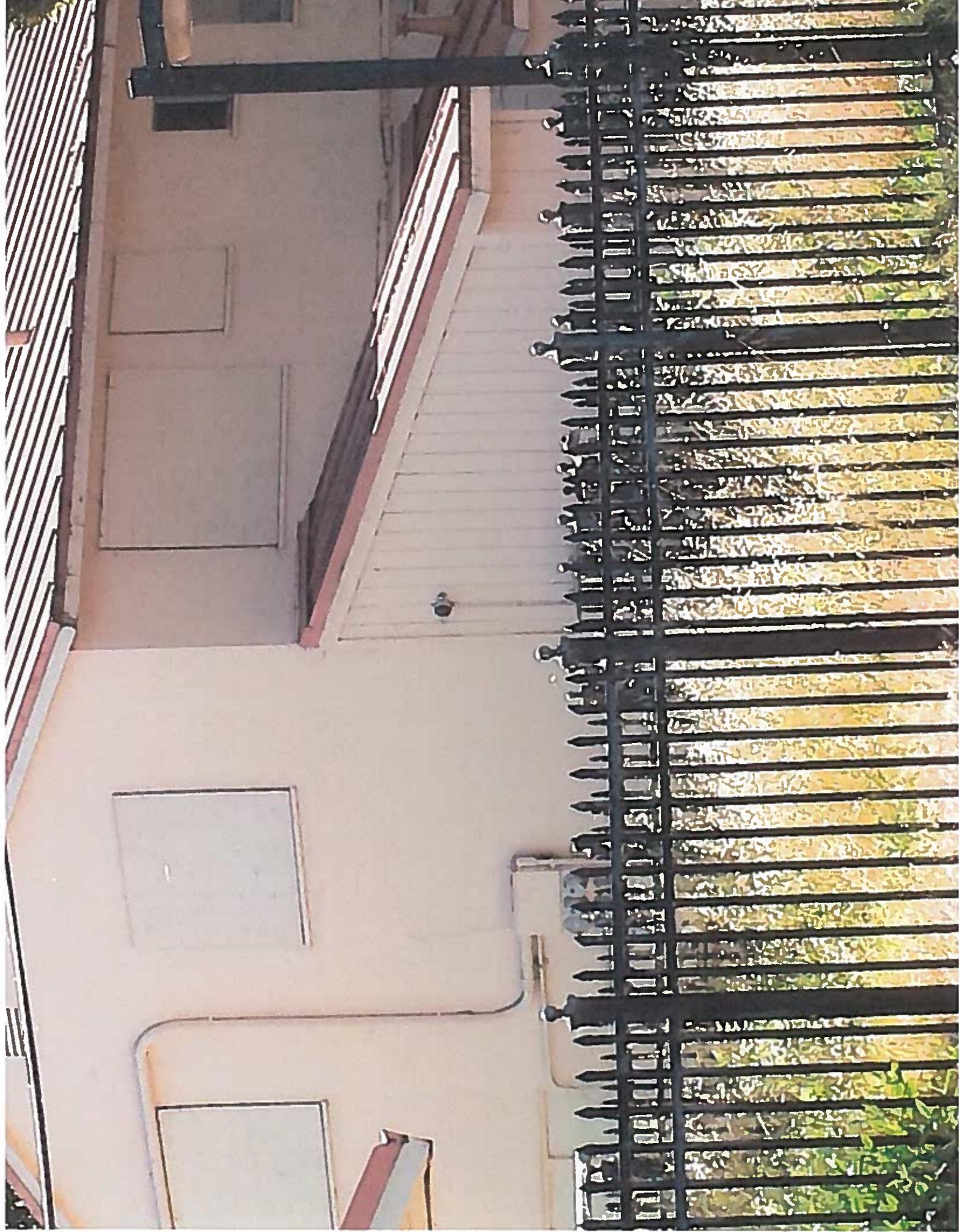


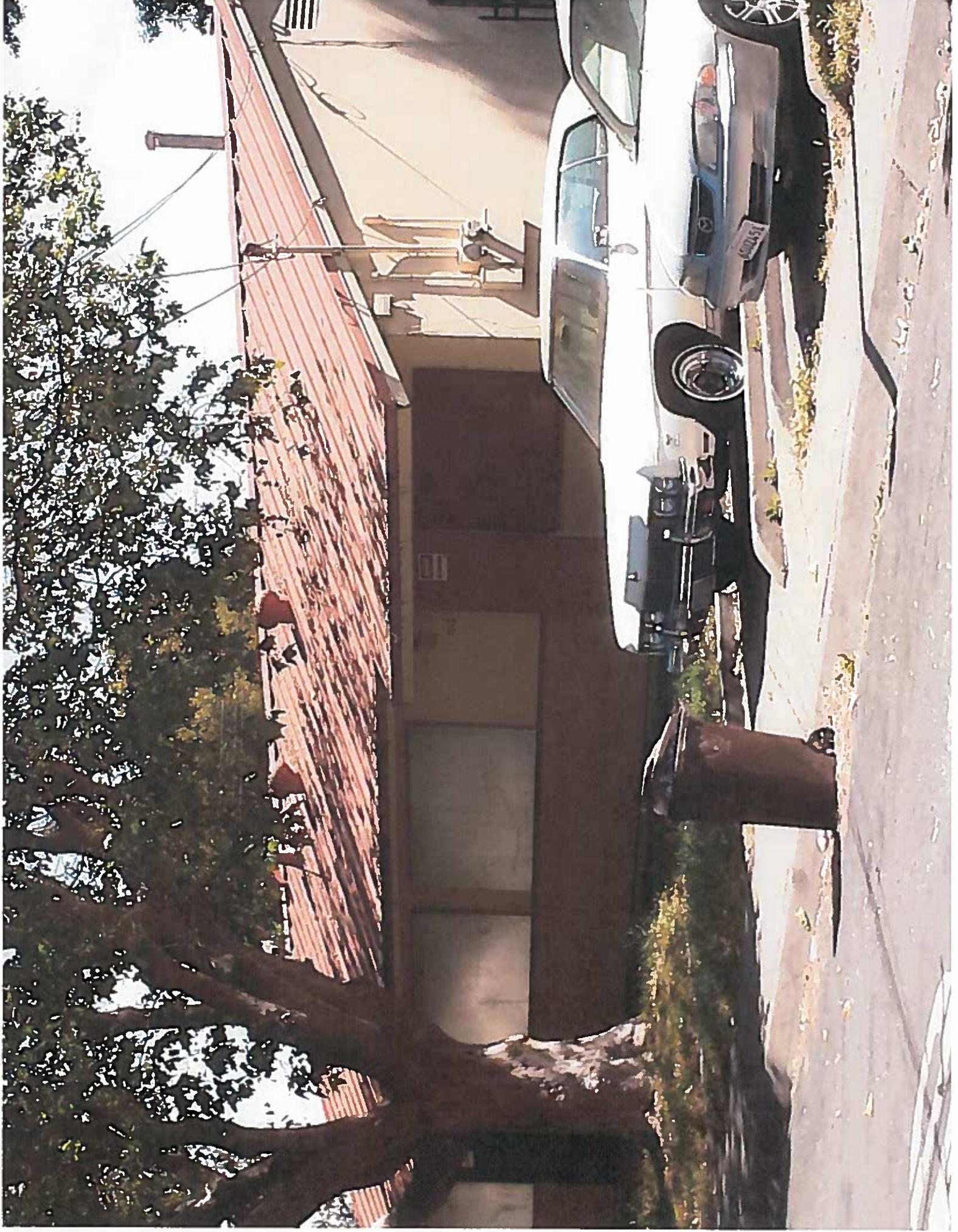
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NOTICE









# MEMORANDUM

DATE: June 15, 2016

TO: Patricia Amerson, Transaction Manager

FROM: Joseph Villarreal, Executive Director  
Housing Authority of the County of Contra Costa

RE: Early Relocation Request

---

The Housing Authority of the County of Contra Costa (HACCC) is in the process of converting 214 units of public housing at the Las Deltas development, PIC numbers CA011600000/CA011700000, to Project Based Vouchers (PBV). HACCC submitted two RAD applications for a total of 90 units in December of 2013 and they were approved in March of 2015. These 90 units were vacant and intended for disposition. Upon approval, it was decided that the entire property should be disposed of and a third and fourth application were submitted for the remaining 124 units not approved for RAD conversion. Those applications were submitted in November of 2015.

Conditions at Las Deltas have deteriorated significantly and the property is now more than half empty and boarded up. However, squatters continue to break into the units and severely vandalize them by stealing the electrical wiring and copper piping from the walls. The extent of the damage is severe and has attracted an additional element of crime since the units have become a haven for drug use and evading law enforcement. The photos attached to this memorandum can attest to the severity of the living conditions at the property.

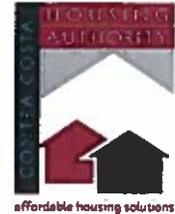
HUD has informed HACCC that the approval of applications 3 and 4 is imminent. 95 households remain in occupancy at Las Deltas. HACCC would like to begin the process of relocating the families remaining at Las Deltas in advance of the issuance of the RAD Conversion Commitments (RCC) that will arise from this process. At best, the RCCs are 6 to 9 months away from issuance. This would force the 95 households to continue to live in this hazardous environment and be subjected to daily security risks. Moreover, their continued presence poses significant liability risks for the housing authority.

HACCC has engaged a relocation specialist and prepared a relocation plan to undertake the relocation effort. There are approximately 26 households who would like to transfer to another public housing development. These units are available and ready for transfer. However to wait on the issuance of the RCCs could not only result in the units being occupied by waiting list applicants, but has the potential to cost HACCC a significant amount of operating funds if the units are held vacant for to 9 months. An expedited relocation approval can resolve this issue. In addition, HACCC is prepared to

issue tenant-based vouchers to the families who choose not to relocate to another public housing development so that they can have greater choice in where they relocate to.

For these reasons, HACCC respectfully requests that the Early Relocation Committee consider our request to begin relocation process prior to issuance of the RCCs.

# HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA



June 22, 2017

Tom Davis, Director  
Office of Recapitalization  
U S Department of Housing and Urban Development  
451 Seventh Street, Suite 6128  
Washington, DC 20410

Via Email

Re: Request for HUD confirmation of ability to allow for immediate voluntary relocation

Dear Mr. Davis:

The Housing Authority of the County of Contra Costa (HACCC) is converting 214 units of public housing at its Las Deltas development in North Richmond, CA (PIC numbers CA011600000/ CA011700000) to Project Based Vouchers (PBV) that will be used in over 13 different properties (one property awarded RAD PBVs lost its site control and so HACCC is currently seeking one or more replacement properties).

HACCC submitted two RAD applications for a total of 90 units in December of 2013 that were approved in March, 2015. These 90 units were vacant and intended for disposition. After receiving approval for the first 90 units, it was decided that the entire property should be converted under RAD and a third and fourth application were submitted for the remaining 124 units not already approved for conversion. Those applications were submitted in November of 2015 and approved in August of 2016. Thus, the entire property is now slated for conversion under the RAD program.

As part of this process, HACCC is seeking to begin relocation of its Las Deltas public housing residents under the RAD program. Over the past several years, the majority of Las Deltas residents have left the property for a variety of reasons and only 81 units remain occupied. In the interest of the remaining families' health and safety based on conditions at the property and in the surrounding neighborhood, voluntary relocation has begun to occur for those remaining Las Deltas families who wish to move to other public housing units. Such moves are permitted under HACCC's Admissions and Continued Occupancy Plan (ACOP). However, due to the unique nature of HACCC's RAD project, staff have not yet begun relocation for residents who wish to be relocated from Las Deltas using a voucher.

This conversion is unique to the RAD program in that none of the RAD PBV units are currently scheduled to be used at the existing Las Deltas property. HACCC is working with a variety of developers and other groups to come up with a plan for the existing property that will both improve living conditions in the neighborhood and preserve affordable housing. Funding for that project is not currently planned to be tied to the RAD conversion.

The 214 existing units at Las Deltas are being replaced at 13 different housing developments owned by non-profit entities not controlled by HACCC. The 13 projects are a mix of new construction and existing developments that span family and senior housing types. These 13 projects will not only replace the 214 converting units with RAD PBV, but will also assist an additional 179 units under the non-RAD PBV program, thus preserving and/or creating 393 units of affordable housing in the highest cost housing region in the nation.

Each project will have its own RAD Conversion Commitments (RCC) and closing. Two transactions have already closed, one RCC is in process, and five transactions are scheduled for approval committee in the near future. While HACCC and HUD have worked quickly to close the transactions that have been completed, and should close the next six before the year is out, it is expected that the six (or more) final RCCs will not be issued until two to three years from now as individual development programs finalize all of their funding. This process can be particularly time consuming in a high cost market like the San Francisco Bay Area. At this point, HACCC expects the final project to secure all of its funding in 2019 or 2020, but that may get delayed as tax credits have lost value and some of the final projects will be forced to search for new funding to close the gap caused by tax credit devaluation.

Because of the unique nature of HACCC's RAD conversion, staff have received conflicting information about whether voluntary relocation can begin currently, or if it must be postponed until individual RCCs tied to each of the 13+ specific portions of the project have been issued. As a result, HACCC requests that HUD consider the project as a whole and either clarify that voluntary relocation under RAD is permitted starting with the issuance of the first RCC for its Las Deltas RAD conversion, or that HUD exercise its authority under Section 6.8 of Notice H-2016-7/PIH 2016-17 (Section 6.8) to approve, in writing, HACCC's immediate ability to allow voluntary relocation from its Las Deltas development based on extraordinary circumstances. HACCC is aware that five families have indicated they wish to remain in North Richmond. Thus, HACCC's request is only for voluntary relocation. HACCC does not wish to pursue involuntary relocation (if necessary) until all RCCs have been issued.

HACCC verbally requested HUD authorization for voluntary early relocation in June 2016. In response, Greg Byrne of the Office of Recapitalization stated that HACCC should not need explicit HUD approval because it could initiate relocation through its public housing ACOP and Section 8 Administrative Plan. However, the National Housing Law Project (NHLP), which has participated substantially in the development of HACCC's relocation plans and policies, has expressed their view in discussions with staff that HACCC cannot begin the relocation process until individual RCCs are issued covering the specific units where Las Deltas families who want to relocate currently

reside. HACCC believes that there is a significant possibility that the agency will be challenged by NHLP or other tenant advocates due to the language in Section 6.8, unless HUD provides explicit written approval based on extraordinary circumstances.

HACCC wishes to provide the remaining residents of Las Deltas with the opportunity to move via voluntary relocation due to the desire to leave the neighborhood expressed by several residents in public and private meetings and the declining occupancy rate in Las Deltas. A 2011 article from the *Richmond Confidential* titled "North Richmond's inauspicious beginnings" stated that "The North Richmond of today emerges from a history marked by bad reputation, bad luck and, often, bad intentions. This community began as a rural, sparsely populated agricultural outpost and rapidly morphed into a bustling shantytown for African American workers during and after World War II." Those inauspicious beginnings led to a neighborhood with the highest poverty concentration in the County and one whose crime rate in the recent past has occasionally surpassed our nation's most dangerous large cities. Current, and previous, HUD staff, including the PIH Director, have toured the property and deemed it to be one of the most challenging in Region IX.

Las Deltas is now more than 60% empty and boarded up. As families have moved from there, the poor living conditions that prompted HACCC to pursue RAD approval continue to deteriorate significantly. Squatters break into the empty units and severely vandalize them by stealing the electrical wiring and copper piping from the walls. The damage is usually extensive and has attracted an additional element of crime. The units have become a haven for drug use and evasion of law enforcement. Dumping of construction materials, furniture and other garbage is rampant in the North Richmond area and the empty properties at Las Deltas are an attractive target for such. The photos attached to this memorandum can attest to the severity of the living conditions at the property. Not surprisingly, the majority of the remaining Las Deltas families wish to move from the neighborhood. If relocation is tied to each RCC, then a decreasingly small number of families will be left isolated for two to three years, all while surrounded by empty units. This timeline assumes that the financing for every project proceeds smoothly, it would be extended if any financing delays occur.

That said, HACCC has been working with the local County Supervisor and a variety of other local agencies in an effort to revitalize the neighborhood of North Richmond and to rehabilitate Las Deltas. In December 1996, the Local Initiatives Support Corporation (LISC), the County of Contra Costa, the City of Richmond, the Community Development Housing Corporation of North Richmond (CHDC) and HACCC entered into a Memorandum of Understanding setting forth a revitalization strategy to be pursued cooperatively. That MOU is still active today and has led to several new affordable housing developments in the neighborhood, including low to moderate income homeownership units, market rate homeownership units and a family property that is being funded using RAD PBVs from Las Deltas. This latest development will also bring much-needed retail into North Richmond. Due to the positive changes in the neighborhood, and their hope for the future, five Las Deltas families have indicated they wish to remain in North Richmond which is why HACCC does not wish to pursue involuntary relocation until all RCCs have been issued. HACCC will work with these

families (and any others who desire) in an effort to obtain relocation housing within North Richmond.

HACCC believes the unique nature of this RAD transaction, where there will be more than 13 different RCCs issued over the course of several years, qualifies as extraordinary circumstances. Especially given that an ever-decreasing number of residents will remain stranded in an empty and increasingly dangerous neighborhood, most against their will. Significant, positive change cannot come to this neighborhood until the residents of Las Deltas have been relocated and the property can be cleared for future rehabilitation/development.

Given the nature of the Las Deltas conversion, HACCC believes that with two RCCs already closed, we have met the requirement of RCC issuance prior to voluntary relocation. However, because HACCC's RAD transaction is unique, it does not fit neatly into HUD's regulatory language. As a result, HACCC seeks written clarification from HUD that either voluntary relocation under RAD is permitted starting with the issuance of the first RCC for its Las Deltas conversion or that voluntary relocation of the residents may proceed immediately without further delay in accordance with Section 6.8 due to extraordinary circumstances. If neither of these is true from HUD's perspective, then please clarify that voluntary relocation must be delayed for each family until the individual RCC tied to their unit is issued.

Please contact me at (925) 957-8011 or at [jvillarreal@contracostahousing.org](mailto:jvillarreal@contracostahousing.org) if you need any further information from us. Thank you for your consideration of HACCC's request.

Sincerely,



Joseph Villarreal  
Executive Director

Cc: Gerard R. Windt, Director  
San Francisco Office of Public Housing

Attachments

I wanted to summarize what is pending for our transactions after our call this morning. As I see it, we have four issues needing follow up.

1. The RAD team is working to separate the 4 awarded CHAPs into 14 separate CHAPs so that we can upload the material submitted by each project to the RAD Resource Desk. For the moment we have 4 CHAPs in the Resource desk but 1 CHAP, for AMP 6, has been allocated to Tabora Gardens when only 22 units should have been allocated to it, another has been allocated to Hana Gardens, although that actually belongs in the same AMP as Tabora Gardens. A correction will be needed to amend that project's placement in AMP 6 under its own CHAP. Pat will notify us when we have all 14 CHAPs carved out in the Resource Desk so we can resume uploading project data.
2. There was some discussion on the early relocation we requested in an email sent to Pat on June 15, 2016. Pat mentioned that the waiver process would be cumbersome and time consuming and that Greg Byrne mentioned that we could do the relocation through the Local PIH office. This advice seems to contradict the PIH Notice 2012-32 that states that relocation cannot start prior to closing unless approved by HUD. It is assumed that the reference to HUD is HUD-HQ. Also, does local HUD approving early relocation authorize the payment of relocation benefits to the residents of Las Deltas. It would seem that we would be violating Fair Housing statues by doing this. In addition, Local HUD staff are not quite clear on what is meant by Greg in his assertion that Local staff can handle the early relocation issue. What does that look like and how is it triggered? The Admin Plan and ACOP have been amended to authorize the issuance of HCV Vouchers to most of the families and a number have request to go to other public housing units. It was agreed that Gerard and Pat would discuss the matter with Greg Byrne and get back to us with a viable option. That said, it stands to reason that if waivers are needed, then we don't really need to get Field Office involvement on our request. Moreover, early relocation will not only get the families living in deplorable conditions out of the units, but it will permit us to effectively begin to take on the selling/disposition of the scattered sites.
3. The issue of the Rehab Assistance Payment was raised. While the first 90 units we close on are targeted to the replacement of the 90 units included in the first 2 CHAPs representing 90 vacant units at Las Deltas, the 3rd and 4th CHAPs include the 89 remaining occupied units in the total of 124 units awarded. Those units will be eligible for the Rehab Assistance Fee. Are we interpreting the notice correctly on this matter? If so, the notice references the payment being made to the owner of the project, but that would not be appropriate in our particular transactions since we are incurring the relocation costs while the construction is completed and once HAP is executed new residents will be assisted through the remaining public housing operating, and eventually, HCV funds. In our transactions, the Housing Authority is the owner of the originating units only. After construction the non-profit owns the replacement site and HACCC no longer has ownership interest in the project. A discussion was going to take place with Will Lavy to see what we are entitled to regarding the Rehab Assistance Payment and how and to whom do we submit an application to for those funds.
4. The last item for discussion has to do with the disposition of the Las Deltas Public Housing units. As you know, we are replacing the 214 units at Las Deltas at 14 PBV properties throughout the County. They are all on different time schedules for construction/rehab but to leave the units vacated at Las

Deltas boarded up and blighted will only spark greater concern with local politicians and neighborhood groups. Our efforts to do early relocation directly tie into our desire to dispose of the units as they close for the various deals so we don't have to flood the market with units for sale and burden all interests, including HACCC, given the cost to market and close sales. Until now, we have been under the understanding that RAD included a disposition process that would facilitate our efforts to release the Declarations of Trust on the property as needed and sell the old public housing units at Las Deltas, as long as we used the proceeds from any sale to benefit other public housing developments in our portfolio. We're now suddenly hearing that we must pursue a Section 18 disposition to do this. The PIH Notice actually states that if we pursue Section 18, we could have our RAD award rescinded. So this new development doesn't make sense. Also, had we been able to do Section 18 disposition from the start, we would not have needed to go through this complicated RAD process. We don't believe we should be doing a Section 18 disposition to sell off the units, especially in light of the fact that both Rod and Pat have worked on deals that did not call for Section 18 as part of the disposition. Further discussion was going to be had internally with Pat, Greg and Gerard (Not sure if Will Lavy is part of this too). Once we are all on the same page, we need to bring the OGC folks into the conversation to confirm our determined path so that when we get to the disposition stage, amnesia doesn't kick in.

Property	Unit #	Code	SS#	First Name
ca006	398	t0018199	xxx-xx-3266	FAANAPE
ca006	400	t0001039	xxx-xx-2900	TERRIETTA
ca006	401	t0001092	xxx-xx-2855	ASA
ca006	402	t0001017	xxx-xx-3813	ANDRE
ca006	405	t0009033	xxx-xx-9774	MICHELLE
ca006	406	t0001103	xxx-xx-6587	CHANEL
ca006	412	t0019539	xxx-xx-4377	NICOLE
ca006	413	t0008176	xxx-xx-8866	MALLECA
ca006	414	t0015281	xxx-xx-5667	CAROL A
ca006	415	t0018292	xxx-xx-3265	MELVIN
ca006	417	t0010697	xxx-xx-2545	TAMIKA
ca006	428	t0014883	xxx-xx-5686	JOETTA
ca006	430	t0013537	xxx-xx-1174	CHARLES
ca006	431	t0019209	xxx-xx-8996	RHONDA
ca006	434	t0011277	xxx-xx-5500	VICKI
ca006	441	t0018998	xxx-xx-1207	LAQUISHA
ca006	443	t0001111	xxx-xx-2876	BERTHA
ca006	448	t0017440	xxx-xx-8375	DEBRA
ca006	450	t0010544	xxx-xx-1509	CLAUDIA
ca006	461	t0001122	xxx-xx-8804	J. B.
ca006	465	t0017409	xxx-xx-0540	JEROME W.
ca006	467	t0014950	xxx-xx-7980	TANIA
ca006	468	t0014175	xxx-xx-2397	ROGELIO
ca006	469	t0001181	xxx-xx-3837	MARIA
ca006	470	t0000999	xxx-xx-5661	FREDERICK
ca009a	526	t0001148	xxx-xx-8041	GWENDOLYN
ca009a	528	t0014907	xxx-xx-8824	JENNIFER
ca009a	529	t0011837	xxx-xx-4138	ANNIE
ca009a	530	t0015043	xxx-xx-0349	ANGEL
ca009a	532	t0000911	xxx-xx-8778	VIRGINIA
ca009a	534	t0001170	xxx-xx-0066	DOMINGA
ca009a	536	t0000941	xxx-xx-7879	OLACHI
ca009a	539	t0011313	xxx-xx-6596	MUHAMMAD
ca009a	541	t0000908	xxx-xx-6141	LONNIE
ca009a	544	t0011055	xxx-xx-3253	FIFI
ca009a	545	t0010777	xxx-xx-7022	NATHAN
ca009a	546	t0000405	xxx-xx-8796	JIMMIE
ca009a	547	t0017570	xxx-xx-7866	LENWOOD
ca009a	548	t0014107	xxx-xx-8830	MARK
ca009a	551	t0020146	xxx-xx-8679	ALMETRA
ca009a	552	t0017301	xxx-xx-9059	JENNIFER L.

ca009a	553	t0012486	xxx-xx-2056	KHADIJA
ca009a	555	t0020265	xxx-xx-8900	MARKISHA
ca009a	556	t0020315	xxx-xx-5267	TRACY
ca009a	560	z0018337	xxx-xx-2655	MARTIKA
ca009a	561	t0015319	xxx-xx-4653	L.C.
ca009a	562	t0017956	xxx-xx-2978	LA DONYA
ca009a	563	t0001165	xxx-xx-6330	AMALIA
ca009a	564	t0001021	xxx-xx-2140	FREDA
ca009a	565	t0001094	xxx-xx-5596	SHARON
ca009a	566	t0019163	xxx-xx-4797	PATRICIA
ca009a	567	t0012525	xxx-xx-2076	DARLENE
ca009a	569	t0000996	xxx-xx-2908	LINETTA
ca009a	570	t0013185	xxx-xx-3005	MARCIA
ca009a	572	t0012550	xxx-xx-9040	JANICE
ca009a	573	t0018202	xxx-xx-2316	STANDLEY
ca009a	575	t0001082	xxx-xx-1664	KASHAWNDA
ca009a	578	t0020277	xxx-xx-3786	MARIA
ca009a	579	t0019551	xxx-xx-8110	CAMILLE
ca009a	581	t0020267	xxx-xx-4068	CATRINA
ca009a	582	t0020102	xxx-xx-9134	CHANTEA
ca009a	583	t0019385	xxx-xx-5136	RUTH
ca009a	589	t0017835	xxx-xx-8954	CHARLES
ca009a	592	t0000881	xxx-xx-0084	LORRAINE
ca009a	594	t0000979	xxx-xx-3737	DAVID
ca009a	596	t0001020	xxx-xx-1954	RAYMOND
ca009a	599	t0001067	xxx-xx-2806	TAMMY
ca009a	600	t0000899	xxx-xx-6873	LILLIE
ca009a	603	t0014944	xxx-xx-8093	CHARLENE
ca009a	605	t0000896	xxx-xx-6230	MATTHEW
ca009a	606	t0021238	xxx-xx-3094	JUANITA
ca009a	607	t0019152	xxx-xx-1655	CORIALE
ca009a	609	t0001114	xxx-xx-8012	RACHEAL
ca009b	619	t0012063	xxx-xx-3509	FRANK
ca009b	620	t0001145	xxx-xx-1547	DONNA
ca009b	621	t0008321	xxx-xx-9970	DAPHNE
ca009b	627	t0020268	xxx-xx-8117	DEVIN
ca009b	634	t0015022	xxx-xx-2340	OLANDA
ca009b	635	t0001038	xxx-xx-8090	ROSLYN
ca009b	640	t0001091	xxx-xx-5112	MARTHA
ca009b	645	t0014855	xxx-xx-3155	REBECCA
ca009b	648	t0001134	xxx-xx-0885	MARIA
ca009b	649	t0001125	xxx-xx-9895	MARTIN
ca009b	650	t0013509	xxx-xx-8137	CHERYL
ca009b	651	t0001023	xxx-xx-4812	AARON

<b>ca009b</b>	<b>656</b>	t0001069	xxx-xx-3785	LA SHANDA
<b>ca009b</b>	<b>659</b>	t0001018	xxx-xx-1268	JOYCE
<b>ca009b</b>	<b>661</b>	t0001164	xxx-xx-2627	BIENVENIDA
<b>ca009b</b>	<b>662</b>	t0011251	xxx-xx-2802	FLOR
<b>ca009b</b>	<b>667</b>	t0001087	xxx-xx-2965	LENA
<b>ca009b</b>	<b>668</b>	t0001152	xxx-xx-7606	GERALDINE
<b>ca009b</b>	<b>671</b>	t0000938	xxx-xx-2764	MARILYN
<b>ca009b</b>	<b>672</b>	t0001173	xxx-xx-2560	SILVIA
<b>ca009b</b>	<b>673</b>	t0000963	xxx-xx-6879	LOLA
<b>ca009b</b>	<b>675</b>	t0014893	xxx-xx-9644	ARGELIA

HOUSING AUTHORITY  
OF THE  
COUNTY OF CONTRA COSTA



RESIDENT ASSISTANCE DEMONSTRATION (RAD) PROGRAM  
Las Deltas Relocation  
July 21, 2016  
4:00pm - 6:00pm

AGENDA

- |  |  |
|--|--|
| 1. Welcome                                   | David Solis,<br>Asset Manager                                    |
| 2. RAD Update                                | Tony Ucciferri<br>Special Assistant to the<br>Executive Director |
| 3. Overview of Las Deltas Relocation Plan    | Chad Wakefield<br>Overland, Pacific & Cutler                     |
| 4. Public Comments regarding Relocation Plan | Tony Ucciferri<br>Chad Wakefield<br>David Solis                  |
| 5. Open Discussion                           |  |
| 6. Adjournment                               |  |





# PHYSICAL NEEDS ASSESSMENT



## Prepared for:

**Housing Authority of the County of Contra Costa**  
3133 Estudillo Street  
Martinez, California 94553  
Robert Moore

## PHYSICAL NEEDS ASSESSMENT

Las Deltas Public Housing – 49 Duplexes  
1601 North Jade Street  
North Richmond, California 94801

### PREPARED BY:

EMG  
10461 Mill Run Circle, Suite 1100  
Owings Mills, Maryland 21117  
800.733.0660  
[www.EMGcorp.com](http://www.EMGcorp.com)

### EMG CONTACT:

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Program Manager  
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[manderson@emgcorp.com](mailto:manderson@emgcorp.com)

### EMG Project Number:

132461.18R000-003.052

### Date of Report:

December 13, 2018

### On Site Date:

October 23, 2018



Replacement Reserves Report Las Deltas 2018 11/9/2018																																				
Cost Description	Report Section	Location Description	ID	Lifespan (EUL)	EAge	RUL	Quantity	Unit	Unit Cost	w/ Markup *	Subtotal	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Deficiency Repair Estimate			
Engineer, Structural, General, Investigation	1.2	Dwelling units 395 and 398	1072423	0	0	0	1	EA	\$6,500.00	\$10,239.91	\$10,240	\$10,240																			\$10,240					
ADA, Kitchen, Sink & Counter, Full Reconfiguration, Renovate	3.2	Dwelling units	1072414	0	0	0	5	EA	\$15,000.00	\$23,630.55	\$118,153	\$118,153																				\$118,153				
ADA, Parking, Designated Stall with Pavement Markings & Signage (Standard), Install	3.2	Parking area	1072418	0	0	0	4	EA	\$1,300.00	\$2,047.98	\$8,192	\$8,192																					\$8,192			
ADA, Parking, Designated Stall with Pavement Markings & Signage (Van), Install	3.2	Parking area	1072420	0	0	0	1	EA	\$1,400.00	\$2,205.52	\$2,206	\$2,206																					\$2,206			
ADA, Residential Unit, Visual Bell & Strobe, Hearing Impaired, Install	3.2	Dwelling units	1072422	0	0	0	2	EA	\$1,000.00	\$1,575.37	\$3,151	\$3,151																					\$3,151			
ADA, Restroom, Full Reconfiguration, Renovate	3.2	Dwelling units	1072416	0	0	0	5	EA	\$15,000.00	\$23,630.55	\$118,153	\$118,153																						\$118,153		
Mold/Biological Growth, Remediation, Repair	3.3	Dwelling units 567 and 554	1072429	0	0	0	600	SF	\$30.00	\$47.26	\$28,357	\$28,357																						\$28,357		
Foundations, Concrete, Repair	6.1	Dwelling units 395 and 398	1079889	40	40	0	4,000	SF	\$10.44	\$22.70	\$90,802	\$90,802																						\$90,802		
Roof, Built-Up, Replace	6.3	Roofs, Phase-2	1072441	20	19	1	54,504	SF	\$12.96	\$20.42	\$1,112,917		\$1,112,917																					\$1,112,917		
Roofs, Metal, Replace	6.3	Roofs, Phase-1	1072440	40	35	5	38,264	SF	\$12.45	\$19.61	\$750,425						\$750,425																	\$750,425		
Structural Roof Decking, Wood, Replace	6.3	Roofs, Phase-2	1083947	20	19	1	5,450	SF	\$10.13	\$15.96	\$86,992		\$86,992																					\$173,984		
Exterior Wall, Stucco, 1-2 Stories, Repair	6.4	Exterior wall, Unit 553	1072442	0	0	0	100	SF	\$18.20	\$39.57	\$3,957	\$3,957																						\$3,957		
Exterior Wall, Painted Surface, 1-2 Stories, Prep & Paint	6.4	Building exterior	1072443	10	5	5	81,950	SF	\$2.87	\$4.52	\$370,612						\$370,612										\$370,612							\$741,224		
Window, Aluminum Double-Glazed 12 SF, 1-2 Stories, Replace	6.6	All units	1072446	30	30	0	915	EA	\$584.21	\$920.34	\$842,113	\$842,113																						\$842,113		
Exterior Door, Wood Solid-Core, Replace	6.6	All units	1072444	25	25	0	196	EA	\$1,423.11	\$2,241.93	\$439,419	\$439,419																						\$439,419		
Screen Door, Plain/Anodized Aluminum, Replace	6.6	All units	1072445	10	10	0	98	EA	\$498.08	\$784.66	\$76,897	\$76,897										\$76,897												\$76,897	\$230,691	
Plumbing System, Domestic Supply Multi-Family, Upgrade	7.2	Dwelling units	1072449	40	40	0	77,307	SF	\$26.78	\$42.19	\$3,261,216	\$3,261,216																							\$3,261,216	
Electrical Distribution System, Multi-Family, Upgrade	7.4	Dwelling units	1072630	40	40	0	77,307	SF	\$28.96	\$45.62	\$3,526,651	\$3,526,651																							\$3,526,651	
Flood Light, Exterior, Replace	7.4	Dwelling units	1072438	20	19	1	98	EA	\$995.47	\$1,568.24	\$153,687		\$153,687																						\$153,687	
Lighting System, Interior, Multi-Family, Upgrade	7.4	Dwelling units	1072684	25	25	0	77,307	SF	\$4.73	\$7.45	\$575,578	\$575,578																							\$575,578	
Smoke Detector, Multi-Family, Replace	7.6	Dwelling units	1072631	10	10	0	327	EA	\$208.43	\$328.35	\$107,371	\$107,371										\$107,371													\$107,371	\$322,113
Interior Door, Wood Hollow-Core, Replace	8.1	Dwelling units	1072644	20	20	0	571	EA	\$596.52	\$939.75	\$536,595	\$536,595																							\$536,595	\$1,073,190
Interior Ceiling Finish, Generic Surface, Prep & Paint	8.1	Dwelling units	1079893	8	8	0	135,275	SF	\$1.45	\$2.28	\$309,007	\$309,007									\$309,007							\$309,007							\$927,021	
Interior Wall Finish, Gypsum Board/Plaster, Replace	8.1	Dwelling units	1072843	40	40	0	135,275	SF	\$3.38	\$5.32	\$719,666	\$719,666																							\$719,666	
Interior Wall Finish, Generic Surface, Prep & Paint	8.1	Dwelling units	1072658	8	8	0	135,275	SF	\$1.45	\$2.28	\$309,007	\$309,007									\$309,007							\$309,007							\$927,021	
Interior Floor Finish, Vinyl Tile (VCT), Replace	8.1	Dwelling units	1072642	15	15	0	77,307	SF	\$4.80	\$7.56	\$584,651	\$584,651																\$584,651							\$1,169,302	
Residential Appliances, Refrigerator, 14-18 CF, Replace	8.2	Apartment kitchen	1072660	15	15	0	98	EA	\$956.04	\$1,506.11	\$147,599	\$147,599																\$147,599							\$295,198	
Residential Appliances, Range Hood, Vented or Ventless, Replace	8.2	Apartment kitchen	1072665	15	15	0	98	EA	\$271.61	\$427.88	\$41,933	\$41,933																\$41,933							\$83,866	
Residential Appliances, Range, Gas, Replace	8.2	Apartment kitchen	1072664	15	15	0	98	EA	\$768.11	\$1,210.05	\$118,585	\$118,585																\$118,585							\$237,170	
Kitchen Counter, Plastic Laminate, Postformed, Replace	8.2	Apartment kitchen	1072672	10	10	0	1,075	LF	\$43.90	\$69.15	\$74,338	\$74,338										\$74,338													\$74,338	\$223,014
Kitchen Cabinet, Base and Wall Section, Wood, Replace	8.2	Apartment kitchen	1072669	20	20	0	1,075	LF	\$467.63	\$736.69	\$791,946	\$791,946																							\$791,946	\$1,583,892
HVAC System, Multi-Family, Upgrade	8.3	Dwelling units	1072676	20	20	0	77,307	SF	\$37.26	\$58.70	\$4,537,642	\$4,537,642																							\$4,537,642	\$9,075,284
Toilet, Flush Tank (Water Closet), Replace	8.4	Apartment bathroom	1072841	20	20	0	113	EA	\$1,055.15	\$1,662.26	\$187,835	\$187,835																							\$187,835	\$375,670
Sink/Lavatory, Stainless Steel, Replace	8.4	Apartment Kitchens	1079923	20	20	0	98	EA	\$1,054.05	\$1,660.52	\$162,731	\$162,731																							\$162,731	\$325,462
Bathtub & Shower Enclosure, Fiberglass, Replace	8.4	Apartment Bathrooms	1079924	20	20	0	113	EA	\$1,785.27	\$2,812.46	\$317,808	\$317,808																							\$317,808	\$635,616
Water Heater, Gas, Residential, 30 to 50 GAL, Replace	8.4	Dwelling units	1072678	10	10	0	98	EA	\$2,349.48	\$3,701.31	\$362,728	\$362,728										\$362,728													\$362,728	\$1,088,184
Bathroom Vanity Cabinet, Wood, with Cultured Marble Sink Top, 24 to 30", Replace	8.4	Apartment bathroom	1072840	20	20	0	113	EA	\$1,082.84	\$1,705.87	\$192,764	\$192,764																							\$192,764	\$385,528
Totals, Unescalated											\$18,607,291	\$1,353,596	\$0	\$0	\$0	\$1,121,037	\$0	\$0	\$618,014	\$0	\$621,334	\$0	\$0	\$0	\$0	\$0	\$0	\$1,263,380	\$618,014	\$0	\$0	\$0	\$7,435,647	\$31,638,313		
Totals, Escalated (3.0% inflation, compounded annually)											\$18,607,291	\$1,394,204	\$0	\$0	\$0	\$1,299,589	\$0	\$0	\$782,882	\$0	\$835,021	\$0	\$0	\$0	\$0	\$0	\$0	\$1,968,305	\$991,731	\$0	\$0	\$0	\$13,429,606	\$39,308,628		

\* Markup/LocationFactor (1.198) has been included in unit costs. Markup includes a 6.5% Design and Permits, 7% General Contractor Fees, Bond, Profit, Insurance, 6% General Requirements, 2% Housing Authority Management, and 10% Contingency factors applied to the location adjusted unit cost.

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## Certification

EMG has completed a Physical Needs Assessment (PNA) of the subject property, Las Deltas Public Housing – 49 Duplexes, located at 1601 North Jade Street in North Richmond, California 94801. The PNA Audit were performed on October 23, 2018.

The PNA were performed at the Housing Authority's request using methods and procedures consistent with good commercial and customary practice conforming to ASTM E2018-08, Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process. Within this Physical Needs Assessment Report, EMG's follows the ASTM guide's definition of User, that is, the party that retains EMG for the preparation of a baseline PNA of the subject property. A User may include, without limitation, a purchaser, potential tenant, owner, existing or potential mortgagee, lender, or property manager of the subject property.

This report has been prepared for and is exclusively for the use and benefit of the Client identified on the cover page of this report. The purpose for which this report shall be used shall be limited to the use as stated in the contract between the client and EMG.

This report, or any of the information contained therein, is not for the use or benefit of, nor may it be relied upon by any other person or entity, for any purpose without the advance written consent of EMG. Any reuse or distribution without such consent shall be at the client's or recipient's sole risk, without liability to EMG.

The opinions EMG expresses in this report were formed utilizing the degree of skill and care ordinarily exercised by any prudent architect or engineer in the same community under similar circumstances. EMG assumes no responsibility or liability for the accuracy of information contained in this report which has been obtained from the Client or the Client's representatives, from other interested parties, or from the public domain. The conclusions presented represent EMG's professional judgment based on information obtained during the course of this assignment. EMG's evaluations, analyses and opinions are not representations regarding the building design or actual value of the property. Factual information regarding operations, conditions and test data provided by the Client or their representative has been assumed to be correct and complete. The conclusions presented are based on the data provided, observations made, and conditions that existed specifically on the date of the assessment.

EMG certifies that EMG has no undisclosed interest in the subject property, EMG's relationship with the Client is at arm's-length, and that EMG's employment and compensation are not contingent upon the findings or estimated costs to remedy any deficiencies due to deferred maintenance and any noted component or system replacements.

EMG's PNA cannot wholly eliminate the uncertainty regarding the presence of physical deficiencies and the performance of a subject property's building systems. Preparation of a PNA in accordance with Public Housing Modernization Standards Handbooks 7485.2 is intended to reduce, but not eliminate, the uncertainty regarding the potential for component or system failure and to reduce the potential that such component or system may not be initially observed. This PNA was prepared recognizing the inherent subjective nature of EMG's opinions as to such issues as workmanship, quality of original installation, and estimating the remaining useful life of any given component or system. It should be understood that EMG's suggested remedy may be determined under time constraints, formed without the aid of engineering calculations, testing, exploratory probing, the removal of materials, or design. Furthermore, there may be other alternate or more appropriate schemes or methods to remedy the physical deficiency. EMG's opinions are generally formed without detailed knowledge from individuals familiar with the component's or system's performance.

Any questions regarding this report should be directed to Matthew Anderson at [manderson@emgcorp.com](mailto:manderson@emgcorp.com) at 800.733.0660, 7613.

**Prepared by:** Sebastiano Loreti,  
Field Observer

**Reviewed by:**




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James A. Cave  
Reviewer for  
Matthew Anderson  
Program Manager

# 1. Executive Summary

## 1.1. Summary of Findings

The Housing Authority of the County of Contra Costa contracted with EMG to conduct a Physical Needs Assessment (PNA) of the subject property, Las Deltas Public Housing – 49 Duplexes, located at 1601 North Jade Street in North Richmond, California 94801. The PNA was performed on October 23, 2018.

Structures Assessed:	Building Type	No. of Bldg.	No. of Stories	Apt. Units	Units Assessed	Date of Const. Phase-I	Date of Const. Phase-II	Size (SF):
Las Deltas – Phase 1	Multi-Family	20	1	40	7	1952	N/A	31,887
Las Deltas – Phase 2	Multi-Family	29	1	58	8	1959	N/A	45,420

The site area is approximately 7.05 acres.

### Summary of Physical Needs Assessment:

Generally, the property appears to have been constructed within industry standards in force at the time of construction, to have not been well maintained during recent years, and is in poor overall condition.

According to property management personnel, the property has had a limited capital improvement expenditure program over the past three years, primarily consisting of exterior façade repairs and painting. Supporting documentation was not provided but some of the work is evident.

There are a number of Priority Deficiency Costs that have been identified during the evaluation period. These needs are identified in the various sections of this report and are summarized in the attached Replacement Reserves Report.

## 1.2. Opinions of Probable Cost

This section provides estimates for the repair and capital reserves items noted within this Physical Needs Assessment (PNA).

These estimates are based on invoice or bid documents provided either by the Owner/facility and construction costs developed from construction resources such as *R.S. Means* and *Marshall & Swift*, EMG's experience with past costs for similar properties, city cost indexes, and assumptions regarding future economic conditions.

## 1.3. Viability Analysis

EMG reviewed the property for the reasonableness of the identified repair and renovation costs and the Long Term Viability of the development. The Long Term Viability review includes the following considerations:

- Are the repair and renovation costs identified for the greater than 57.14% (non-elevator building) of the HUD Total Development Cost (TDC) of a new development with the same number of apartments?
- Is the vacancy rate excessive? Typically above 15% is considered excessive.
- Is there a serious Structural Deficiency at the property? HUD's definition of a Structural Deficiency can include infrastructure as well as the building structure.

The property does not have Long Term Viability as defined by the Department of Housing and Urban Development. There are significant structural deficiencies and the repair and renovation costs exceed the cost thresholds noted above, which is \$17,986,671. (57.4% x \$31,335,664)

The repair and renovation costs identified in the Replacement Reserves Report for the property are \$20,001,495. Including design and a 10% contingency added to the cost.

The threshold dollar amount for needed repairs to be considered Not Viable is a percentage of the HUD TDC cost for Sacramento, California.

The long term viability recommendation is based upon the observed physical condition of the property at the time of EMG's visit and is subject to the possible effect of concealed conditions or the occurrence of extraordinary events such as natural disasters or other "acts of God" that may occur subsequent to the date of EMG's site visit.

## 1.4. Follow Up Recommendations

The following studies are recommended.

- Slabs in units 395 and 398 were observed to be cracked in the living rooms. A professional engineer must be retained to analyze the existing conditions to determine if these cracks indicate structural failures, provide recommendations and, if necessary, estimate the scope and cost of any required repairs. The cost of this study is included in the cost tables.

## 1.5. Methodology

### **Physical Needs Assessment:**

Based upon site observations, research, and judgment, along with referencing Expected Useful Life (EUL) tables from various industry sources, EMG opines as to when a system or component will most probably necessitate replacement. Accurate historical replacement records, if provided, are typically the best source of information. Exposure to the elements, initial quality and installation, extent of use, the quality and amount of preventive maintenance exercised, etc., are all factors that impact the effective age of a system or component. As a result, a system or component may have an effective age that is greater or less than its actual chronological age. The Remaining Useful Life (RUL) of a component or system equals the EUL less its effective age. Projections of Remaining Useful Life (RUL) are based on continued use of the Property similar to the reported past use. Significant changes in tenants and/or usage may affect the service life of some systems or components.

The evaluation period identified in this report is defined as 20 years.

The physical condition of building component to be repaired is typically defined as being in one of five categories: Priority One through Five. For the purposes of this report, the following definitions are used:

**Priority One** – These items are to be addressed as Immediate. Items in this category require immediate action and include corrective measures to:

1. Correct life safety and/or code hazards
2. Repair item permitting water leaks into the building or structure
3. Repair mold or mildew conditions
4. Down unit repairs
5. Further study investigations

**Priority Two** – These items are to be addressed within the next 1 year. Items in this category require corrective measures to:

1. Return a system to normal operation
2. Stop deterioration to other systems
3. Stop accelerated deterioration
4. Replace items that have reached or exceeded their useful service life
5. ADA/UFAS deficiencies

**Priority Three** – These items are to be addressed within the next 2-3 years. Items in this category, if not corrected expeditiously, will become critical in the next several years. Items in this category include corrective measures to:

1. Stop intermittent interruptions
2. Correct rapid deterioration
3. Replace items that will reach or exceed their useful service life
4. Correct functionality and/or aesthetic issues that are not critical

**Priority Four** – These items are to be addressed within the next 3-5 years. Items in this category include conditions requiring appropriate attention to preclude predictable deterioration or potential downtime and the associated damage or higher costs if deferred further.

**Priority Five** – These items are to be addressed within 6-20 years. Items in this category represent a sensible improvement to the existing conditions. These are not required for the most basic function of the facility; however, Priority 5 projects will improve overall usability and/or reduce long-term maintenance costs.

## 2. Physical Needs Assessment - Purpose and Scope

### 2.1. Purpose

The purpose of this Physical Needs Assessment (PNA) is to assist the Client in evaluating the physical aspects of this property and how its condition may affect the soundness of the Client's financial decisions over time. For this PNA, representative samples of the major independent building components were observed and their physical conditions were evaluated. This included site and building exteriors, representative interior common areas, and a representative sample of the apartment units. Apartment unit observations include a minimum of 50 percent of the vacant units and all of the down units.

The property management staff and code enforcement agencies were interviewed for specific information relating to the physical property, code compliance, available maintenance procedures, available drawings, and other documentation. The property's systems and components were observed and evaluated for their present condition. EMG completed the *Systems and Conditions Table*, which lists the current physical condition and estimated remaining useful life of each system and component present on the property, as observed on the day of the site visit. The estimated costs for repairs and/or capital reserves are included in the enclosed cost tables. All findings relating to these opinions of probable costs are included in the narrative sections of this report.

The physical condition of building systems and related components are typically defined as being in one of five conditions: Excellent, Good, Fair, Poor, Missing/Failed, or a combination thereof. For the purposes of this report, the following definitions are used:

Excellent	=	New or very close to new; component or system typically has been installed within the past year, sound and performing its function. Eventual repair or replacement will be required when the component or system either reaches the end of its useful life or fails in service.
Good	=	Satisfactory as-is. Component or system is sound and performing its function, typically within the first third of its lifecycle. However, it may show minor signs of normal wear and tear. Repair or replacement will be required when the component or system either reaches the end of its useful life or fails in service.
Fair	=	Showing signs of wear and use but still satisfactory as-is, typically near the median of its estimated useful life. Component or system is performing adequately at this time but may exhibit some signs of wear, deferred maintenance, or evidence of previous repairs. Repair or replacement will be required due to the component or system's condition and/or its estimated remaining useful life.
Poor	=	Component or system is significantly aged, flawed, functioning intermittently or unreliably; displays obvious signs of deferred maintenance; shows evidence of previous repair or workmanship not in compliance with commonly accepted standards; has become obsolete; or exhibits an inherent deficiency. The present condition could contribute to or cause the deterioration of contiguous elements or systems. Either full component replacement is needed or repairs are required to restore to good condition, prevent premature failure, and/or prolong useful life.
Missing/Failed	=	Component or system has either failed or is missing where it should be present. Replacement, repair, or addition of component(s) or system(s) is recommended or required.

Throughout sections 5 through 9 of this report, each report section will typically contain three subsections organized in the following sequence:

- A descriptive table (and/or narrative), which identifies the components assessed, their condition, and other key data points.
- A simple bulleted list of Anticipated Lifecycle Replacements, which lists components and assets typically in Excellent, Good, or Fair condition at the time of the assessment but that will require replacement or some other attention once aged past their estimated useful life. These listed components are typically included in the associated inventory database with costs identified and budgeted beyond the first several years.
- A bulleted cluster of Actions/Comments, which include more detailed narratives describing deficiencies, recommended repairs, and short term replacements. The assets and components associated with these bullets are/were typically problematic and in Poor or Missing/Failed condition at the time of the assessment, with corresponding costs included within the first few years.

### 2.2. Deviations from the ASTM E2018-15 Guide

ASTM E2018-15, *Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process* requires that any deviations from the Guide be so stated within the report. EMG's probable cost threshold limitation is reduced from the Guide's \$3,000 to \$2,000, thus allowing for a more comprehensive assessment on smaller scale properties. Therefore, EMG's opinions of probable costs that are individually less than a threshold amount of \$2,000 are omitted from this PNA. However, comments and estimated costs regarding identified deficiencies relating to life/safety or accessibility items are included regardless of this cost threshold.

In lieu of providing written record of communication forms, personnel interviewed from the facility and government agencies are identified in Section 2.5. Relevant information based on these interviews is included in Sections 2.5, 3.1, and other applicable report sections.

## 2.3. Additional Scope Considerations

Items required by ASTM E2018-15 and Fannie Mae's *Exhibit III Specific Guidance to the Property Evaluator* are included within the Physical Needs Assessment (PNA). Additional "non-scope" considerations were addressed at the recommendation of EMG and subsequent contract with the Client. These additional items are identified as follows:

- Property disclosure information was obtained from the EMG's Pre-Survey Questionnaire
- An assessment of accessibility utilizing EMG's Accessibility Checklist
- A limited visual assessment and review of the property for mold growth, conditions conducive to mold growth, and evidence of moisture in accessible areas of the property
- Provide a statement on the property's Remaining Useful Life
- Provide cross reference indexing between cost tables and report text
- Determination of FEMA Flood Plain Zone for single address properties

## 2.4. Personnel Interviewed

The following personnel from the facility and government agencies were interviewed in the process of conducting the PNA:

Name and Title	Organization	Phone Number
Robert Moore Development Director	Housing Authority of the County of Contra Costa	925.957.8025
Kelli Zenn Conservation and Development	Contra Costa County Building Department	925.674.7726
Steve Hill Public Information Officer	Contra Costa County Fire Department	925.941.3300

The PNA was performed with the assistance of Robert Moore, Development Director, Housing Authority of the County of Contra Costa, the on-site Point of Contact (POC), who was cooperative and provided information that appeared to be accurate based upon subsequent site observations. The on-site contact is completely knowledgeable about the subject property and answered most questions posed during the interview process. The POC's management involvement at the property has been for the past 20 years.

## 2.5. Documentation Reviewed

Prior to the PNA, relevant documentation was requested that could aid in the knowledge of the subject property's physical improvements, extent and type of use, and/or assist in identifying material discrepancies between reported information and observed conditions. The review of submitted documents does not include comment on the accuracy of such documents or their preparation, methodology, or protocol. The following documents were provided for review while performing the PNA:

- Site plan
- Unit List

No other documents were available for review. The Documentation Request Form is provided in Appendix E.

## 2.6. Pre-Survey Questionnaire

A Pre-Survey Questionnaire was sent to the POC prior to the site visit. The questionnaire is included in Appendix E. Information obtained from the questionnaire has been used in preparation of this PNA.

## 2.7. Weather Conditions

Weather conditions at the time of the site visit were clear, with temperatures in the 60s (°F) and light winds.

### 3. Code Information, Accessibility, and Mold

#### 3.1. Code Information and Flood Zone

According to the Contra Costa County Building Department, there are no outstanding building code violations on file. The Building Department does not have an annual inspection program. They only inspect new construction, work that requires a building permit, and citizen complaints. Copies of the original Certificates of Occupancy were requested but were not available.

A request for information (RFI) was sent to the Contra Costa County Fire Protection District to obtain information regarding frequency of inspections and if any outstanding fire code violation area on file. Any information received will be forwarded.

#### 3.2. ADA Accessibility

Section 504 of the Rehabilitation Act of 1973 is a Federal accessibility law that was enacted on June 2, 1988. Section 504 applies to multifamily properties that have 15 or more units. The property must have a minimum of five percent mobility accessible units and two percent of the units for visual / audio hearing impairments. Exceptions can be considered due to undue financial burdens or structural restrictions. However, the exceptions do not relieve the recipients from compliance utilizing other units/buildings or other methods to achieve reasonable accommodations.

Reasonable Accommodations as described in 24 CFR 8.4(b)(i), 8.24 and 8.33 are described as follows: When a family member requires an accessible feature(s) or policy modification to accommodate a disability, property owners must provide such feature(s) or policy modification unless doing so would result in a fundamental alteration in the nature of its program or result in a financial and administrative burden.

The Uniform Federal Accessibility Standard (UFAS) 24 CFR part 40 was adopted by HUD and made effective October 4, 1984. The UFAS applies only to new construction or to alterations to the existing buildings. Alterations are defined as work that costs 50 percent or more of the building's value when the work performed occurs within a twelve month period. Apartments modified for mobility impaired residents are to comply with UFAS.

Generally, Title III of the Americans with Disabilities Act (ADA) prohibits discrimination by entities to access and use of "areas of public accommodations" on the basis of disability. Generally the rental office and access from the site to the rental office must be maintained and operated to comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG). Buildings completed and occupied after January 26, 1992 are required to comply fully with ADAAG. Existing facilities constructed prior to this date are held to the lesser standard of complying to the extent allowed by structural feasibility and the financial resources available; otherwise a reasonable accommodation must be made.

During the PNA, observations and sample measurements for accessibility were conducted. The scope of the observations is set forth in the EMG Accessibility Checklist provided in Appendix D. It is understood by the Client that the observations described herein does not comprise an Accessibility Compliance Survey of every unit and only those units where access was provided by the client were reviewed. Only a representative sample of areas were observed and, other than as shown on the accessibility checklist, actual measurements were not taken to verify compliance.

The accessibility standards that apply to the Property are Section 504, UFAS and where applicable, the ADA for access to the rental office. Based on EMG's observations and interview of the Property Manager, the property is generally non-compliant with Section 504. Presently, none of the units are defined as accessible for individuals with mobility impairments according to property management. There are no units at present which have visual / audio modifications.

Based on EMG's assessment, the property is not in general compliance with the requirements of Section 504 and the ADA.

Based on EMG's assessment, an additional five units should be made accessible to residents with mobility impairments and two units should be modified for residents who have visual / audio impairments.

#### **Parking**

- Adequate number of designated parking stalls and signage for cars are not provided. Provide description of location where new stalls are required (adjacent to each accessible unit)

#### **Unit Accessibility**

- Modify five units to provide full mobility access. This should include clear floor space and adequate door clearance throughout the unit, kitchen and bathroom cabinets should have a cut out beneath the sink with knee protection, countertops should be constructed at the appropriate height, range controls should be within reach, and light switches/environmental controls should be located at the required heights.

**Hearing Impaired Units**

- Add visual alarm to existing audible fire alarm or smoke detector.
- Add light connection to doorbell or knocker at front door.

Corrections of these conditions should be addressed from a liability standpoint, but are not necessarily code violations. The UFAS and Americans with Disabilities Act Accessibility Guidelines concern civil rights issues as they pertain to the disabled and are not a construction code, although many local jurisdictions have adopted the Guidelines as such. The cost to address the achievable items noted above are detailed in the Replacement Reserves Report. Unless Life/Safety (Immediate Repair) is a concern, the accessible improvements are defined as short term improvements (Year 1).

**3.3. Mold**

As part of the PNA, EMG completed a limited, visual assessment for the presence of visible mold growth, conditions conducive to mold growth, or evidence of moisture in readily accessible areas of the property. EMG interviewed property personnel concerning any known or suspected mold contamination, water infiltration, or mildew-like odor problems.

This assessment does not constitute a comprehensive mold survey of the property. The reported observations and conclusions are based solely on interviews with property personnel and conditions observed in readily accessible areas of the property at the time of the assessment. Sampling was not conducted as part of the assessment.

Areas of suspect mold growth, moisture, and water damage were observed along the drywall and flooring in the following areas:

- 1763 Harold Street Unit #: 567, one to three inches of water on floor affecting finishes throughout the unit.
- 50 Market Avenue Unit #: 554, one to three inches of water on floor affecting finishes throughout the unit.

The mold and moisture condition appears to be the result of damaged piping from scavengers stealing the copper distribution piping. A cost allowance to repair the affected areas of mold is included.

## 4. Existing Building Evaluation

### 4.1. Apartment Unit Types and Unit Mix

The appendices contain floor plan illustrations, which graphically represent the various unit types. The gross area measurements in the chart below are an approximation, are based on information provided by on-site personnel, and are not based on actual measurements. Due to the varying methods that could be utilized by others to derive square footage, the area calculations in the chart below do not warrant, represent, or guarantee the accuracy of the measurements.

Apartment Unit Types And Mix		
Quantity	Type	Floor Area
29	1 Bedroom/ 1 Bathroom	571 SF
22	2 Bedroom/ 1 Bathroom	774 SF
32	3 Bedroom/ 1 Bathroom	860 SF
15	4 Bedroom/ 1.5 bathroom	1,080 SF
There are currently 98 down units.		
<b>98</b>	<b>TOTAL</b>	

### 4.2. Apartment Units Observed

Over twenty-five percent of the apartment units were observed in order to establish a representative sample and to gain a clear understanding of the property's overall condition. Other areas accessed included the exterior of the property. The following apartments were observed.

Apartment Units Observed					
Unit #	Floor	Type	Comments	Co Levels (PPM)	Gas Leak Detected
395	1 <sup>st</sup>	4 Bedroom/ 1.5 bathroom	Foundation crack. Wall damage. Copper piping and wiring missing.	NA	No
396	1 <sup>st</sup>	4 Bedroom/ 1.5 bathroom	Wall damage. Copper piping and wiring missing.	NA	No
397	1 <sup>st</sup>	4 Bedroom/ 1.5 bathroom	Wall damage. Copper piping and wiring missing.	NA	No
398	1 <sup>st</sup>	4 Bedroom/ 1.5 bathroom	Foundation crack. Wall damage. Copper piping and wiring missing.	NA	No
399	1 <sup>st</sup>	1 Bedroom/ 1 Bathroom	Wall damage. Copper piping and wiring missing.	NA	No
402	1 <sup>st</sup>	1 Bedroom/ 1 Bathroom	Fire damaged unit. Poor condition.	NA	No
430	1 <sup>st</sup>	1 Bedroom/ 1 Bathroom	Wall damage. Copper piping and wiring missing.	NA	No
533	1 <sup>st</sup>	3 Bedroom/ 1 Bathroom	Wall damage from vehicle driving into it. Wall damage. Copper piping and wiring missing.	NA	No
535	1 <sup>st</sup>	2 Bedroom/ 1 Bathroom	Wall damage. Copper piping and wiring missing.	NA	No
537	1 <sup>st</sup>	1 Bedroom/ 1 Bathroom	ADA unit. Flooding from broken piping. Wall damage. Copper piping and wiring missing.	NA	No
538	1 <sup>st</sup>	1 Bedroom/ 1 Bathroom	Wall damage. Copper piping and wiring missing.	NA	No

Apartment Units Observed					
Unit #	Floor	Type	Comments	Co Levels (PPM)	Gas Leak Detected
540	1 <sup>st</sup>	1 Bedroom/ 1 Bathroom	Wall damage. Copper piping and wiring missing.	NA	No
554	1 <sup>st</sup>	4 Bedroom/1.5 Bathroom	Flooding from broken piping. Wall damage. Copper piping and wiring missing. Foundation crack.	NA	No
558	1 <sup>st</sup>	4 Bedroom/1.5 Bathroom	Wall damage. Copper piping and wiring missing.	NA	No
567	1 <sup>st</sup>	2 Bedroom/1 Bathroom	Flooding from broken piping. Wall damage. Copper piping and wiring missing.	NA	No
573	1 <sup>st</sup>	2 Bedroom/ 1 Bathroom	Fire damaged unit. Poor condition.	NA	No

All areas of the property were available for observation during the site visit.

A “down unit” is a term used to describe a non-rentable apartment unit due to poor conditions such as fire damage, water damage, missing appliances, damaged floor, wall or ceiling surfaces, or other significant deficiencies. According to the POC, all apartments on site are down units.

## 5. Site Improvements

### 5.1. Utilities

The following table identifies the utility suppliers and the condition and adequacy of the services.

Site Utilities		
Utility	Supplier	Condition and Adequacy
Sanitary sewer	West County Sanitation	Good
Storm sewer	West County Sanitation	Good
Domestic water	East Bay Municipal Utility District (EBMUD)	Good
Electric service	Pacific Gas and Electric (PG&E)	Good
Natural gas service	Pacific Gas and Electric (PG&E)	Good

#### Actions/Comments:

- According to the POC, the utilities provided are adequate for the property. There are no unique, on-site utility systems such as emergency electrical generators, septic systems, water or waste water treatment plants, or propane gas tanks.

### 5.2. Parking, Paving, and Sidewalks

Item	Description
Main Ingress and Egress	West Ruby Street First Street West Grove Avenue Silver Avenue Jade Street Harold Street Market Avenue Warren Drive
Access from	Multiple locates on the east,north and south

Paving and Flatwork			
Item	Material	Last Work Done	Condition
Entrance Driveway Apron	Concrete	Circa 1995	Good
Parking Lot	Concrete/Asphalt	Circa 1995	Good/Fair
Drive Aisles	Asphalt	Circa 1995	Good
Service Aisles	Asphalt	Circa 1995	Fair
Sidewalks	Cast In Place Concrete	Circa 1995	Fair
Curbs	Cast in Place Concrete	Circa 1995	Good
Pedestrian Ramps	Cast in Place Concrete	Circa 1995	Good

Parking Count				
Open Lot	Carport	Private Garage	Subterranean Garage	Freestanding Parking Structure
98	-	-	-	-
Number of ADA Compliant Spaces			0	
Number of ADA Compliant Spaces for Vans			0	
Total Parking Spaces			98	
Parking Ratio (Spaces/Apartments)			1.0	
Method of obtaining parking count			Physical count	

Exterior Stairs			
Location	Material	Handrails	Condition
Not Applicable	None	None	--

**Anticipated Lifecycle Replacements:**

- Concrete pavement
- Asphalt pavement
- Concrete sidewalks

**Actions/Comments:**

- The single-story duplex buildings in the Phase 1 section each have a concrete driveway for parking one vehicle at each apartment unit. The duplexes at phase 2 have an asphalt paved parking spot.
- The concrete and asphalt driveways have isolated areas of cracks throughout the property. The concrete and asphalt pavement will require replacement.
- The concrete access sidewalks are in fair condition with cracking and vertically displaced sections observed throughout the site. The access sidewalks will require replacement.
- According to the POC, the asphalt paved streets and concrete sidewalks surrounding each building is the responsibility of the city to maintain and replace.

**5.3. Drainage Systems and Erosion Control**

Drainage System and Erosion Control		
System	Exists at Site	Condition
Surface Flow	<input type="checkbox"/>	--
Inlets	<input checked="" type="checkbox"/>	Good
Swales	<input type="checkbox"/>	--
Detention pond	<input type="checkbox"/>	--

Drainage System and Erosion Control		
System	Exists at Site	Condition
Lagoons	<input type="checkbox"/>	--
Ponds	<input type="checkbox"/>	--
Underground Piping	<input checked="" type="checkbox"/>	Good
Pits	<input type="checkbox"/>	--
Municipal System	<input checked="" type="checkbox"/>	Good
Dry Well	<input type="checkbox"/>	--

**Anticipated Lifecycle Replacements:**

- No components of significance.

5.4. Topography and Landscaping

Item	Description						
Site Topography	The property is relatively flat.						
Landscaping	Trees	Grass	Flower Beds	Planters	Drought Tolerant Plants	Decorative Stone	None
	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Irrigation	Automatic Underground		Drip		Hand Watering		None
	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input checked="" type="checkbox"/>

Retaining Walls		
Type	Location	Condition
None		--

Surrounding properties include residential developments.

**Anticipated Lifecycle Replacements:**

- No items of significance

**Actions/Comments:**

- The topography and adjacent uses do not appear to present conditions detrimental to the property. There are no significant areas of erosion.
- The irrigation system is no longer used and the landscaped features are no longer maintained. A cost is included to cut the grass, prune the trees, and remove any dead or dying landscaping.

5.5. General Site Improvements

Property Signage	
Property Signage	Building Mounted
Street Address Displayed?	Yes

Site and Building Lighting					
Site Lighting	None	Pole Mounted	Bollard Lights	Ground Mounted	Parking Lot Pole Type
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Building Lighting	None		Wall Mounted	Recessed Soffit	
	<input type="checkbox"/>		<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Site Fencing		
Type	Location	Condition
Chain link with metal posts	West elevation	Fair
Stucco covered masonry walls	West elevation	Good
Painted wrought iron metal	Around most units	Fair

Refuse Disposal				
Refuse Disposal	Individual Garbage Bins			
Dumpster Locations	Mounting	Enclosure	Contracted?	Condition
Not Applicable	None	None	No	--

Other Site Amenities			
	Description	Location	Condition
Playground Equipment	None	--	--
Tennis Courts	None	--	--
Basketball Court	None	--	--
Swimming Pool	None	--	--

***Anticipated Lifecycle Replacements:***

- Site pole lighting

***Actions/Comments:***

- The wrought iron site fencing has isolated areas of the fence that are bent or missing. Repair/replacement of some sections of fence, is required.

## 6. Building Architectural and Structural Systems

### 6.1. Foundations

Building Foundation		
Item	Description	Condition
Floor	Concrete Slab on grade	Good/Poor
Footings	Concrete perimeter footings	Good
Basement and Crawl Space	None	--

**Anticipated Lifecycle Replacements:**

- No components of significance

**Actions/Comments:**

- The foundations and footings cannot be directly observed. However, there are isolated areas of cracked slabs (living room floors of units 395 and 398). This condition typically indicates excessive settlement or other potential problems with the slab or foundation system. A Professional Engineer with specific expertise in structural design and construction in this geographical area must be retained to evaluate the structure and to provide remedial recommendations consistent with local regulatory and code requirements. Costs are included as part of section 1.2. A cost allowance to correct these conditions is included in the tables as part of this section.

### 6.2. Superstructure

Building Superstructure		
Item	Description	Condition
Framing	Conventional Wood Framing- Load bearing walls	Good
Upper Floors	None	--
Roof Structure	Wood Trusses	Good
Roof Sheathing	Plywood	Good

**Anticipated Lifecycle Replacements:**

- No components of significance

**Actions/Comments:**

- The superstructure is exposed in some locations, which allows for limited observation. Walls and floors appear to be plumb, level, and stable. There are no significant signs of deflection or movement.

### 6.3. Roofing

Phase 1 Roofs			
Type	Gable Roof	Finish	Standing seam metal panels
Maintenance	Outside Contractor	Roof Age	1980s
Flashing	Sheet metal	Warranties	Not Reported
Parapet and Copings	None	Roof Drains	Edge drainage to ground
Fascia	Wood	Insulation	Fiberglass batts
Soffits	Concealed Soffits	Skylights	No
Attics	Wood joists with plywood sheathing	Ponding	No
Ventilation Source-1	Soffit Vents	Leaks Observed	No
Ventilation Source-2	Gable end vents	Roof Condition	Fair

The phase 1 roofs are observed at all duplexes on the south side of Silver Avenue.

Phase 2 Roofs			
Type	Gable Roof	Finish	Built-up membrane
Maintenance	Outside Contractor	Roof Age	Early to mid-1980s
Flashing	Sheet metal	Warranties	Not Reported
Parapet and Copings	None	Roof Drains	Edge drainage to ground
Fascia	Wood	Insulation	Fiberglass batts
Soffits	Concealed Soffits	Skylights	No
Attics	Wood joists with plywood sheathing	Ponding	No
Ventilation Source-1	Soffit Vents	Leaks Observed	No
Ventilation Source-2	Gable end vents	Roof Condition	Fair

The phase 2 roofs are located at all duplexes north of Silver Avenue.

#### **Anticipated Lifecycle Replacements:**

- Standing seam metals roof

#### **Actions/Comments:**

- The roof finishes were reportedly installed in the mid-1980s and appear to be more than 30 years old. Information regarding roof warranties or bonds was not available.
- According to the POC, there are no active roof leaks. There is no evidence of active roof leaks.
- There is no evidence of roof deck or insulation deterioration. The roof substrate and insulation should be inspected during any future roof repair or replacement work.

- The attics are not accessible and it could not be determined if there is moisture, water intrusion, or excessive daylight in the attics. The insulation in the attics appears to be mostly adequate. In several units where the ceiling had been damaged to get to concealing wiring and piping the insulation has fallen from the attic. The insulation in these units will require replacements as needed and can be completed as part of the property's routine maintenance program.
- The built-up roofing membranes covering the phase II roofs have reached the ends of their useful lives requiring replacement.

#### 6.4. Exterior Walls

Building Exterior Walls		
Type	Location	Condition
Primary Finish	Stucco	Good/Poor
Accented With	Wood trim	Good/Fair
Soffits	Concealed	Good

Building sealants (caulking) are located between dissimilar materials, at joints, and around window and door openings.

#### **Anticipated Lifecycle Replacements:**

- Exterior paint

#### **Actions/Comments:**

- The east facing exterior wall of unit 533 has significant damage from a vehicle colliding with it. The damaged finishes must be repaired. In addition to these repairs, the exterior walls will require painting.

#### 6.5. Exterior and Interior Stairs

Not applicable. There are no exterior or interior stairs.

#### 6.6. Windows and Doors

Building Windows				
Window Framing	Glazing	Location	Window Screen	Condition
Metal framed sliding units	Single glaze	Apartment windows	<input checked="" type="checkbox"/>	Good/Poor

Building Doors						
Apartment Doors	Door Type			Condition		
	Solid Core Wood			Poor		
	Cylindrical Lockset	Handle	Security Chain	Deadbolts	Spy-Eyes	Door Knockers
	Yes	Lever	No	Keyed	Yes	No

Building Doors		
	Door Type	Condition
Apartment Screen Doors	Screen Door	--
Apartment Patio Door	None	--
Service Door	None	--
Main building Entrance Door	None	--

**Anticipated Lifecycle Replacements:**

- Screen doors

**Actions/Comments:**

- The windows are antiquated, energy-inefficient units with single-pane glazing. Most of the units have been damaged from squatters entering the apartments. Complete window replacement is recommended.
- The front and rear apartment doors and screen doors have been removed for the instillation of the VPS (vacant property security) system. The missing doors must be replaced.

**6.7. Patio, Terrace, and Balcony**

Building Patio, Terrace and Balcony			
Type	Description	Enclosure	Condition
Ground Floor Patio	Concrete	None	Good
Upper Level Balcony	None	None	--
Balcony Decks	None	None	--
Exterior Stairs	None	None	--

**Actions/Comments:**

- No significant repair actions or short term replacement costs are required. Routine and periodic maintenance is recommended.

**6.8. Common Areas and Interior Finishes**

Not applicable. There are no interior common areas.

## 7. Building Mechanical and Electrical Systems

### 7.1. Building Heating, Ventilating, and Air Conditioning (HVAC)

Not applicable, there are no central heating, venting or air conditioning system.

### 7.2. Building Plumbing

Building Plumbing System		
Type	Description	Condition
Water Supply Piping	Copper	Poor
Waste/Sewer Piping	Cast Iron Pipe/ABS	Good
Vent Piping	ABS Pipe	Good
Water Meter Location	Vaults	

Domestic Water Heaters or Boilers	
Component(s)	Not Applicable. Individual water heaters are located in each unit.

Common Area Plumbing Fixtures	
Water Closets	Not Applicable. There are no common area plumbing fixtures

#### **Actions/Comments:**

- Scavengers have destroyed and removed the copper piping in each unit. Partial and in most cases full replacement of the copper distribution piping of each unit is required.

### 7.3. Building Gas Distribution

Gas service is supplied from the gas mains on the adjacent public streets. The gas meters and regulators are located along the exterior walls of the buildings. The gas distribution piping within each building is malleable steel (black iron).

#### **Anticipated Lifecycle Replacements:**

- No components of significance

#### **Actions/Comments:**

- The pressure and quantity of gas appear to be adequate.
- The gas meters and regulators appear to be functioning adequately and will require routine maintenance.
- Only limited observation of the gas distribution piping can be made due to hidden conditions.

## 7.4. Building Electrical

Building Electrical Systems			
Electrical lines run	Overhead	Transformer	Pole-mounted
Service size (Amps)	100 Amps to each unit	Volts	120/240 Volt, single-phase
Meter and panel location	Exterior	Branch wiring	Copper
Conduit	Metallic	Circuit Breaker Panel	Located in each unit
Number of Buildings	Multiple	Building Intercom System	No
Distribution Condition	Poor		
Panel and Transformer Condition	Good		
Lighting Condition	Poor		

Building Emergency System			
Size (kVA or kW)	None	Fuel	None
Generator Serves	-	Tank location	-
Testing frequency	-	Tank type	None
Generator Condition	--		

### **Anticipated Lifecycle Replacements:**

- Smoke detectors

### **Actions/Comments:**

- The on-site electrical systems up to the meters are owned and maintained by the respective utility company.
- The exterior lights above each unit entry door are missing entirely at some units and do not provide adequate lighting where still present. Replacement is required.
- The vast majority of electrical components within the buildings, including the circuit breaker panels and wiring, have been vandalized and removed. A complete electrical rewiring of each unit, replacement of breaker panels, electrical meters, and outlets is required to restore adequate service.

## 7.5. Building Elevators and Conveying Systems

Not applicable. There are no elevators or conveying systems.

7.6. Fire Protection Systems

Item	Description					
Type	None					
Fire Alarm System	None	<input type="checkbox"/>	Battery Operated Smoke Detectors	<input checked="" type="checkbox"/>	Strobe Light Alarms	<input type="checkbox"/>
	Central Alarm Panel	<input type="checkbox"/>	Hard-wired Smoke Detectors	<input checked="" type="checkbox"/>	Illuminated EXIT Signs	<input type="checkbox"/>
	Battery backup Light Fixtures	<input type="checkbox"/>	Hard-wired Smoke Detectors/ with battery Backup	<input type="checkbox"/>	Annunciator Panels	<input type="checkbox"/>
Sprinkler System	None	<input checked="" type="checkbox"/>	Standpipes	<input type="checkbox"/>	Flow Switches	<input type="checkbox"/>
	Pull Station	<input type="checkbox"/>	Fire Pumps	<input type="checkbox"/>	Siamese Connections	<input type="checkbox"/>
	Alarm horns	<input type="checkbox"/>	Backflow Preventer	<input type="checkbox"/>	Hose Cabinets	<input type="checkbox"/>
Central Alarm Panel System	Location of Alarm Panel			Age of Alarm panel		
	N/A			-		
Fire Extinguishers	Last Service Date			Estimated Quantity		
	-			-		
Hydrant Location	Along the adjacent public roadways					
Siamese Location	N/A					
Special Systems	Kitchen Suppression System		<input type="checkbox"/>	Computer Rm. Suppression System		<input type="checkbox"/>

**Actions/Comments:**

- Smoke detectors have been removed from each unit. The detectors will need to be replaced in the bedroom and hallway of every unit.

## 8. Dwelling Units

### 8.1. Interior Finishes

The following table generally describes the interior finishes in the apartment units:

Typical Apartment Finishes			
Room	Floor	Walls	Ceiling
Living room	Vinyl Tile	Painted Drywall	Painted drywall
Kitchen	Vinyl Tile	Painted Drywall	Painted drywall
Bedroom	Vinyl Tile	Painted Drywall	Painted drywall
Bathroom	Sheet vinyl / Vinyl tile	Painted drywall / Ceramic tile tub surround	Painted drywall
Hallways	Vinyl Tile	Painted Drywall	Painted drywall
Overall General Condition	Fair/Poor	Poor	Poor

Apartment Interior Doors		
Item	Type	Condition
Interior Doors	Hollow Core Wooden	Fair/Poor
Door Framing	Wooden	Fair
Closet Doors-Type1	Hollow Core Wooded	Fair/Poor
Closet Doors-Type2	None	--

**Anticipated Lifecycle Replacements:**

- Interior paint
- Counter tops

**Actions/Comments:**

- Due to of fire damage at units 402 and 573, significant water damage at units 554 and 567, missing appliances and damaged casework and walls at the remaining units, all units are considered down units at the property. A cost allowance to restore the interior finishes including floor finishes, wall and ceilings, interior paint, and interior doors is included.

## 8.2. Dwelling Appliances

Each apartment unit kitchen typically includes the following appliances:

Apartment Kitchen Appliances				
Item	Type			Condition
Refrigerator	Frost-free	Non-Energy Star	15 Cuft	Poor
Cooking Range	Natural gas			Poor
Range Hood	Ducted			Poor
Dishwasher	Not provided			--
Food Disposer	Not provided			--
Kitchen Cabinet	Painted Wood			Poor
Kitchen Countertop	Plastic laminated wood			Poor
Apartment Laundry	Tenant Provided, only Hookups Provided			

### Anticipated Lifecycle Replacements:

- Refrigerators
- Ranges
- Range hoods
- Kitchen countertops

### Actions/Comments:

- Similar to the apartment unit finishes, the kitchen appliances, cabinets and countertops have all been removed or vandalized. Apartment unit renovations that include appliances, cabinetry and countertop replacement are required as part of the overall facility rehabilitation.

## 8.3. HVAC

Apartment Heating System						
Primary Heating System Type	Forced Air Furnace or Wall Mounted Heater (1 Bedroom Units)					
Heating Fuel	Natural Gas					
Heating System Types	<b>0-Bed</b>	<b>1-Bed</b>	<b>2-Bed</b>	<b>3-Bed</b>	<b>4-bed</b>	<b>5-Bed</b>
Input Capacity	-	40MBh	40MBH	60MBh	75MBH	-
Manufactured Rated Efficiency	-	80%	80%	80%	80%	-
Age	-	5-30 yrs	5-30 yrs	5-30 yrs	5-30 yrs	-
Heating Plant Condition	--	Poor	Poor	Poor	Poor	--

Apartment Cooling System	
Primary Cooling System Type	None, dwelling units not provided with air conditioning

Natural ventilation is provided by operable windows. Mechanical ventilation is provided in the bathrooms by ceiling exhaust fans.

**Anticipated Lifecycle Replacements:**

- HVAC furnaces and heaters

**Actions/Comments:**

- The HVAC systems are maintained by the in-house maintenance staff. Records of the installation, maintenance, upgrades, and replacement of the HVAC equipment at the property have not been maintained since the property was first occupied.
- Almost all observed forced air furnaces and wall heaters had either some level of vandalization or were completely missing. Total replacement of each unit's heating system will be required.

#### 8.4. Plumbing

Apartment Plumbing Fixtures		
Item	Type	Condition
Bath Tub	Enameled Steel	Fair/Poor
Tub/Shower Surround	Ceramic Tile	Fair/Poor
Water Closet (GPF)	1.28 GPF	Fair/Poor
Bathroom Faucet (GPM)	1.0 GPM	Fair/Poor
Shower head (GPM)	1.5 GPM	Fair/Poor
Kitchen Faucet (GPM)	1.0 GPM	Fair/Poor
Bathroom Vanity Cabinet	Wooden	Fair/Poor

Domestic Water Heater	
Domestic Water Heater	Gas Fired Storage Tank
Water Heater Volume	30-40 gal
Input Capacity	35,000 Btuh
Water Heater Location	Interior closet
Set point Temperature	122F
DWH Condition	Poor

**Anticipated Lifecycle Replacements:**

- Water heaters
- Vanity cabinet and sink
- Bath tub and surround
- Kitchen sinks

- Toilets

**Actions/Comments:**

- Several of the water heaters were observed to be damaged or were missing vital components. All of the water heaters will require replacement.
- Similar to the apartment unit finishes, the unit bathroom fixtures, cabinets, and vanities are damaged and or missing entirely. Apartment unit renovations that include bathroom fixture and accessory replacement are recommended.

## 8.5. Electrical

The electrical service to each apartment unit is 100 amps. A circuit breaker panel inside each unit supplies the HVAC system, appliances, receptacles and light fixtures.

Apartment Electrical Service	
Electric Service Rating to Each Apt.	100 Amps
Circuit Breaker Panel in Each Apt.	<input checked="" type="checkbox"/>
GFCI Plug in Kitchen	<input checked="" type="checkbox"/>
GFCI Plug in Bathrooms	<input checked="" type="checkbox"/>

The apartment units have incandescent and fluorescent light fixtures. Each apartment unit has at least one cable television outlet and telephone jack. The table below provides the typical light fixtures observed in the apartments.

Apartment Lighting Fixtures		
Location	Typical Lamp Type	ECM
Living Room	incandescent CFL or missing	<input type="checkbox"/>
Kitchen	incandescent CFL or missing	<input type="checkbox"/>
Bedrooms	incandescent CFL or missing	<input type="checkbox"/>
Hallways	incandescent CFL or missing	<input type="checkbox"/>
Bathrooms	incandescent CFL or missing	<input type="checkbox"/>
Entry and Patio	incandescent CFL or missing	<input type="checkbox"/>

**Anticipated Lifecycle Replacements:**

- No items of significance

**Actions/Comments:**

- The vast majority of electrical components within the units, including the circuit breaker panels, outlets, and wiring, have been damaged or completely removed. A full modernization/upgrade is recommended to the interior electrical infrastructure as described and included in Section 7.4.

## 8.6. Furniture, Fixtures and Equipment (FF&E)

Not applicable. There are no furnished apartments.

## 9. Other Structures

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Not applicable. There are no major accessory structures.

## 10. Appendices

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Appendix A: Photographic Record

Appendix B: Site and Floor Plans

Appendix C: Supporting Documentation

Appendix D: Site Cost Tables

Appendix E: EMG Accessibility Checklist

Appendix F: Pre-Survey Questionnaire

Appendix G: Acronyms

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## **Appendix A: Photographic Record**

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#1	EXTERIOR ELEVATION
----	--------------------



#2	EXTERIOR ELEVATION
----	--------------------



#3	EXTERIOR ELEVATION
----	--------------------



#4	EXTERIOR ELEVATION
----	--------------------



#5	PEDESTRIAN PAVEMENT, SIDEWALK, CONCRETE
----	--



#6	PARKING LOTS, ASPHALT PAVEMENT
----	-----------------------------------



#7	PARKING LOTS, ASPHALT PAVEMENT
----	--------------------------------



#8	PARKING LOTS, CONCRETE PAVEMENT
----	---------------------------------



#9	FENCING
----	---------



#10	DAMAGED FENCE
-----	---------------



#11	LIGHT FIXTURE, EXTERIOR
-----	-------------------------



#12	CRACKED INTERIOR SLAB
-----	-----------------------



#13	CRACKED INTERIOR SLAB
-----	-----------------------



#14	ROOF, BUILT-UP
-----	----------------



#15	ROOF, METAL
-----	-------------



#16	ROOF, METAL
-----	-------------



#17	SOFFIT
-----	--------



#18	EXTERIOR WALLS
-----	----------------



#19	DAMGED EXTERIOR STUCCO
-----	------------------------



#20	DAMAGED EXTERIOR STUCCO
-----	-------------------------



#21	EXTERIOR DOOR
-----	---------------



#22	EXTERIOR DOOR
-----	---------------



#23	WINDOWS, EXTERIOR
-----	-------------------



#24	WINDOWS, EXTERIOR
-----	-------------------



#25	FURNACE
-----	---------



#26	HEATER
-----	--------



#27	HEATER
-----	--------



#28	WATER HEATER
-----	--------------



#29	WATER HEATER
-----	--------------



#30	PLUMBING SYSTEM
-----	-----------------



#31	PLUMBING SYSTEM
-----	-----------------



#32	PLUMBING SYSTEM
-----	-----------------



#33	PLUMBING SYSTEM
-----	-----------------



#34	ELECTRICAL DISTRIBUTION SYSTEM
-----	--------------------------------



#35	ELECTRICAL DISTRIBUTION SYSTEM
-----	--------------------------------



#36	SMOKE DETECTOR
-----	----------------



#37	SMOKE DETECTOR
-----	----------------



#38	INTERIOR FLOOR FINISH
-----	-----------------------



#39	INTERIOR FLOOR FINISH
-----	-----------------------



#40	INTERIOR FLOOR FINISH
-----	-----------------------



#41	INTERIORS
-----	-----------



#42	INTERIORS
-----	-----------



#43	INTERIOR CEILING
-----	------------------



#44	INTERIOR FINISHES
-----	-------------------



#45	INTERIOR FINISHES
-----	-------------------



#46	MOLD/BIOLOGICAL GROWTH
-----	------------------------



#47	MOLD/BIOLOGICAL GROWTH
-----	------------------------



#48	INTERIORS
-----	-----------



#49	INTERIOR DOORS
-----	----------------



#50	RESIDENTIAL APPLIANCES
-----	------------------------



#51	RESIDENTIAL APPLIANCES
-----	------------------------



#52	KITCHEN CABINETS
-----	------------------



#53	KITCHEN COUNTERS
-----	------------------



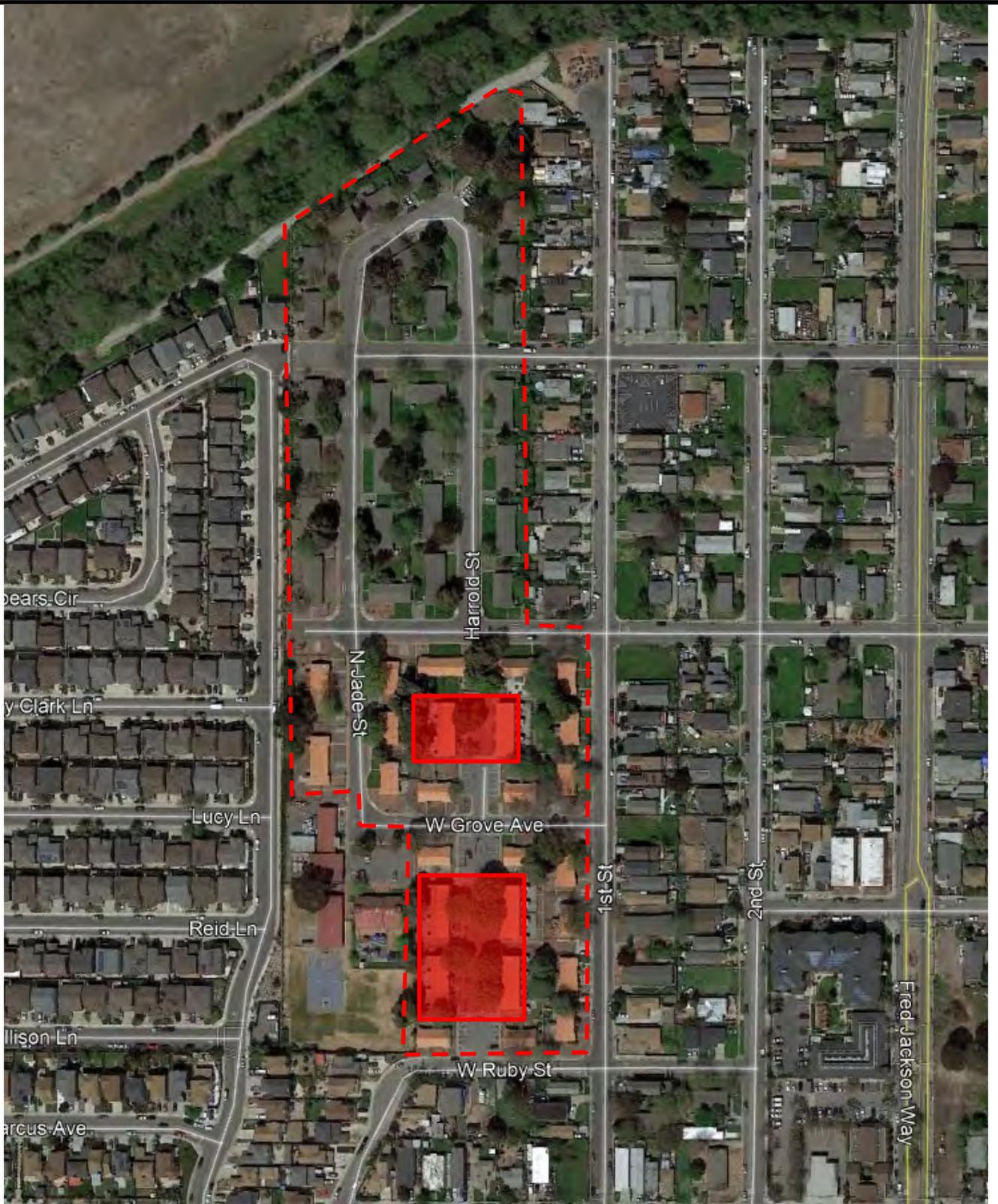
#54	KITCHEN COUNTERS
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## **Appendix B: Site and Floor Plans**

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### Site Plan

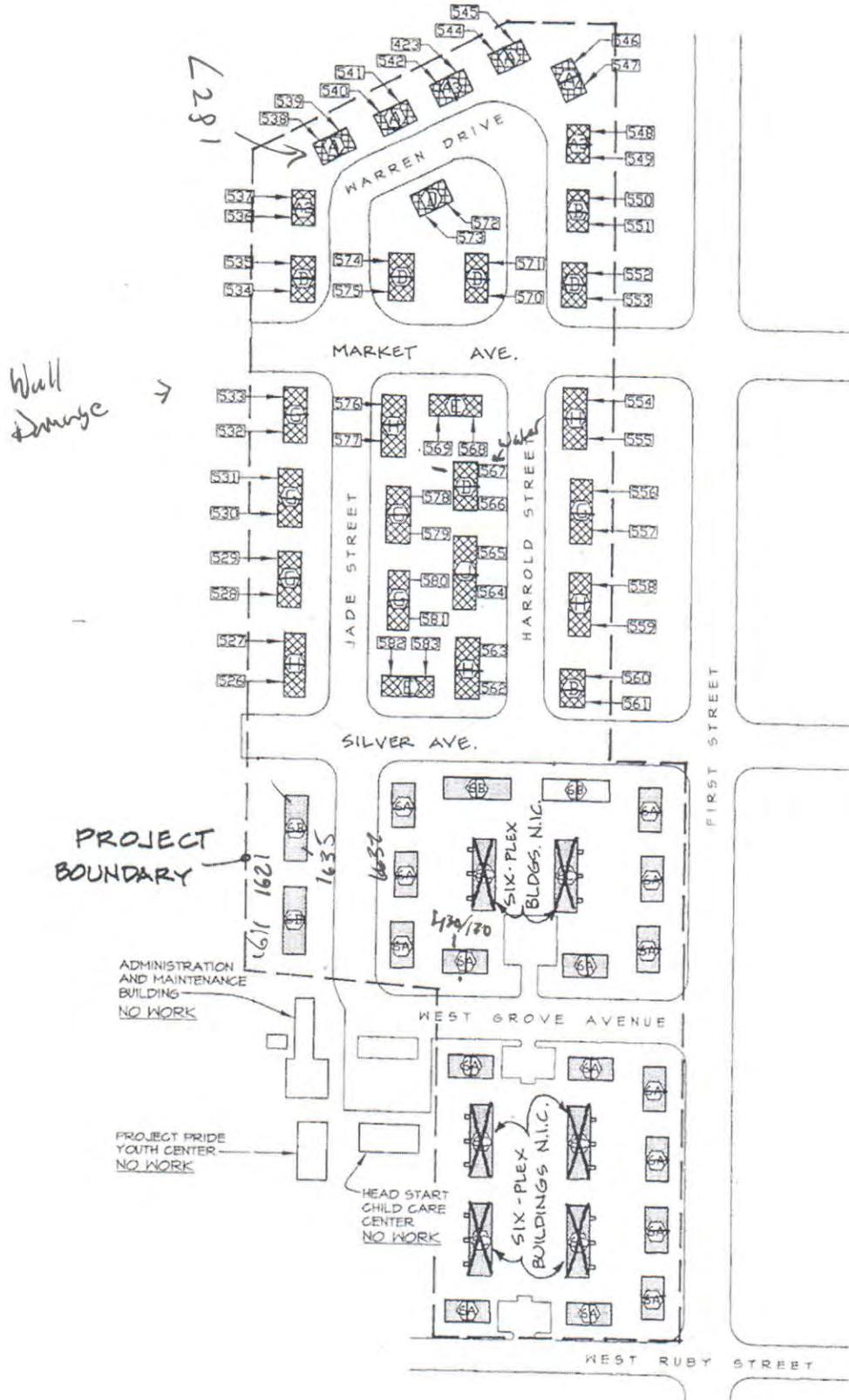


**Project Name:**  
Las Deltas Public Housing – 49 Duplexes

**Project Number:**  
132461.18R000-003.052

**Source:**  
Google Maps

**On-Site Date:**  
October 23, 2018



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## **Appendix C: Supporting Documentation**

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The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0075. There is no personal information contained in this application. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when disclosure is not required. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

This information is required as a supplement to the HUD-52860 for all SAC applications that propose a demolition under 24 CFR 970.15 or a disposition under 24 CFR 970.17 based on physical obsolescence. HUD will use this information to determine whether, and under what circumstances, to approve SAC applications as well as to track removals for other record keeping requirements. Responses to this collection of information are statutory and regulatory to obtain a benefit. All terms not defined in this form have the meanings as 24 CFR part 970 and PIH notice 2018-04 (or any replacement notice). The information requested does not lend itself to confidentiality.

1. SAC Application Number in IMS/PIC **DDA** \_\_\_\_\_  
Project (AMP) Name & Number in IMS/PIC \_\_\_\_\_

**2. Total Development Cost (TDC) Calculation**

Based on HUD Notice **PIH-516391410-133** Year: **2018** For Locality **Sacramento, California**

Complete the calculations below for the unit proposed for demolition and/or disposition based on physical obsolescence:

Size - Type	Number of units	Times	TDC Per Unit	= TDC
0 - Bdr Detached and Semi detached	0	X	0	0
0 - Bdr Row Dwelling		X		0
0 - Bdr Walk-Up		X		0
0 - Bdr elevator		X		0
1 - Bdr Detached and Semi detached	29	X	\$248,681	\$7,211,749
1 - Bdr Row Dwelling		X		0
1 - Bdr Walk-Up		X		0
1 - Bdr elevator		X		0
2 - Bdr Detached and Semi detached	22	X	\$297,336	\$6,541,392
2 - Bdr Row Dwelling		X		0
2 - Bdr Walk-Up		X		0
2 - Bdr elevator		X		0
3 - Bdr Detached and Semi detached	32	X	\$354,249	\$11,335,968
3 - Bdr Row Dwelling		X		0
3 - Bdr Walk-Up		X		0
3 - Bdr Elevator		X		0
4 - Bdr Detached and Semi detached	15	X	\$416,437	\$6,248,555
4 - Bdr Row Dwelling		X		0
4 - Bdr Walk-Up		X		0
4 - Bdr Elevator		X		0
5 - Bdr Detached and Semi detached		X		0
5 - Bdr Row Dwelling		X		0
5 - Bdr Walk-Up		X		0
5 - Bdr Elevator		X		0
6 - Bdr Detached and Semi detached		X		0
6 - Bdr Row Dwelling		X		0
6 - Bdr Walk-Up		X		0
6 - Bdr Elevator		X		0
<b>Total Units</b>	<b>98</b>			<b>0</b>

**3. Estimated Cost of Rehabilitation**

Attach a document showing rehabilitation needs by line item and dollar amount

**\$31,335,555**

4. Rehabilitation Cost % (estimated cost of Rehabilitation/Total TDC) x 100 =

**63.83%**

**Instructions Form HUD-52860-B**

Refer to SAC website at [www.hud.gov/sac](http://www.hud.gov/sac) for more information

PHAs proposing to demolish or dispose of public housing developments based on physical obsolescence under 24 CFR part 970 must complete this HUD-52860-B in order to demonstrate to HUD that no reasonable program of modification is cost-effective to return the development to their useful life.

**Item 1:** Insert the number of the PIH Notice from which the PHA extracted the Total Development Cost (TDC) data. The year of the PIH Notice should coincide with the year the rehabilitation estimate was generated, which should not be more than two years prior to the SAC application submission date. Insert the name of the nearest locality to the proposed developments.

**Item 2:** TDC Calculation: Complete the TDC calculation for the proposed developments.

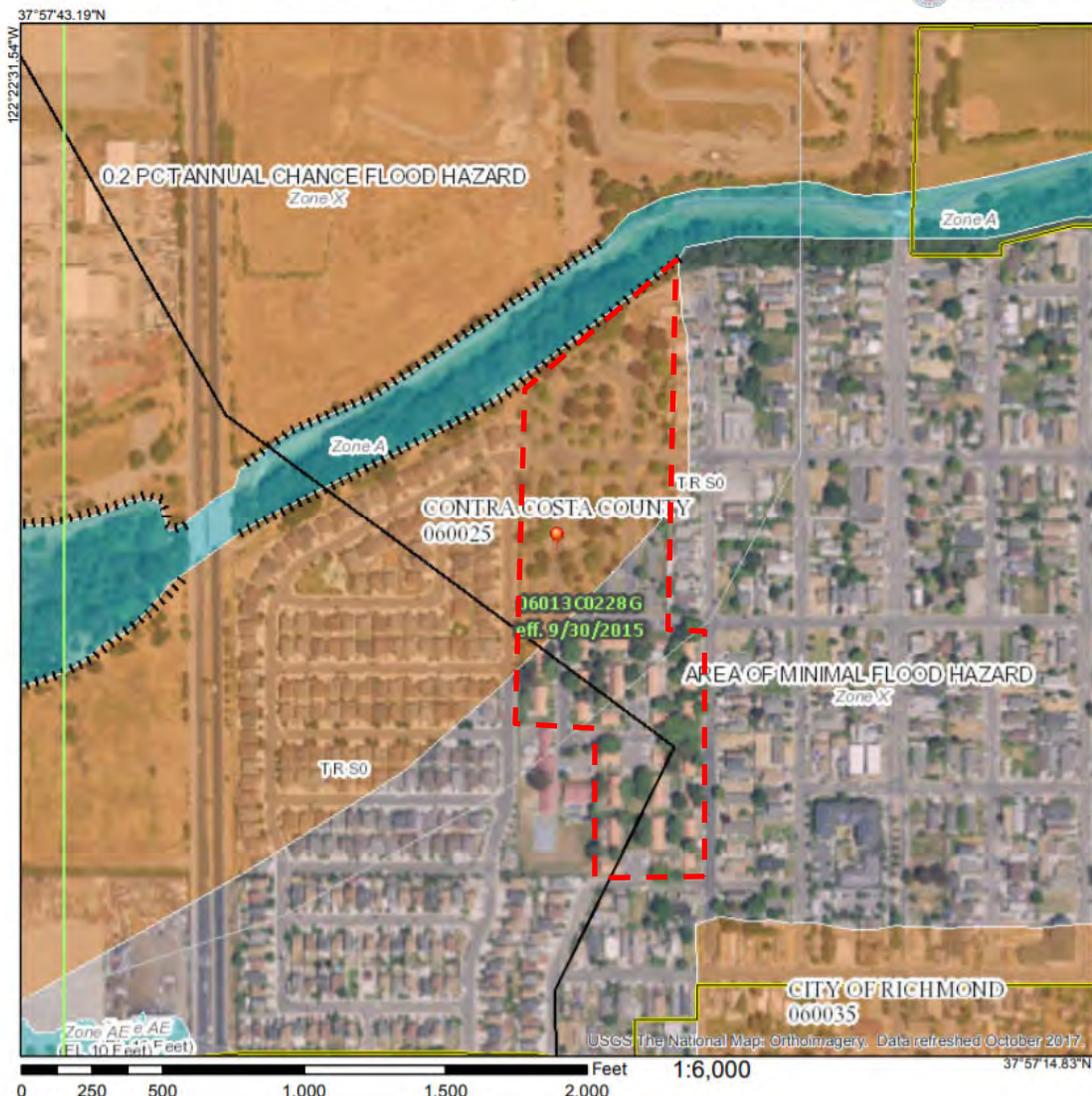
**Item 3: Rehabilitation Calculation:** Attach a document showing rehabilitation needs by line item and dollar amount for the proposed developments in accordance with 24 CFR 970.15 and PIH notice 2018-04 (or any replacement notice). Soft costs associated with the rehabilitation (e.g. construction contingency, architectural/engineer's design and construction monitoring fees; profit & overhead fees for specialty sub-contractor; general condition fees; and PHA administrative costs) should all be listed as separate line items. Certain costs may require additional third-party documentation. See PIH notice 2018-04 (or any replacement notice).

Replacement Reserves Report Las Deltas 2018 11/9/2018																																			
Cost Description	Report Section	Location Description	ID	Lifespan (EUL)	EAge	RUL	Quantity	Unit	Unit Cost	w/ Markup *	Subtotal	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Deficiency Repair Estimate		
Engineer, Structural, General, Investigation	1.2	Dwelling units 395 and 398	1072423	0	0	0	1	EA	\$6,500.00	\$10,239.91	\$10,240	\$10,240																				\$10,240			
ADA, Kitchen, Sink & Counter, Full Reconfiguration, Renovate	3.2	Dwelling units	1072414	0	0	0	5	EA	\$15,000.00	\$23,630.55	\$118,153	\$118,153																					\$118,153		
ADA, Parking, Designated Stall with Pavement Markings & Signage (Standard), Install	3.2	Parking area	1072418	0	0	0	4	EA	\$1,300.00	\$2,047.98	\$8,192	\$8,192																					\$8,192		
ADA, Parking, Designated Stall with Pavement Markings & Signage (Van), Install	3.2	Parking area	1072420	0	0	0	1	EA	\$1,400.00	\$2,205.52	\$2,206	\$2,206																					\$2,206		
ADA, Residential Unit, Visual Bell & Strobe, Hearing Impaired, Install	3.2	Dwelling units	1072422	0	0	0	2	EA	\$1,000.00	\$1,575.37	\$3,151	\$3,151																					\$3,151		
ADA, Restroom, Full Reconfiguration, Renovate	3.2	Dwelling units	1072416	0	0	0	5	EA	\$15,000.00	\$23,630.55	\$118,153	\$118,153																					\$118,153		
Mold/Biological Growth, Remediation, Repair	3.3	Dwelling units 567 and 554	1072429	0	0	0	600	SF	\$30.00	\$47.26	\$28,357	\$28,357																					\$28,357		
Foundations, Concrete, Repair	6.1	Dwelling units 395 and 398	1079889	40	40	0	4,000	SF	\$10.44	\$22.70	\$90,802	\$90,802																					\$90,802		
Roof, Built-Up, Replace	6.3	Roofs, Phase-2	1072441	20	19	1	54,504	SF	\$12.96	\$20.42	\$1,112,917		\$1,112,917																				\$1,112,917		
Roofs, Metal, Replace	6.3	Roofs, Phase-1	1072440	40	35	5	38,264	SF	\$12.45	\$19.61	\$750,425						\$750,425																\$750,425		
Structural Roof Decking, Wood, Replace	6.3	Roofs, Phase-2	1083947	20	19	1	5,450	SF	\$10.13	\$15.96	\$86,992		\$86,992																				\$86,992		
Exterior Wall, Stucco, 1-2 Stories, Repair	6.4	Exterior wall, Unit 553	1072442	0	0	0	100	SF	\$18.20	\$39.57	\$3,957	\$3,957																					\$3,957		
Exterior Wall, Painted Surface, 1-2 Stories, Prep & Paint	6.4	Building exterior	1072443	10	5	5	81,950	SF	\$2.87	\$4.52	\$370,612						\$370,612										\$370,612						\$741,224		
Window, Aluminum Double-Glazed 12 SF, 1-2 Stories, Replace	6.6	All units	1072446	30	30	0	915	EA	\$584.21	\$920.34	\$842,113	\$842,113																					\$842,113		
Exterior Door, Wood Solid-Core, Replace	6.6	All units	1072444	25	25	0	196	EA	\$1,423.11	\$2,241.93	\$439,419	\$439,419																					\$439,419		
Screen Door, Plain/Anodized Aluminum, Replace	6.6	All units	1072445	10	10	0	98	EA	\$498.08	\$784.66	\$76,897	\$76,897										\$76,897											\$76,897	\$230,691	
Plumbing System, Domestic Supply Multi-Family, Upgrade	7.2	Dwelling units	1072449	40	40	0	77,307	SF	\$26.78	\$42.19	\$3,261,216	\$3,261,216																						\$3,261,216	
Electrical Distribution System, Multi-Family, Upgrade	7.4	Dwelling units	1072630	40	40	0	77,307	SF	\$28.96	\$45.62	\$3,526,651	\$3,526,651																						\$3,526,651	
Flood Light, Exterior, Replace	7.4	Dwelling units	1072438	20	19	1	98	EA	\$995.47	\$1,568.24	\$153,687		\$153,687																					\$153,687	
Lighting System, Interior, Multi-Family, Upgrade	7.4	Dwelling units	1072684	25	25	0	77,307	SF	\$4.73	\$7.45	\$575,578	\$575,578																						\$575,578	
Smoke Detector, Multi-Family, Replace	7.6	Dwelling units	1072631	10	10	0	327	EA	\$208.43	\$328.35	\$107,371	\$107,371										\$107,371												\$107,371	\$322,113
Interior Door, Wood Hollow-Core, Replace	8.1	Dwelling units	1072644	20	20	0	571	EA	\$596.52	\$939.75	\$536,595	\$536,595																						\$536,595	\$1,073,190
Interior Ceiling Finish, Generic Surface, Prep & Paint	8.1	Dwelling units	1079893	8	8	0	135,275	SF	\$1.45	\$2.28	\$309,007	\$309,007									\$309,007							\$309,007						\$927,021	
Interior Wall Finish, Gypsum Board/Plaster, Replace	8.1	Dwelling units	1072843	40	40	0	135,275	SF	\$3.38	\$5.32	\$719,666	\$719,666																							\$719,666
Interior Wall Finish, Generic Surface, Prep & Paint	8.1	Dwelling units	1072658	8	8	0	135,275	SF	\$1.45	\$2.28	\$309,007	\$309,007									\$309,007							\$309,007						\$927,021	
Interior Floor Finish, Vinyl Tile (VCT), Replace	8.1	Dwelling units	1072642	15	15	0	77,307	SF	\$4.80	\$7.56	\$584,651	\$584,651																\$584,651						\$1,169,302	
Residential Appliances, Refrigerator, 14-18 CF, Replace	8.2	Apartment kitchen	1072660	15	15	0	98	EA	\$956.04	\$1,506.11	\$147,599	\$147,599																\$147,599						\$295,198	
Residential Appliances, Range Hood, Vented or Ventless, Replace	8.2	Apartment kitchen	1072665	15	15	0	98	EA	\$271.61	\$427.88	\$41,933	\$41,933																\$41,933						\$83,866	
Residential Appliances, Range, Gas, Replace	8.2	Apartment kitchen	1072664	15	15	0	98	EA	\$768.11	\$1,210.05	\$118,585	\$118,585																\$118,585						\$237,170	
Kitchen Counter, Plastic Laminate, Postformed, Replace	8.2	Apartment kitchen	1072672	10	10	0	1,075	LF	\$43.90	\$69.15	\$74,338	\$74,338										\$74,338												\$74,338	\$223,014
Kitchen Cabinet, Base and Wall Section, Wood, Replace	8.2	Apartment kitchen	1072669	20	20	0	1,075	LF	\$467.63	\$736.69	\$791,946	\$791,946																						\$791,946	\$1,583,892
HVAC System, Multi-Family, Upgrade	8.3	Dwelling units	1072676	20	20	0	77,307	SF	\$37.26	\$58.70	\$4,537,642	\$4,537,642																						\$4,537,642	\$9,075,284
Toilet, Flush Tank (Water Closet), Replace	8.4	Apartment bathroom	1072841	20	20	0	113	EA	\$1,055.15	\$1,662.26	\$187,835	\$187,835																						\$187,835	\$375,670
Sink/Lavatory, Stainless Steel, Replace	8.4	Apartment Kitchens	1079923	20	20	0	98	EA	\$1,054.05	\$1,660.52	\$162,731	\$162,731																						\$162,731	\$325,462
Bathtub & Shower Enclosure, Fiberglass, Replace	8.4	Apartment Bathrooms	1079924	20	20	0	113	EA	\$1,785.27	\$2,812.46	\$317,808	\$317,808																						\$317,808	\$635,616
Water Heater, Gas, Residential, 30 to 50 GAL, Replace	8.4	Dwelling units	1072678	10	10	0	98	EA	\$2,349.48	\$3,701.31	\$362,728	\$362,728										\$362,728												\$362,728	\$1,088,184
Bathroom Vanity Cabinet, Wood, with Cultured Marble Sink Top, 24 to 30", Replace	8.4	Apartment bathroom	1072840	20	20	0	113	EA	\$1,082.84	\$1,705.87	\$192,764	\$192,764																						\$192,764	\$385,528
Totals, Unescalated											\$18,607,291	\$18,607,291	\$1,353,596	\$0	\$0	\$0	\$1,121,037	\$0	\$0	\$618,014	\$0	\$621,334	\$0	\$0	\$0	\$0	\$0	\$1,263,380	\$618,014	\$0	\$0	\$0	\$7,435,647	\$31,638,313	
Totals, Escalated (3.0% inflation, compounded annually)											\$18,607,291	\$18,607,291	\$1,394,204	\$0	\$0	\$0	\$1,299,589	\$0	\$0	\$782,882	\$0	\$835,021	\$0	\$0	\$0	\$0	\$1,968,305	\$991,731	\$0	\$0	\$0	\$13,429,606	\$39,308,628		

\* Markup/LocationFactor (1.198) has been included in unit costs. Markup includes a 6.5% Design and Permits, 7% General Contractor Fees, Bond, Profit, Insurance, 6% General Requirements, 2% Housing Authority Management, and 10% Contingency factors applied to the location adjusted unit cost.

### Flood Map

## National Flood Hazard Layer FIRMette



### Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS		Without Base Flood Elevation (BFE) Zone A, V, A99
		With BFE or Depth Zone AE, AO, AH, VE, AR
		Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD		0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
		Future Conditions 1% Annual Chance Flood Hazard Zone X
		Area with Reduced Flood Risk due to Levee. See Notes. Zone X
		Area with Flood Risk due to Levee Zone D
		Area of Minimal Flood Hazard Zone X
OTHER AREAS		Effective LOMRs
		Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES		Channel, Culvert, or Storm Sewer
		Levee, Dike, or Floodwall
OTHER FEATURES		Cross Sections with 1% Annual Chance Water Surface Elevation
		Coastal Transect
		Base Flood Elevation Line (BFE)
		Limit of Study
		Jurisdiction Boundary
OTHER FEATURES		Coastal Transect Baseline
		Profile Baseline
		Hydrographic Feature
MAP PANELS		Digital Data Available
		No Digital Data Available
		Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 10/24/2018 at 4:43:51 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

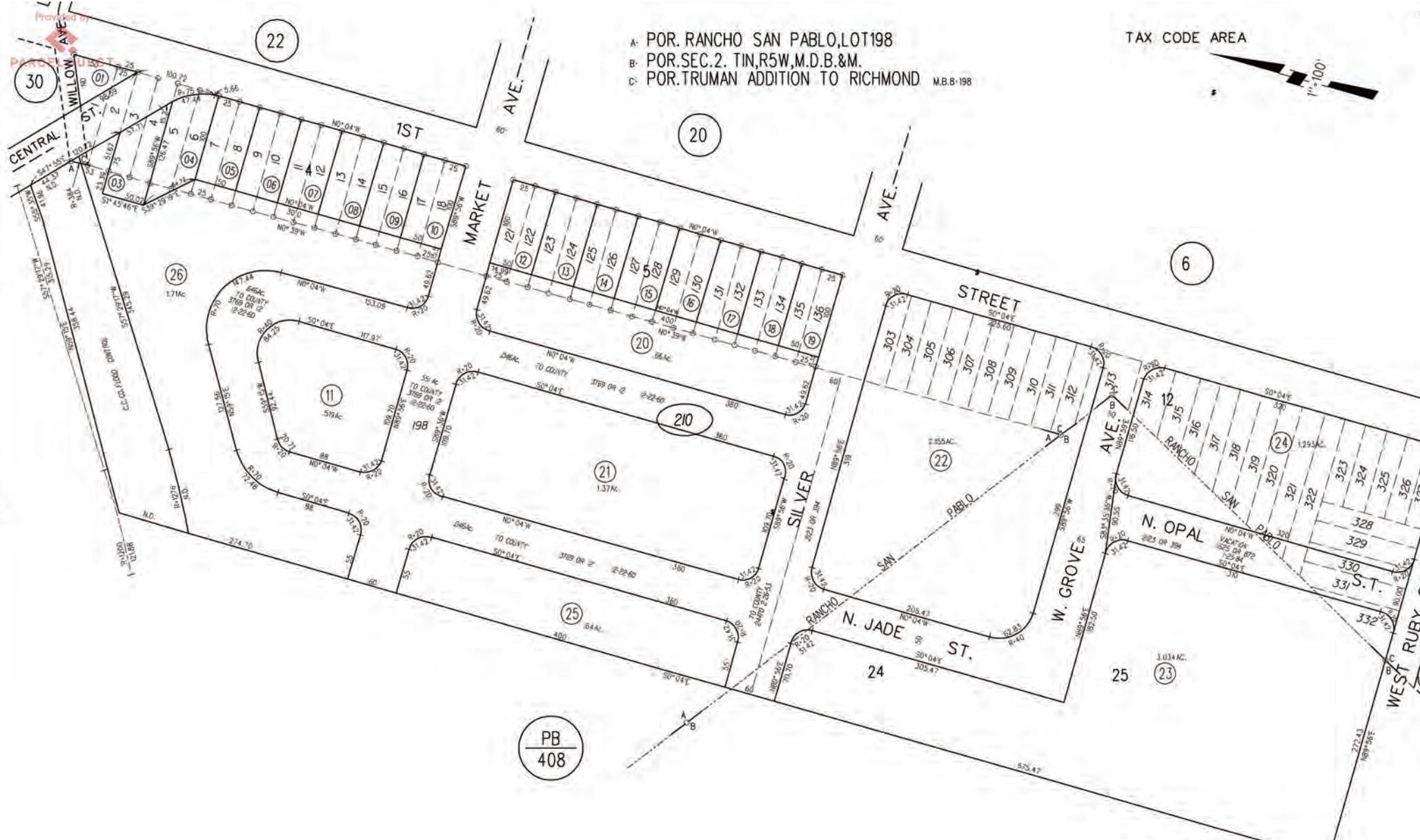


**Project Number:**  
132461.18R000-003.052

**Project Name:**  
Las Deltas Public Housing – 49 Duplexes

**Project Date:**  
October 23, 2018

**Source:**  
FEMA



- A. POR. RANCHO SAN PABLO, LOT 198
- B. POR. SEC. 2. TIN, R5W, M.D.B. & M.
- C. POR. TRUMAN ADDITION TO RICHMOND M.B.B. 198



PB  
408

## Apartment Condition Checklist

Building: \_\_\_\_\_

	Unit #	# of BR	O-V-D	Doors		Carpet	VCT	Wall Finishes	Cabinet & Counter	Appliances				Window	GFCI	Smoke Detector	laundry GFCI
				Entry	Interior					Range	Frig	DW	Disp.				
1	<del>1</del>	1	D	X	P	X	P	P	P	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1632 - 402 - Fire																	
2		4	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1621 - 397																	
3		4	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1611 - 398 Floor crack																	
4		1	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 438 - 130																	
5		1	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1608 - 399																	
6		4 1/2	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1635 - 396																	
7		4 1/2	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1645 - 395 - Floor crack																	
8		3	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 533 - 20 - Wall Damage from car																	
9		1	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1823 - 537 - ARA - Flooding																	
10		2	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1815 - 535																	

Legend: O - Occupied V - Vacant D - Down G - Good F - Fair P - Poor BR - Bedroom K - Kitchen B - Bathroom DW - Dishwasher Disp. - Disposal

### Apartment Condition Checklist

Building: \_\_\_\_\_

	Unit #	# of BR	O-V-D	Doors		Carpet	VCT	Wall Finishes	Cabinet & Counter	Appliances				Window	GFCI	Smoke Detector	laundry GFCI
				Entry	Interior					Range	Frig	DW	Disp.				
1		1	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1827-538																	
2		2	D	X	P	X	FP	P	P	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1832-573 - Fire																	
3		1	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
1833-540																	
4		4	D	X	P	X	FP	P	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 550-554 - Active leak / Foundation Gack																	
5		4	D	X	F	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments <del>1735</del> 1735-558 - Wall Damage																	
6		2	D	X	P	X	FP	FP	FP	X	X	X	X	FP	K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments 1763-567 - Active leak																	
7															K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments																	
8															K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments																	
9															K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments																	
10															K <input type="checkbox"/> B <input type="checkbox"/>	L <input type="checkbox"/> BR <input type="checkbox"/>	<input type="checkbox"/>
Comments																	

Legend: O - Occupied V - Vacant D - Down G - Good F - Fair P - Poor BR - Bedroom K - Kitchen B - Bathroom DW - Dishwasher Disp. - Disposal



## Fire Department Email RFI

October 24, 2018:

Contra Costa County Fire Department

EMG Project No.: 132461.18R000-003.052

Dear Sir Or Madam:

EMG is an environmental and engineering consulting firm conducting an investigation on behalf of the property owner of current and historical conditions which could potentially impact the environmental condition of the following property:

Las Deltas Public Housing

1601 North Jade Street

North Richmond, California 94801

Through the Freedom of Information Act (FOIA), we request any available information on file which is related to potential environmental issues concerning the above-referenced property. Specifically, we request your assistance by providing us with information concerning existing or historical conditions for the above-referenced property, including:

- 1) How far back are records maintained by this Department?
- 2) Are there any required Department environmental permits, registrations, or notifications, and if any, the compliance status and any reported violations (including violation status)?
- 3) Are there any petroleum product/hazardous material storage tanks, both aboveground and underground?
- 4) Are there any releases of petroleum products and/or hazardous materials?
- 5) Does the Fire Department conduct routine life-safety inspections at the property? If yes, what is the frequency?
- 6) What is the date of last Fire Department Inspection?
- 7) Are there any OUTSTANDING Fire Code violations? If yes, please provide documentation describing the violation(s).

Any follow-up documentation may be returned via email, faxed to 410.785.6220, or emailed to:

[rfi@emgcorp.com](mailto:rfi@emgcorp.com)

If you need additional information to complete this request, please contact me at 800.733.0660 x6530. Thank you for your prompt attention to this matter.

Sincerely,  
Sebastiano Loreti  
Project Manager  
EMG

# CA011006 Las Deltas North Richmond

Unit No.	Street Address	Bedroom Size		Unit No.	Street Address	Bedroom Size
395	1645 North Jade Street	4		433	111 West Grove Avenue	2
396	1635 North Jade Street	4		434	107 West Grove Avenue	2
397	1621 North Jade Street	4		435	103 West Grove Avenue	2
398	1611 North Jade Street	4		436	99 West Grove Avenue	2
399	1608 North Jade Street	1		437	95 West Grove Avenue	2
400	1616 North Jade Street	3		438	91 West Grove Avenue	2
401	1624 North Jade Street	3				
402	1632 North Jade Street	1		439	90 West Ruby Avenue	2
403	1642 North Jade Street	1		440	94 West Ruby Avenue	2
404	1648 North Jade Street	3		441	98 West Ruby Avenue	2
				442	102 West Ruby Avenue	2
405	40 Silver Street	4				
406	44 Silver Street	4		443	106 West Grove Avenue	2
407	<b>Head Start</b> 50 Silver Street	4				
408	<b>Head Start</b> 54 Silver Street	4		444	110 West Ruby Avenue	2
				445	130 West Ruby Avenue	3
409	<b>Rubicon</b> 1649 First Street	3		446	116 West Ruby Avenue	1
410	<b>Sheriff's Substation</b> 1643 First Street	1		447	54 West Ruby Avenue	3
411	1633 First Street	1		448	40 West Ruby Avenue	1
412	1625 First Street	3		449	60 West Ruby Avenue	2
413	1617 First Street	3		450	64 West Ruby Avenue	2
414	1609 First Street	1		451	68 West Ruby Avenue	2
				452	72 West Ruby Avenue	2
415	40 West Grove Avenue	1		453	76 West Ruby Avenue	2
416	54 West Grove Avenue	3		454	80 West Ruby Avenue	2
417	1620 Opal Court	2		455	81 West Grove Avenue	2
418	1622 Opal Court	2		456	77 West Grove Avenue	2
419	1628 Opal Court	2		457	73 West Grove Avenue	2
420	1630 Opal Court	2		458	69 West Grove Avenue	2
421	1636 Opal Court	2		459	65 West Grove Avenue	2
422	1638 Opal Court	2		460	61 West Grove Avenue	2
423	1639 Opal Court	2		461	55 West Grove Avenue	3
424	1637 Opal Court	2		462	41 West Grove Avenue	1
425	1631 Opal Court	2				
426	1629 Opal Court	2		463	1599 First Street	H 2
427	1623 Opal Court	2		464	1591 First Street	H 2
428	1621 Opal Court	2		465	1587 First Street	H 2
				466	1581 First Street	H 2
429	<b>Project Pride</b> 116 West Grove Avenue	3		467	1573 First Street	H 2
430	130 West Grove Avenue	1		468	1567 First Street	2
431	131 West Grove Avenue	3		469	1559 First Street	3
432	117 West Grove Avenue	1		470	1551 First Street	1

H = HANDICAPPED UNITS

LEGEND				
Amt of Units by Bedroom Size=	1=13	2=42	3=13	4=8
Amt of Handicapped Units=	5			
Less Amt of Units Not listed on Demand Rent Schedule=	.5			
<b>TOTAL Amt of Available Units for leasing=</b>	<b>71</b>			

**CA011009A**

**Las Deltas**

**North Richmond**

Unit No.	Street Address	Bedroom Size	Unit No.	Street Address	Bedroom Size
526	21 Silver Avenue	3	569	40 Market Avenue	3
527	1721 North Jade Street	4	570	41 Market Avenue	2
528	1735 North Jade Street	3	571	1868 Warren Drive	2
529	1745 North Jade Street	3	572	1836 Warren Drive	2
530	1755 North Jade Street	3	573	1832 Warren Drive	2
531	1765 North Jade Street	3	574	1814 Warren Drive	2
532	1775 North Jade Street	3	575	31 Market Avenue	2
533	20 Market Avenue	3	576	30 Market Avenue	3
534	21 Market Avenue	2	577	1772 North Jade Street	4
535	1815 Warren Drive	2	578	1762 North Jade Street	3
536	1821 Warren Drive	1	579	1752 North Jade Street	3
537	1823 Warren Drive	H 1	580	1742 North Jade Street	3
538	1827 Warren Drive	H 1	581	1732 North Jade Street	3
539	1829 Warren Drive	1	582	1722 North Jade Street	2
540	1833 Warren Drive	1	583	33 Silver Avenue	3
541	1835 Warren Drive	1	584	1520 First Street	3
542	1839 Warren Drive	H 1	585	1518 First Street	3
543	1841 Warren Drive	H 1	586	Gutted Unit / 121 Chesley Ave.	2
544	1845 Warren Drive	1	587	Gutted Unit / 1511 Second St.	3
545	1847 Warren Drive	1	588	1714 First Street	3
546	1851 Warren Drive	1	589	1710 First Street	3
547	1853 Warren Drive	1	<div style="border: 1px solid black; padding: 5px;">                     Condemned properties as per Final Order of Condemnation filed 07/24/95.                      Properties: Unit 590 1553 3<sup>rd</sup> St. (2br) &amp; Unit 591 212 Grove Ave. (2 br)                      Said property site now encompasses the Community Heritage Senior Apts.                 </div>		
548	1857 Warren Drive	H 1			
549	1859 Warren Drive	H 1	592	517 Silver Avenue	3
550	1863 Warren Drive	1	593	325 Silver Avenue	3
551	1865 Warren Drive	2	594	1730 Third Street	4
552	1869 Warren Drive	2	595	1844 Truman Street	3
553	51 Market Avenue	2	596	1840 Truman Street	3
554	50 Market Avenue	4	597	Gutted Unit / 1835 Fourth Street	3
555	1768 Harrold Street	3	598	Gutted Unit / 1839 Fourth Street	3
556	1758 Harrold Street	3	599	1725 Fourth Street	3
557	1748 Harrold Street	3	600	1727 Fourth Street	3
558	1738 Harrold Street	4	601	Gutted Unit / 1711 Fourth Street	4
559	1728 Harrold Street	3	602	Drug Treatment Center 1744 Fourth Street	4
560	1714 Harrold Street	2			
561	51 Silver Avenue	1			
562	41 Silver Avenue	3			
563	1719 Harrold Street	4			
564	1733 Harrold Street	4			
565	1743 Harrold Street	4			
566	1753 Harrold Street	2			
567	1763 Harrold Street	2			
568	1773 Harrold Street	2			

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## **Appendix D: Site Cost Tables**

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Replacement Reserves Report Las Deltas 2018																																									
11/5/2018																																									
Cost Description	Report Section	Location Description	ID	Lifespan (EUL)	EAge	RUL	Quantity	Unit	Unit Cost	w/ Markup *	Subtotal	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Deficiency Repair Estimate								
ADA, Parking, Designated Stall with Pavement Markings & Signage (Standard), Install	3.2	Parking area	1072418	0	0	0	4	EA	\$1,300.00	\$2,047.98	\$8,192	\$8,192																				\$8,192									
ADA, Parking, Designated Stall with Pavement Markings & Signage (Van), Install	3.2	Parking area	1072420	0	0	0	1	EA	\$1,400.00	\$2,205.52	\$2,206	\$2,206																					\$2,206								
Roadways, Asphalt Pavement, Seal & Stripe	5.2	Parking area	1072435	5	2	3	20,300	SF	\$0.38	\$0.60	\$12,136			\$12,136						\$12,136				\$12,136						\$12,136			\$48,546								
Parking Lots, Asphalt Pavement, Mill and overlay	5.2	Parking area	1072433	25	23	2	20,300	SF	\$1.79	\$2.82	\$57,158			\$57,158																			\$57,158								
Parking Lots, Concrete Pavement, Replace	5.2	Parking area	1072432	30	15	15	14,000	SF	\$8.00	\$12.60	\$176,441															\$176,441						\$176,441									
Pedestrian Pavement, Sidewalk, Concrete Large Areas, Replace	5.2	Sidewalk	1072437	30	29	1	5,880	SF	\$9.00	\$14.18	\$83,369		\$83,369																				\$83,369								
Landscaping, Sod at Eroded Areas, Install	5.4	Landscaped Areas	1079789	20	18	2	20,000	SF	\$1.01	\$1.59	\$31,885			\$31,885																			\$31,885								
Fences & Gates, Chain Link, 6' High, Replace	5.5	Exterior	1072439	30	29	1	3,400	LF	\$37.54	\$59.14	\$201,063		\$201,063																				\$201,063								
Pole Light, Exterior, HID (Fixture, Ballast, & Lamp), Replace	5.5	Site	1079888	10	7	3	15	EA	\$2,246.90	\$3,539.69	\$53,095				\$53,095										\$53,095								\$106,191								
Totals, Unescalated												\$10,398	\$284,432	\$89,043	\$65,231	\$0	\$0	\$0	\$0	\$12,136	\$0	\$0	\$0	\$0	\$65,231	\$0	\$176,441	\$0	\$0	\$12,136	\$0	\$0	\$65,231	\$0	\$176,441	\$0	\$0	\$12,136	\$0	\$0	\$715,048
Totals, Escalated (3.0% inflation, compounded annually)												\$10,398	\$292,965	\$94,466	\$71,280	\$0	\$0	\$0	\$0	\$15,374	\$0	\$0	\$0	\$0	\$95,794	\$0	\$274,889	\$0	\$0	\$20,661	\$0	\$0	\$95,794	\$0	\$274,889	\$0	\$0	\$20,661	\$0	\$0	\$875,826

\* Markup/LocationFactor (1.198) has been included in unit costs. Markup includes a 6.5% Design and Permits, 7% General Contractor Fees, Bond, Profit, Insurance, 6% General Requirements, 2% Housing Authority Management, and 10% Contingency factors applied to the location adjusted unit cost

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## **Appendix E: EMG Accessibility Checklist**

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Visual Checklist - 2010 ADA Standards for Accessible Design

Property Name: Las Deltas  
 EMG Project Number: 132461-18R000-003.052

Abbreviated Accessibility Checklist					
	Building History	Y	N	U	Comments
1	Has an ADA survey previously been completed for this property?		✓		
2	Have any ADA improvements been made to the property since original construction?		✓		
3	Has building ownership/management reported any ADA complaints or litigation?		✓		
	Parking	Y	N	NA	Comments
1	Does the required number of standard ADA designated spaces appear to be provided? <i>(Pavement markings and min. 96" wide stalls to count)</i>		✓		Provide ADA stalls at accessible apartments
2	Does the required number of van-accessible designated spaces appear to be provided? <i>(Pavement markings, International Symbol of Accessibility and "van accessible" sign, and min. 96" wide to count)</i>		✓		Add
3	Are accessible spaces on the shortest accessible route to an accessible building entrance? <i>(Accessible route is not required to be striped)</i>		✓		
4	Does parking signage include the International Symbol of Accessibility? <i>(Min. 60" from stall surface to bottom of sign to count)</i>		✓		Add
5	Does each accessible space have an adjacent access aisle? <i>(Min. 60" wide- car stall; min. 60" wide for van stall &gt;132" wide OR min. 96" wide for van stall &lt; 132" wide to count)</i>		✓		
6	Do parking spaces and access aisles appear to be relatively level and without obstruction? <i>(Max. 1:48 /2.08% slope all directions; no curb ramps or other encroachments in stall or aisle)</i>	✓			
	Exterior Accessible Route	Y	N	NA	Comments
1	Is an accessible route present from public transportation stops and municipal sidewalks on or immediately adjacent to the property? <i>(Does not need to be striped; not required if access to site is by vehicle only)</i>	✓			
2	Does a minimum of one accessible route appear to connect all public areas on the exterior, such as parking and other outdoor amenities, to accessible building entrances? <i>(Minimum 36" clear width; minimum 32" wide doors/doorways and for max. distance 24")</i>	✓			
3	Are curb ramps present at transitions through raised curbs on all accessible routes?	✓			
4	Do curb ramps appear to have compliant slopes for all components? <i>(Max. 1:12/8.33% running slope; max. 1:10/10% slope for side flares; level landing 1:48/2.08% max. slope at top of curb ramp run; parallel curb ramp requires level bottom turn space 1:48/2.08% max. slope)</i>	✓			
5	Do ramp runs on an accessible route appear to have compliant slopes? <i>(Ramp if slope greater than 1:20/5%; max. 1:12/8.33% running slope; max. 1:48/2.08% cross slope)</i>			✓	



6	Do ramp runs on an accessible route appear to have a compliant rise and width? <i>(Min. 36" clear width; min. 36" clear width between handrails; max. 1:12 /8.33% running slope; max. rise 30"per each ramp run)</i>			✓	
7	Do ramps on an accessible route appear to have compliant end and intermediate landings? <i>(Level landing max. slope 1:48/2.08% and min. width of widest adjacent ramp run x min. 60" long; min. 60"x min. 60" at ramp changes of direction)</i>			✓	
8	Do ramps on an accessible route appear to have compliant handrails? <i>(Railings on both sides if ramp rise&gt;6"; min. 36" between handrails; 34"- 38" high to top of grip surface; 1.25"- 2" diameter; extensions min. 12" horiz. above bottom and top landings)</i>			✓	
<b>Building Entrances</b>		<b>Y</b>	<b>N</b>	<b>NA</b>	<b>Comments</b>
1	Do a sufficient number of accessible entrances appear to be provided? <i>(Min. 60% of public entrances, and min. 1 each tenant)</i>		✓		
2	If the main entrance is not accessible, is an alternate accessible entrance provided?			✓	
3	Is signage provided indicating the location of alternate accessible entrances? <i>(Signage not required if all entrances are accessible)</i>			✓	
4	Do doors at accessible entrances appear to have compliant maneuvering clearance area on each side? <i>(Size varies by door type; min. 48"deep x full door wide; max. slope 1:48/2.08%)</i>			✓	
5	Do doors at accessible entrances appear to have compliant hardware? <i>(Lever-type handles; no twisting; min. 34"/ max. 48" AFF)</i>		<del>✓</del>	✓	
6	Do doors at accessible entrances appear to have a compliant clear opening width? <i>(Minimum 32" when door open 90 degrees)</i>			✓	
7	Do pairs of accessible entrance doors in series appear to have the minimum clear space between them? <i>(Minimum 48" between end of open door to the next door)</i>			✓	
8	Do thresholds at accessible entrances appear to have a compliant height? <i>(0.5" maximum; beveled if above 0.25")</i>		<del>✓</del>	✓	
<b>Interior Accessible Routes and Amenities</b>		<b>Y</b>	<b>N</b>	<b>NA</b>	<b>Comments</b>
1	Does an accessible route appear to connect all public areas inside the building? <i>(Minimum 36" clear width; minimum 32" wide doors/doorways and for max. distance 24")</i>			✓	No public areas observed
2	Do accessible routes appear free of obstructions and/or protruding objects? <i>(Max. 4" horiz. protrusion between 27" and 80" ht. AFF)</i>			✓	
3	Do ramps on accessible routes appear to have compliant slopes? <i>(Ramp if slope greater than 1:20/5%; max. 1:12/8.33% running slope; max. 1:48/2.08% cross slope)</i>			✓	
4	Do ramp runs on an accessible route appear to have a compliant rise and width? <i>(Min. 36" clear width; min. 36" clear width between handrails; max. 1:12 /8.33% running slope; max. rise 30"per each ramp run)</i>			✓	

5	<p>Do ramps on accessible routes appear to have compliant end and intermediate landings?  <i>(Level landing max. slope 1:48/2.08% and min. width of widest adjacent ramp run x min. 60" long; min. 60" x min. 60" at ramp changes of direction)</i></p>			✓	
6	<p>Do ramps on accessible routes appear to have compliant handrails?  <i>(Railings on both sides if ramp rise&gt;6"; min. 36" between handrails; 34"- 38" high to top of grip surface; 1.25"- 2" diameter; extensions min. 12" horiz. above bottom and top landings)</i></p>			✓	
7	<p>Are accessible areas of refuge and the accessible means of egress to those areas identified with accessible signage?  <i>(Areas of Refuge instructional signage and directional signage to Areas of Refuge must have compliant visual characters. Doors at exit passageways, exit discharge and exit stairways which are part of the accessible means of egress identified by tactile signs, with raised characters, Braille and the International Symbol of Accessibility. Minimum 1 Area of Refuge required )</i></p>			✓	
8	<p>Do public transaction areas have an accessible, lowered service counter section? <i>(Service counter: max. 36" ht., knee/toe clearance not required, e.g. hotel front desk; Work surface: max. 34" ht. with knee/ toe clearance, e.g. writing or computer desk)</i></p>			✓	
9	<p>Do public telephones appear mounted with an accessible height and location?  <i>(Min. 30" x min. 48" clear space centered on phone, parts in reach range)</i></p>			✓	



Interior Doors		Y	N	NA	Comments
1	Do doors at interior accessible routes appear to have compliant maneuvering clearance area on each side? <i>(Size varies by door type; min. 48" deep x min. 36" wide; max. slope 1:48)</i>			✓	No public areas
2	Do doors at interior accessible routes appear to have compliant hardware? <i>(Lever handles; no twisting, min. 34"/ max. 48" height)</i>			✓	
3	Do non-fire hinged, sliding, or folding doors on interior accessible routes appear to have compliant opening force? <i>(5 lbf max., use judgement)</i>			✓	
4	Do doors on interior accessible routes appear to have a compliant clear opening width? <i>(Min. 32" with door open 90 degrees)</i>			✓	
Elevators		Y	N	NA	Comments
1	Are hallway call buttons configured with the "UP" button above the "DOWN" button?			✓	
2	Is accessible floor identification signage present on the hoistway sidewalls on each level? <i>(Raised character and Braille signage; 2" ht. star at main level)</i>			✓	
3	Do the elevators have audible and visual arrival indicators at the entrances?			✓	
4	Do the elevator hoistway and car interior appear to have a minimum compliant clear floor area? <i>(Min 60"x 60" or 68" wide x 51" deep from wall to wall for off-center door; min 36" door width)</i>			✓	
5	Do the elevator car doors have automatic re-opening devices to prevent closure on obstructions?			✓	
6	Do elevator car control buttons appear to be mounted at a compliant height? <i>(Minimum 15" and maximum 48")</i>			✓	
7	Are tactile and Braille characters mounted to the left of each elevator car control button? <i>(Raised numbers/characters and corresponding Braille)</i>			✓	
8	Are audible and visual floor position indicators provided in the elevator car?			✓	
9	Is the emergency call system at the base of the control panel and does it not require voice communication? <i>(Push button with phone symbol required; visual indicator when communication established; closed compartment prohibited)</i>			✓	

Common Area Toilet Rooms		Y	N	NA	
1	Do publicly accessible toilet rooms appear to have a minimum compliant floor area? <i>(Min. 60" diameter turning radius or 36" T-shape)</i>			✓	No common toilets
2	Does the lavatory appear to be mounted at a compliant height and with compliant knee area? <i>(Min. 27" knee clearance; max 34" sink rim height)</i>			✓	
3	Does the lavatory faucet have compliant handles? <i>(No twisting; Paddle/lever type handles)</i>			✓	
4	Is the plumbing piping under lavatories configured to protect against contact? <i>(Padded and allows wheelchair access with knee/toe clearance)</i>			✓	
5	Are grab bars provided at compliant locations around the toilet? <i>(Min. 33"-max. 36" high; at least one grab bar on side wall and one on rear wall behind toilet)</i>			✓	
6	Do toilet stall doors appear to provide the minimum compliant clear width? <i>(Min. 32" wide with door open 90 degrees)</i>			✓	
7	Do toilet stalls appear to provide the minimum compliant clear floor area? <i>(Wall hung toilet-min. 60" wide x min. 56" deep, floor mounted toilet min. 60" wide x min. 59" deep; no overlap with lavatory)</i>			✓	
8	Does minimum one urinal appear to be mounted at a compliant height and with compliant approach width? <i>(Urinal rim max. 17" ht.; min. 30" wide approach width)</i>			✓	
9	Do accessories and mirrors appear to be mounted at a compliant height? <i>(Mirror max. 40" ht. to bottom of reflective surface if over counter/sink or max. 35" if not over counter/sink; Accessories within reach range with control max. 48" high)</i>			✓	
Hospitality		Y	N	NA	Comments
1	Does there appear to be adequate clear floor space around the exercise machines/equipment? <i>(min 30" x 48" centered on transfer point)</i>			✓	
2	Does property management report there are a sufficient number of ADA guest rooms without roll-in showers? <i>(Refer to tables in hot sheet)</i>			✓	
3	Does property management report there are a sufficient number of ADA guest rooms with roll-in showers? <i>(Refer to tables in hot sheet)</i>			✓	
4	Does property management report there are a sufficient number of ADA guest rooms with communications features? <i>(Refer to tables in hot sheet)</i>			✓	
5	Does property management report there are a sufficient number of portable communications kits available, where built-in communication features are not provided? <i>(Refer to hot sheet)</i>			✓	
6	Are publicly accessible swimming pools equipped with an entrance lift? <i>(not required if sloped beach entry present; 2 methods of entry required for pools with total walls 300 LF or greater )</i>			✓	
Self- Service Storage		Y	N	NA	Comments



1	Does property management report there are a sufficient number of ADA self-service storage units? <i>(Refer to table in hot sheet)</i>			✓	
2	Does it appear that the accessible unit doors are accessible? <i>(Lever handle with no twisting, min. 34"/ max. 48" height or garage door opener for overhead doors; maneuvering clearance area max. 1:48 slope)</i>			✓	

Abbreviated Fair Housing Act and ADA Accessibility Checklist					
	History	Y	N	U	Comments



Abbreviated Fair Housing Act and ADA Accessibility Checklist					
1	Was first residential occupancy at the property after March 13, 1991? <i>(Certificate of Occupancy issue date/occupied no earlier than 3-14-91 or building permit issued after 6-15-90. Rehabilitated residential buildings are not covered by FHA even if the rehabilitation occurs after March 13, 1991 and even if it is substantial rehabilitation.)</i>			✓	
2	Does the property consist of four or more dwelling units in each building? <i>(A dwelling unit includes: single-family unit in bldgs. with four or more units, an apartment, or a sleeping room with shared kitchens or bathrooms, like transitional housing)</i>			✓	
4	Is property management or the owner aware of any areas of accessibility non-compliance resulting in litigation?			✓	
<b>Exterior Accessible Route and Building Entrance</b>		<b>Y</b>	<b>N</b>	<b>NA</b>	<b>Comments</b>
1	Do designated accessible parking spaces appear to be provided in sufficient number at appropriate locations? <i>(Pavement markings; min. 96" wide stall with access aisle to count. Min 2% of covered units for unit parking; min. 1 at each amenity; min. 1 for visitors if visitor parking provided.)</i>			✓	
2	Do appropriate transitions from vehicular areas to sidewalks appear to be provided? <i>(Curb ramps provided where required)</i>	✓			
3	Do walkway running slopes and cross slopes appear to be compliant and not excessive? <i>(Walking surface max. 1:20/5% for running slope; max. ramp running slope max. 1:12/8.33%; max. 1:48 cross slope for all walking surfaces and ramps)</i>	✓			
4	Do walkways appear to be the correct width, and clear of obstructions, including overhanging vehicles? <i>(Min. 36" clear width)</i>	✓			
5	Do ramps appear to have handrails and edge protection where required? <i>(Ramp run higher than 6" requires handrails; edge protection is either a curb or rail preventing 4" sphere passing from ramp surface OR ramp surface extended 12" beyond inside face of rail)</i>			✓	
6	Do building entry points/accessible doors appear to be provided along an apparent accessible route?			✓	
7	Do the main entrances appear to be barrier free and readily accessible, without steps, obstacles, or revolving doors required for access?			✓	
<b>Accessible Common Areas</b>		<b>Y</b>	<b>N</b>	<b>NA</b>	<b>Comments</b>
1	Does a continuous accessible route appear to be provided throughout the property, including the site, parking areas and amenities? <i>(Does not need to be striped; not required to amenities that are accessible by vehicle only)</i>			✓	No public areas
2	Do common area/visitor restrooms appear to be barrier free and readily accessible? <i>(No significant slopes or protruding objects; grab bars)</i>			✓	
3	Do the amenities appear to be barrier free and readily accessible? <i>(No significant slopes or protruding objects; within reach range; clear space at operable parts)</i>			✓	
4	Do doors/entries appear to be designed for accessibility? <i>(Min. 32" clear width; lever handle; low threshold; min. 18" clear space beside door on pull side of front approach)</i>			✓	



Abbreviated Fair Housing Act and ADA Accessibility Checklist					
	Covered Units	Y	N	NA	Comments
5	Do interior doors appear to be designed for accessibility? <i>(Min. 32" clear width; lever handle; low threshold; compliant door maneuvering clearance)</i>			✓	
1	Do the interiors of the "covered" units appear to provide adequate maneuverability? <i>(Min. 36" wide accessible route through dwelling unit; min. 32" wide doorways)</i>	✓			
2	Do the environmental controls within the "covered" units appear to be at appropriate heights/locations? <i>(Outlets and controls min. 15"-max. 48" above floor; inaccessible outlets/controls allowed if accessible alternative available; appliances excluded)</i>	✓			
3	Are reinforcements reportedly provided for future installation of grab bars at appropriate locations in the "covered" units? <i>(Per plans or POC; should be provided for toilet, tub and shower)</i>		✓		Modify
4	Do the interior kitchen areas of the "covered" units appear to provide adequate clearances for maneuverability? <i>(Min. 30"x min. 48" clear floor space at each fixture/appliance. U-shaped: min. 60" between two legs of the U or min. 40" clearance if sink and cooktop have removable cabinets)</i>		✓		Modify
5	Do the bathrooms of the "covered" units appear to provide adequate clearances? <i>(Min. 30"x48" clear floor space outside swing space of door)</i>		✓		Modify



## RED FLAG CHECKLIST &amp; MATRIX

Mark the <b>single</b> column corresponding to the most appropriate situation. ( <b>PSQ only</b> indicates POC acknowledged presence during interview but item was not observed on-site; <b>OBS only</b> indicates the item was observed but not identified as known to be present during interview process; <b>PSQ &amp; OBS</b> indicates item was both verbally identified and physically observed; <b>NOT EVID</b> indicates the item was neither observed during limited visual assessment nor identified as present during discussions).						
RED FLAG ISSUE		OBSERVED?				GUIDANCE
		PSQ only	OBS only	PSQ & OBS	NOT EVID	most prevalent time of potential use
1	Fire Retardant Plywood (FRT)				✓	1955 to 1998; as roof sheathing; view attics; sometimes stamped; moisture absorbance leads to premature failure
2	Engineered / Hardboard Wood Siding				✓	any time; Masonite, T-111; water damage and premature failure
3	Exterior Insulation and Finish System (EIFS)				✓	any time; water penetration and premature failure (looks like stucco but feels "lighter")
4	Galvanized Water Piping				✓	prior to early 1980's; common in 1970's; pinhole leaks and interior mineral build-up
5	Polybutylene Water Piping				✓	1977-1995; mostly relevant to housing; grey plastic commonly leaks at joint fittings
6	ABS Piping Recall				✓	1984-1990; faulty resin by 5 manufactures; very difficult to discover & visually observe
7	Cadet/Encore Wall Heater Recall				✓	1982-1999; mostly relevant to housing; collect & cross-check model numbers; potential fire hazards
8	PTAC Recall (Goodman/Amana)				✓	1996-2003; mostly relevant to housing; faulty thermal override switch; collect & cross-check model numbers
9	Aluminum Wiring (Interior)				✓	1964-1975; more concerns with interior and smaller gauge
10	Federal Pacific Stab-Lok Electrical Panels				✓	prior to 1986; potential fire hazards
11	Fused Electrical Panels				✓	prior to early 1960's; easily tampered with, as such potential fire hazard
12	Low Unit Amperage				✓	any time; relevant to housing
13	Fire Sprinkler Head Recalls				✓	1960-2001; more heavily 1990's; Central, Gem, Star, Globe, Omega can be suspect; collect & cross-check model numbers
14	Dishwasher Recalls				✓	1983-1989: GE, Hotpoint 1997-2001: GE, Hotpoint, Maytag, Jenn-Air, Kenmore, Eterna collect & cross-check model numbers; potential fire hazards

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## **Appendix F: Pre-Survey Questionnaire**

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## FACILITY CONDITION ASSESSMENT: PRE-SURVEY QUESTIONNAIRE

This questionnaire must be completed by the property owner, the owner's designated representative, or someone knowledgeable about the subject property. **The completed form must be presented to EMG's Field Observer on the day of the site visit.** If the form is not completed, EMG's Project Manager will require **additional time** during the on-site visit with such a knowledgeable person in order to complete the questionnaire. During the site visit, EMG's Field Observer may ask for details associated with selected questions. This questionnaire will be utilized as an exhibit in EMG's final Property Condition Report.

**Name of person completing form:** Interview w/ Robert Moore  
**Title / Association with property:** Development Director  
**Length of time associated w/ property:** 20 Years  
**Date Completed:** 10/23/2018  
**Phone Number:** 925. 957. 8025  
**Building / Station Name:** \_\_\_\_\_

**Directions:** Please answer all questions to the best of your knowledge and in good faith. Please provide additional details in the Comments column, or backup documentation for any **Yes** responses.

DATA OVERVIEW		RESPONSE
1	Year constructed	1952 / 1959
2	Building size in SF	
3	Acreage	7.054
4	Number of parking spaces	
5	Age of roof (known or estimated); active warranty w/ expiration date?	1980s
QUESTION		RESPONSE
6	List all major renovations or rehabilitations since construction (with estimated dates).	Exterior siding repairs, painting
7	List other somewhat lesser but still significant capital improvements, focused within recent years (provide approximate year completed).	
8	List any major capital expenditures planned/requested for the next few years. Have they been budgeted?	None
9	Describe any extremely problematic, historically chronic, or immediate facility needs.	Several fire + water damaged units from squatters
10	Describe any shared building or site elements or unique arrangements with neighboring properties.	
11	Does the Station have an indoor exhaust removal system.	

Mark the column corresponding to the appropriate response. Please provide additional details in the Comments column, or backup documentation for any <b>Yes</b> responses. (NA indicates "Not Applicable", Unk indicates "Unknown")						
QUESTION		RESPONSE				COMMENTS
		Yes	No	Unk	NA	
11	Are there any unusable or "down" areas, units, or spaces within the station?	✓				Several from fire + water damage
12	Is the station served by a private water well, septic system or other special waste treatment system?		✓			
13	Are there any problems with the utilities, such as inadequate pressure or capacities?		✓			
14	Have there been any leaks or pressure problems with natural gas service?		✓			
15	Are there any problems with erosion or areas with storm water drainage issues?		✓			
16	Are there any problems with the landscape irrigation systems?		✓			
17	Are there any problems or inadequacies with exterior lighting?		✓			
18	Are there any problems with foundations or structures, like excessive settlement?	✓				Two units observed with cracked foundation
19	Are there any known issues with termites or other wood-boring pests?		✓			
20	Are there any wall, window, basement or roof leaks?		✓			
21	Are there any plumbing leaks or water pressure problems?		✓			
22	Are any areas of the station inadequately heated, cooled or ventilated?	✓				Several <del>Heat</del> Heaters / Furnaces damaged / stolen
23	Are there any poorly insulated areas?	✓				Several areas of missing insulation
24	Do any of the HVAC systems use older R-11, 12, or 22 refrigerants?				✓	
25	Has any part of the station ever contained visible suspect mold growth?	✓				
26	Have there been indoor air quality or mold related complaints from building occupants?			✓		

Mark the column corresponding to the appropriate response. Please provide additional details in the Comments column, or backup documentation for any <b>Yes</b> responses. ( <b>NA</b> indicates "Not Applicable", <b>Unk</b> indicates "Unknown")						
QUESTION		RESPONSE				COMMENTS
		Yes	No	Unk	NA	
27	Are there any known unresolved building, fire, or zoning code issues with the governing municipality?		✓			
28	Is there any pending litigation concerning the property?		✓			
29	Are there outstanding accessibility issues at the station?			✓		
30	Are there any other unresolved construction defects or significant issues/hazards at the property that have not yet been identified?		✓			

\_\_\_\_\_  
Signature of person interviewed or completing form

\_\_\_\_\_  
Date

## REQUEST FOR DOCUMENTATION

On the day of the site visit, provide EMG's Field Observer the documents listed below. Signify which documents will be copied, available for review at the site, not available, or not applicable by placing a check mark in the appropriate columns. Also provide this completed checklist.

		Copies Provided	Reviewed at Site	Not Available	Not
1	<b>Maintenance Contractor List.</b> Provide the company name, phone number, and contact person of all maintenance contractors who serve the property, such as mechanical contractors, roof contractors, fire sprinkler and fire alarm testing contractors, and elevator contractors.				✓
2	<b>Construction Documents (Blueprints).</b> Provide all available construction documents for the original construction of the building or for any tenant improvement work or other recent construction work.				✓
3	<b>Site plan.</b> Provide a site plan, preferably 8 1/2" X 11", which depicts the arrangement of buildings, roads, parking stalls, and other site features.	✓			
4	<b>Certificates of Occupancy</b> and original <b>Building Permits.</b>				✓
5	<b>Tenant List.</b> If there are any tenants, provide a tenant list, which identifies the names of each tenant, vacant tenant units, the floor area of each tenant space, and the gross and net leasable area of the building(s).	✓			
7	<b>Occupancy Percentage.</b> Provide the current occupancy percentage and typical turnover rate records (for commercial and apartment properties).	✓			
8	<b>Inspection Documents and Certificates.</b> Fire, building, and health department inspection reports and elevator inspection certificates.				✓
9	<b>Warranties.</b> Roof and HVAC warranties, or any other similar relevant documents.				✓
10	<b>Utility Companies.</b> The names of the local utility companies which serve the property, including the water, sewer, electric, gas, and phone companies.	✓			
11	<b>Capital Improvement Summary.</b> A summary of recent (over the last 5 years) capital improvement work which describes the scope of the work and the cost of the improvements.				✓
12	<b>Proposed Improvements.</b> Pending contracts or proposals for future improvements.				✓
13	<b>Historical Costs.</b> Costs for repairs, improvements, and replacements.				✓
14	<b>Records.</b> Records of system & material ages (roof, MEP, paving, finishes, furnishings).				✓
15	<b>Brochures or Marketing Information.</b>				✓
16	<b>Appraisal,</b> either current or previously prepared.				✓
17	<b>Previous reports</b> pertaining to the physical condition of property.				✓
18	<b>ADA survey</b> and status of improvements implemented.				✓
19	<b>Litigation.</b> Current / pending litigation related to property condition.				✓

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## **Appendix G: Acronyms**

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## ASTM E2018-08 Acronyms

*ADA - The Americans with Disabilities Act*

*ASTM - American Society for Testing and Materials*

*BOMA - Building Owners and Managers Association*

*BUR - Built-up Roofing*

*DWV – Drainage, Waste, Ventilation*

*EIFS - Exterior Insulation and Finish System*

*EMF – Electro Magnetic Fields*

*EMS - Energy Management System*

*EUL - Expected Useful Life*

*FEMA - Federal Emergency Management Agency*

*FFHA - Federal Fair Housing Act*

*FIRMS - Flood Insurance Rate Maps*

*FRT- Fire Retardant Treated*

*FOIA - U.S. Freedom of Information Act (5 USC 552 et seq.) and similar state statutes.*

*FOIL - Freedom of Information Letter*

*FM - Factory Mutual*

*HVAC - Heating, Ventilating and Air Conditioning*

*IAQ - Indoor Air Quality*

*MEP – Mechanical, Electrical and Plumbing*

*NFPA - National Fire Protection Association*

*PNA – Capital Needs Assessment*

*PCR - Property Condition Report*

*PML - Probable Maximum Loss*

*RTU - Rooftop Unit*

*RUL - Remaining Useful Life*

*STC – Sound Transmission Class*

*UBC – Uniform Building Co*

HOUSING AUTHORITY  
OF THE  
COUNTY OF CONTRA COSTA



RESIDENT ASSISTANCE DEMONSTRATION (RAD) PROGRAM

Sign In Sheet

Las Deltas Relocation

July 21, 2016

4:00pm - 6:00pm

1	Joyce Daniels	21	Marcia Kowlessar
2	Kel Shanda Lee	22	Ruth Zamudio
3	Linetta Cooper	23	Sharon Byrd
4	Allie Thomas	24	Chanel Smith
5	Jimmie Brown	25	Jennifer Jones
6	Nathan Prudson Auntie Sharon	26	Kashaura Lewis
7	Joetta Nain	27	Markisha Beflore
8	MARIA MARTINEZ	28	Jerint Jones
9	Tommy Smith	29	Claudia Farias
10	LC Beard JR.	30	Fresh Wilkin
11	Anna Wells	31	Mercedes Mendietta
12	James Webster	32	Guendolyn Powell 526
13	Malleca Sanders	33	Cheryl Y. Hainston
14	Lenwood Lewis	34	Celia Rodriguez
15	Fred Baker	35	Virginia Dault
16	A Hicks	36	Robert Carr
17	Donna Scott	37	Fr Fr Lewis
18	Almetra Greer	38	Mark Randall
19	Andre Abbott	39	Charmaine Peters
20	A Reynolds	40	



HOUSING AUTHORITY  
OF THE  
COUNTY OF CONTRA COSTA



RESIDENT ASSISTANCE DEMONSTRATION (RAD) PROGRAM  
Sign In Sheet  
Las Deltas Relocation  
July 21, 2016  
4:00pm - 6:00pm

- |    |                          |    |                             |
|----|--------------------------|----|-----------------------------|
| 1  | <u>P. Hernandez</u>      | 21 | <u>Coriales Arechenea X</u> |
| 2  | <u>Comille ROSSIGNON</u> | 22 | <u>Camelia Toralcan</u>     |
| 3  | <u>Lemine Pitorra</u>    | 23 | <u>Roslyn Knowles</u>       |
| 4  | <u>Raymond Williams</u>  | 24 | <u>Silvia Mendora</u>       |
| 5  | <u>Jose Paula</u>        | 25 | _____                       |
| 6  | <u>Melven Johnson</u>    | 26 | _____                       |
| 7  | <u>YMAETIKA Pittman</u>  | 27 | _____                       |
| 8  | <u>Rocelio Martinez</u>  | 28 | _____                       |
| 9  | <u>Contrina Adams</u>    | 29 | _____                       |
| 10 | <u>Tennette Lewis</u>    | 30 | _____                       |
| 11 | <u>Rose...</u>           | 31 | _____                       |
| 12 | <u>Debra Hoff</u>        | 32 | _____                       |
| 13 | <u>R KNOWLES</u>         | 33 | _____                       |
| 14 | <u>R HAMPTON</u>         | 34 | _____                       |
| 15 | <u>Carol Robisi</u>      | 35 | _____                       |
| 16 | <u>J. VILAFIERTE</u>     | 36 | _____                       |
| 17 | <u>Beatha Nakanna</u>    | 37 | _____                       |
| 18 | <u>Paula Gue</u>         | 38 | _____                       |
| 19 | <u>Mark Ruelle</u>       | 39 | _____                       |
| 20 | <u>Khadija Jordan</u>    | 40 | _____                       |



**HOUSING AUTHORITY  
OF THE  
COUNTY OF CONTRA COSTA**



**RESIDENT ASSISTANCE DEMONSTRATION (RAD) PROGRAM  
Las Deltas Relocation  
July 21, 2016  
4:00pm - 6:00pm**

**AGENDA**

- |   |   |
|---|---|
| <b>1. Welcome</b>                                   | <b>David Solis,<br/>Asset Manager</b>                                     |
| <b>2. RAD Update</b>                                | <b>Tony Ucciferri<br/>Special Assistant to the<br/>Executive Director</b> |
| <b>3. Overview of Las Deltas Relocation Plan</b>    | <b>Chad Wakefield<br/>Overland, Pacific &amp; Cutler</b>                  |
| <b>4. Public Comments regarding Relocation Plan</b> | <b>Tony Ucciferri<br/>Chad Wakefield<br/>David Solis</b>                  |
| <b>5. Open Discussion</b>                           |   |
| <b>6. Adjournment</b>                               |   |



## LAS DELTAS RELOCATION PLAN SUMMARY

**Introduction:**The Housing Authority of the County of Contra Costa (HACCC) is proceeding with the conversion of the Las Deltas Public Housing property. The strategy at Las Deltas is to utilize the U.S. Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program to convert public housing units to project-based vouchers (PBVs) that will be used to develop new, high-quality affordable housing off-site. While HACCC may commit PBVs to future projects in North Richmond, it does not expect to do so as part of the RAD Conversion process. Under RAD, HACCC intends to sell most, or all, of the vacant units and land at Las Deltas and use the proceeds to upgrade its remaining public housing stock. HACCC has been awarded RAD for 90 units at Las Deltas and Las Deltas Annex, but has since amended its request to include all 214 units for RAD conversion. The proposed permanent relocation of all remaining occupants, disposition of the property, and conversion to RAD is hereinafter referred to as the Project. This Project will trigger relocation requirements under the Uniform Relocation Act and the State of California Relocation Assistance Guidelines and Law.

As part of the required planning process for the Project, HACCC is required to develop a Relocation Plan (Plan). What follows is a summary of the Relocation Plan that was published for a 30-day review and comment period.

The key portions of the plan pertain to how the residents will be assisted. The assistance that the residents can expect is presented as a set of highlights of the relocation program and how the HACCC's relocation consultant will implement the Plan.

### **Overview of RAD Conversion Strategy**

Following HUD approval of the RAD Application amendment request, HACCC will proceed with the relocation of the remaining households at Las Deltas. These households will be made eligible for permanent relocation assistance including a Housing Choice Voucher (HCV) and either a fixed moving payment *or* payment of their actual and reasonable moving expenses by HACCC.

All eligible households in *good standing* (current on their rent and in compliance with their lease) will be offered a Voucher. If available, a household may choose to transfer to another public housing unit or offered a Project Based Voucher unit, and receive actual and reasonable relocation expenses.

Being "current on rent" means the household has paid the prior month's rent and does not owe any back rent to HACCC or, if there is back rent owed, the household has entered into a repayment agreement with HACCC and is following the terms of that agreement. Being "in compliance with the lease" means the household has not been served with an eviction notice, written notice of violation or have been evicted. If a household or one of its members has been issued a Notice to Vacate, or has otherwise been informed in writing they are not in compliance with their lease, and the case has not been resolved at the time the Housing Choice Vouchers are available, HACCC will not issue the household a Voucher at that time. If the case is resolved, or if a court rules in favor of the resident, HACCC will provide a Voucher at that time.

### **Scope and Purpose of This Relocation Plan**

The Plan is designed to do the following:

1. Satisfy legal and regulatory requirements for a relocation plan in accordance with the Uniform Relocation Act (URA) and California Relocation Assistance Law (CRAL) and Guidelines;
2. Describe and analyze the laws, statutes and regulations governing the relocation of the Project occupants, including the requirements for a relocation plan;
3. Describe the persons to be displaced by the Project and their relocation needs;
4. Describes the roles and responsibilities of HACCC and its designated relocation team;
5. Outline the relocation rights and benefits that HACCC is obligated to provide to the persons that may be displaced by the Project;
6. Outline the relocation process and mitigation measures required to ensure the Project residents are provided the relocation assistance that reasonably meets their needs;
7. Describe the relocation program to be provided, including the rights of the existing households, required notifications, benefits, and other services they are eligible to receive, and criteria for eligibility for assistance;
8. Describe the replacement housing resources that may be available to rehouse the residents including access to HCV's and other Low Income Public Housing Units (LIPH) in HACCC's portfolio;
9. Describe the process to develop, approve and update the Plan;
10. Describe the process for any appeals of the relocation benefits and services provided; and
11. Provide the general schedule and budget for relocation activities.

12. Attend resident meetings as needed with or on behalf of HACCC.

The Plan is limited to this scope, which is consistent with the guidance for relocation planning described under the URA, RAD Relocation Guidelines, CRAL and the Guidelines.

### **Overview of Relocation Planning and Implementation**

Overland, Pacific & Cutler, Inc. (OPC), a public real estate services consulting firm specializing in relocation planning and implementation services, was hired by the HACCC to prepare this Plan. OPC has also been retained to implement this relocation plan and provide relocation services to the households who may be displaced by the Project.

A copy of this Plan has been made available to Las Deltas households and interested for their review. The Final Relocation Plan to be reviewed and adopted by the HACCC Board of Commissioners.

### **Overview of Relocation Assistance Program**

HACCC must offer each displaced household, "comparable housing". Such comparable housing may include, if available, tenant-based assistance such as a HCV, project based voucher assistance or, occupancy in a unit operated, or assisted by HACCC at a rental rate paid by the household that is comparable to the rental rate applicable to the unit which the household presently occupies. Those residents, who are required to move, are also entitled to payment of actual and reasonable relocation expenses and are eligible to receive relocation advisory services.

In the event any of HACCC's actions resulting from the implementation of the RAD Application result in residential displacement, such displacement will be pursuant to the policies and procedures which would be necessary to conform to the statutes and regulations established by the federal and state law for residential displacements. No mandatory displacement activities will take place prior to the required reviews and approval of this Plan.

### **Resident Interview Process**

An important process in relocation planning is collecting primary information from the impacted households. This typically occurs by conducting an interview with the household in their home. Through these meetings, household composition, special needs, and specific concerns regarding relocation are gained, which will be used by OPC to better plan for the household's relocation needs on an individual basis.

### **Relocation Eligibility Under 24 CFR Part 970 and the URA**

Part 970.5 (h) determines that it is the responsibility of HACCC to comply with the URA and to ensure compliance with the URA (not withstanding any third party contractual agreements). As applied to this project, 970.5 (i) defines a displaced person as any person (household, business or non-profit organization) that moves from Las Deltas as a direct result of the demolition. Notwithstanding that definition, in accordance with 970.5 (i) (2) (v) (B) (3) a person does not qualify as a displaced person if they have been:

- Evicted for serious or repeated violation of the terms and conditions of their lease, violation of applicable Federal, State or local law or other good cause, and HACCC determines that eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance;
- The person moved into the property after submission of the application for demolition or disposition and the person was informed of the impact the Project could have on them in writing (also referred to as a Move-In Notice); or
- The person is otherwise ineligible for relocation assistance under the URA as described in in 24.2 (9) (ii) of the URA.

All relocation programs must establish the date on which a person becomes eligible to receive relocation assistance. This date is known as the Initiation of Negotiations (ION). Per 970.5 (k), the ION is the date that HUD approves the HACCC demolition and disposition application for all 214 units, which may occur late 2016 or early 2017. In accordance with the URA, the ION is the date the project agrees to accept federal assistance, which will be the date that a RAD Conversion Certificate (RCC) is received and HACCC agrees to accept to RAD assistance per its Conversion Strategy outlined in the Introduction of this Plan.

For the purposes of this Plan, the ION date for the intent of establishing the date a person became is eligible for relocation assistance will be determined by the date HUD approves the RAD Conversion Commitment (RCC) for all 214 units. This date is used to establish the ION for determining relocation assistance eligibility under the Guidelines and CRAL. Households who were lawful tenants on this date will be eligible to receive relocation assistance, so long as they are in good standing, did not sign a move in notice, and do not vacate the property prior to receiving an NOE from HACCC or OPC.

HACCC issued a General Information Notice (GIN) to all households on October 22, 2015. This notice advises the household not to move until they receive further notice. Any household or person who vacates after receiving this notice and prior to receiving an NOE or notice of ineligibility will not be eligible to receive relocation assistance. After HUD approves the demolition and disposition of the Site, an NOE may be issued to all households immediately or shortly thereafter. The NOE will be issued to each household at least 90-days prior to the date the household must vacate before demolition of the unit.

### **Relocation Eligibility Under RAD**

RAD is a source of federal participation that requires relocation to be in accordance with the URA. Under the RAD program, a household is eligible to receive permanent relocation assistance if they are displaced by a project such as what is planned for Las Deltas. The household becomes eligible for relocation assistance once HUD issues an RCC. An RCC has not been issued by HUD for all 214 units.

Each household will receive a RAD Relocation Notice after the RCC is issued. The notice will explain their relocation rights under the RAD program, including the requirement to be provided permanent relocation assistance in accordance with the URA including advisory services, replacement housing, and moving assistance. This notice will be in addition to other notices required under the URA.

### **Ineligibility for Relocation Assistance**

Any residential household that has been evicted for cause, voluntarily moves from the property after receiving the General Information Notice (GIN), or does not have a lease documenting lawful occupation of their unit will not be eligible to receive relocation assistance.

### **Replacement Housing and Re-housing Plan**

All households will be required to permanently vacate their current unit. This will result in a permanent displacement of all households. No eminent replacement housing construction project is planned for the site. No opportunities have been identified for the household's to return to a new replacement housing unit at the Site. The primary replacement housing resources will be,

- Housing Units accepting a HCV available on the market in Contra Costa County and other jurisdictions,
- Other low income housing units such as Low Income Housing Tax Credit (LIHTC) units available on the market in Contra Costa County and in other jurisdictions,
- Existing and under construction affordable housing projects with Project Based Voucher contracts (which may require the household to forgo its HCV),
- Units within below market rate housing programs that accepts a HCV,
- Other LIPH units in the HACCC portfolio,
- Other housing on the market not owned or controlled by HACCC and not presently participating in the Housing Choice Voucher Program that may elect to do so.

Should a household elect to leave HACCC jurisdiction they would be required to "port" their voucher. HACCC and OPC would provide assistance to the household to do so.

### **Relocation Staff Availability and Responsibilities**

OPC's Oakland, CA based staff will be available to assist all displaced household with questions about relocation and/or assistance in relocating. For the time being, OPC staff can be contacted at 510.638.3081 between the hours of 9 am and 5 pm Monday-Friday. After business hour appointments will be made as needed for households who cannot meet during normal business hours. The households will be notified in the future of the names, phone numbers and email addresses of the team assigned to the Project. Should staff contact information change, this relocation plan will be updated, and the households will receive a notice of the change.

OPC may utilize space at Las Deltas for a relocation office. In the interim, OPC's main office in the area is located at 7901 Oakport Street, Suite 480, Oakland, CA 94621. OPC staff should be contacted in advance to schedule an appointment at this office to ensure that a knowledgeable person is available to meet with the household.

Specific activities performed by relocation staff will include:

1. Personally present and explain the household's NOE.
2. Distribute the 90 Notice to Vacate, and where applicable, a 30-Day Notice to Vacate and other reminder notices related to the household's vacate date.
3. Provide referrals to at least three comparable replacement housing units with the household's NOE and provide additional referrals as needed and required.
4. Provide the households with relocation counseling services to assist them in making good decisions to plan their move.
5. Coordinate moves to the household's permanent replacement unit.
6. Assist with the completion and filing of relocation claims, rental applications, and appeals forms, if necessary.
7. Other assistance that may be appropriate to ensure the household receives services and benefits that are reasonably permitted and/or required under the URA and necessary to ensure that hardships and impacts are reduced as much as possible in the relocation process.
8. Document receipt of all required notices, housing referrals provided, signed claims and receipts of payments, and demonstration of advisory services and relocation assistance provided to the residents in the household's relocation file.
9. Attend tenant meetings, as needed, with or in place of HACCC.

### **Noticing**

Notices may be personally served where needed or mailed with a certified return receipt. All notices and proof of service will be maintained in OPC's relocation case files. At a minimum, each household will receive the following from OPC. Samples of these notices are provided in Appendix E. All notices and other informational documents provided will include OPC's contact information and any directions to the resident to contact OPC. Notices will be provided to the household in their primary language.

1. Interview request letter. This letter shall be the first formal notification the household's will receive from OPC. This letter shall invite the household to contact OPC to conduct their relocation interview.

2. A relocation assistance informational brochure or statement. These statements will be personally served in all cases with the exception of cases where the household does not make itself available to meet with OPC. In such a case this statement will be mailed certified returned receipt mail.
3. A RAD Relocation Notice in addition to their NOE, if applicable. These notices will be personally served in all cases with the exception of cases where the household does not make itself available to meet with OPC. In such a case this notice will be mailed certified returned receipt mail.
4. NOE. This notice describes the relocation assistance the household is eligible to receive and the households and HACCC's rights and responsibilities. This notice provides the maximum level housing assistance payment the household may be eligible to receive and the maximum fixed move payment (aka self-move payment) they will be eligible to receive. These notices will be personally served in all cases with the exception of cases where the household does not make itself available to meet with OPC. In such a case this notice will be mailed certified returned receipt mail.
5. A notice of ineligibility. Any person not eligible for relocation assistance will receive a notice of ineligibility. The notice will state why they are not eligible to receive relocation assistance. This notice will be mailed certified mail.
6. A 90-Day Notice to Vacate prior to their required vacation date. These notices will be mailed to each household via certified mail/return receipt requested and first class mail unless served concurrently with the NOE.
7. A 30-Day Notice to Vacate prior to their required vacation date. These notices will be mailed to each household via certified mail/return receipt requested and first class mail. NOTE: A 30-Day Notice to Vacate would only be served in cases where a household is still occupying their unit 30 days prior to the expiration of the 90-Day Notice.

### **Replacement Housing Assistance**

**Advisory Assistance:** All households will be required to permanently relocate from Las Deltas. OPC will meet with all households to ascertain their replacement housing needs, locations they will consider, and other information to assist them locate appropriate replacement housing. OPC will provide assistance to all households to locate and secure a suitable replacement housing unit including providing them referrals, assisting prepare and submit applications and coordinating transportation for them where needed. HACCC will work with OPC to provide residents with assistance to be placed

on waiting lists for properties that HACCC holds Project Based Voucher Housing Assistance Payment (HAP) contracts on.

### **Permanent Replacement Housing Assistance Payment:**

#### ***Households Transferring to Other Public Housing***

Households may have the opportunity to move into another public housing unit within HACCC's portfolio. In these cases the household would lease a unit with a rent at no greater than 30% of their income with adjustments for utility services such as electricity and gas. The household would not receive any further housing assistance.

#### ***Housing Choice Voucher Eligible Households***

As residents of public housing, on-going rental assistance will be provided pursuant to the provisions of the Housing Choice Voucher (HCV) program of the U.S. Department of Housing and Urban Development (HUD). The HCV program provides for a household to continue paying thirty percent (30%) of the household adjusted income for their monthly housing rental costs. The provision is subject to the gross rent not exceeding the HCV Payment Standard for that household's voucher size.

In order to alleviate hardships for tenants who must pay "move-in costs" (such as credit report fees and security deposits), HACCC will provide up to seventy-five dollars (\$75.00) for credit checks and a maximum of two months' security deposit based upon the maximum monthly rent payment standards as approved by HACCC.

Housing Choice Voucher Program (HCVP) Payment Standards are set by HACCC based upon the U.S. Department of Housing and Urban Development (HUD)-published Fair Market Rents. They're updated, at least, annually. A payment standard is the maximum allowable monthly assistance payment in HACCC's jurisdiction for an assisted household's (1) contract rent; and (2) those essential utilities for which the tenant is responsible, including a stove or refrigerator provided by the household.

Payment standards are used to determine how much of the rent is paid by HACCC, and how much by the household. Payment standards do NOT determine or limit the rent a landlord may charge.

The maximum contract rent a landlord may charge is based on the reasonable rent for the unit and the household's income. HACCC Payment Standards are listed below. Households can request the payment standards for other areas from OPC.

The above listed payment standards, which includes all utilities, represent the maximum amount the contract rent may be for each bedroom size indicated. Once a Request for Tenancy Approval (RTA) has been received, the Program Specialist will negotiate the contract rent with the owner. The rents offered will be based on comparable rents in the area and the condition of the unit submitted on the RTA.

If a household cannot find a comparable replacement home at a monthly rent that is at or below HACCC's payment standard, that household may be eligible to receive a gap differential, called a "rental assistance payment." This differential will enable the household to cover the gap for 42 months.

The household may receive this adjustment only if without such assistance, in HACCC's determination, the household cannot lease a comparable home or apartment that is affordable at 30% of their adjusted monthly income. If a household qualifies for a rental assistance payment, the household's rent share plus utilities still must not exceed 40% of their adjusted monthly income.

### **Moving Assistance**

Households will have two options for moving assistance; a professional or self-move. OPC Staff will meet with each household to explain the moving assistance services that will be made available to them and ascertain the move option that best suit their needs and abilities.

**Option1:Self-Move (Fixed Payment In-lieu of Actual and Reasonable Move Costs):**Should a household choose to conduct a self-move to their replacement housing, they will receive a Fixed Move Payment (FMP) based on the current number of rooms of personal property in their Las Deltas unit in lieu of having a professional mover relocate their personal property for them. The current federal FMP schedule for the state of California is presented in Table 8 on the following page. The household would not receive moving compensation for costs such as labor, boxes and other packing materials, utility transfers, or other costs related to the physical move of their home, if they elect the FMP, because the intent of the FMP is to provide funds to the household to pay for all costs associated with the move per the URA.OPC will prepare and process the appropriate claim for the household to receive assistance.

**Option 2: Professional Move.** HACCC will directly pay for any professional moving services required.OPC staff will obtain multiple bids for HACCC's consideration to hire the lowest responsible biddingmoving contractor (or contractors if multiple contractors

may serve the Project's needs better) to provide moving services to senior and disabled households. Vendors will be licensed by the California Public Utilities Commission (CPUC), insured and bonded.

Services would include full packing, moving, loading, unloading, unpacking, and full replacement value insurance necessary to move the household's personal property to their permanent housing unit. Additional vendors may be needed for debris hauling services and other services that may be needed by senior and/or disabled households. These needs will be handled on a phase by phase, case by case basis. Such services are referred to as related services. OPC will coordinate all services needed by the resident for their move.

### **Utility Transfer Fee Reimbursement**

All households that elect to be moved by the mover will be reimbursed for the actual cost of transferring/reconnecting existing telephone, utility and cable services. HACCC will not cover the cost of modifying existing telephone, utility or cable bill arrangements, or cost associated with new service. Residents are responsible for notifying the telephone, cable, electric, gas, and other utility companies of the need for a transfer. Special assistance will be provided to elderly, disabled and non-English speaking households as necessary. HACCC will reimburse residents for the actual transfer cost upon presentation of an itemized bill from the appropriate company. Advance payments may be considered, if a household demonstrates a financial hardship.

### **Project Relocation Schedule**

The general relocation planning and implementation schedule is shown below. The relocation schedule is subject to change and will be updated in future updates to this Plan.

- Relocation Plan Development: March – June, 2016
- Household interviews – 3<sup>rd</sup> Quarter of 2016
- Plan Public Comment Period: 4<sup>th</sup> Quarter of 2016
- Board Adoption Hearing: 4<sup>th</sup> Quarter of 2016
- Relocation Status Update Meetings With Tenants: Periodically 2016 –2017
- Relocations: 1<sup>st</sup> and 2<sup>nd</sup> Quarter of 2017

## **LAS DELTAS RELOCATION PROCESS OVERVIEW AND HIGHLIGHTS**

As a resident who will experience permanent relocation from the Las Deltas Public Housing property you can expect the following activities, receive the following assistance (if eligible), and have the following responsibilities in the process. The Housing Authority of the County of Contra Costa (HACCC) has retained Overland, Pacific and Cutler (OPC) to assist you with your permanent relocation. Please be advised this is not a comprehensive guide to your permanent relocation. Raj Virk fromis available to answer your questions at 800.400.7356. Also, DO NOT MOVE until notified to do so, should you move prior to receiving a Notice of Eligibility (NOE) you will forfeit any rights to relocation assistance you may have.

### **Needs Assessment and Readiness Assistance:**

- Personal interview with OPC. OPC will mail you an invitation letter advising you when we will start interviews and who to contact to schedule an appointment.
- Routine check-ins to assist you prepare for your relocation; also known as Advisory Services.

**Replacement Housing:** OPC will assist you locate and lease a replacement housing unit. Once you have received an NOE, OPC will begin providing you referrals to replacement housing and assist you with the application and leasing process. OPC will process claims for any monetary assistance you may be eligible to receive to secure replacement housing. Do not lease or purchase replacement without receiving and NOE and meeting with OPC to discuss your needs. OPC must conduct a Decent, Safe and Sanitary (DS&S) inspection before your occupancy at your new home.

**Moving Assistance:** You will be assisted with your move by either receiving a fixed move payment based on the number of moveable rooms in your current unit, or the services of a moving company. If you elect to do a self-move, your payment will be used to pay for all moving expenses you may have including material, labor, equipment and utility transfer fees. If a moving company is hired, HACCC will pay up to the lowest of at least two bids for your moving costs and any utility transfer fees. PLEASE DO NOT spend any of your own funds for moving expenses before receiving an NOE and meeting with OPC to ensure that such costs are approved as actual, reasonable and necessary. OPC will prepare and process any required claims for moving cost payments through HACCC for you.

**Noticing:** You will receive the following advanced notification.

- **RAD Relocation Notice**: You will receive a notice explaining your relocation rights under the Rental Assistance Demonstration (RAD) program after the property is converted to RAD.
- **Minimum of 90-day Notice to Vacate**: All households will receive a minimum of 90-days' notice to vacate. This notice will provide you the date you must vacate by.
- **Notice of Eligibility (NOE)**: The NOE will provide you with the specific benefits and assistance your household is eligible to receive to relocate.

**Resident Responsibilities:**

- You must pay your rent on your current unit until you permanently vacate your unit. Not doing so will make you subject to eviction and you will forfeit your rights to relocation assistance.
- You must move to permanent housing within 12-months after you vacate in order to maintain your eligibility for relocation assistance.
- You must file all relocation claims with OPC within 18-months after you vacate in order to maintain your right to claim monetary assistance.

To: Contra Costa County Housing Authority Board of Commissioners  
 From: Joseph Villarreal, Housing Authority  
 Date: May 21, 2019



Contra  
 Costa  
 County

Subject: FY 2018-2019 3rd QUARTER BUDGET REPORT

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## RECOMMENDATIONS

ACCEPT the 3rd Quarter (Unaudited) Budget Report for the period ending 12/31/18.

## BACKGROUND

This report is intended to provide the Board of Commissioners with an overview of the financial position of the Housing Authority of the County of Contra Costa (HACCC) for the 3rd quarter period ending 12/31/18. The report begins with a summary of HACCC's overall fiscal standing at the end of the quarter. The overall numbers are then broken down by individual funds. Each fund overview includes a brief program summary and an explanation of the variance between budgeted and actual performance.

## **AGENCY OVERVIEW: Budget Report**

HACCC's overall budget position for the quarter ending 12/31/18 is shown in the chart below. Activity in Section 8 Voucher and Housing Certificate programs had the most significant impact on HACCC's budget.

The variance increases in revenue of \$6,766,132 is a result of Portability activities in the Housing Voucher Program of roughly \$4.3 million, increase in Federal Funding in the Housing Voucher Program of \$1.4 million dollars, increase in Federal Funding in Housing Certificate Program of \$800,000, an increase of \$300,000 in Public Housing Capital Fund.

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Action of Board On: **05/21/2019**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

## **VOTE OF COMMISSIONERS**

AYE: John Gioia, Commissioner  
 Candace Andersen,  
 Commissioner  
 Diane Burgis, Commissioner  
 Karen Mitchoff,  
 Commissioner  
 Federal D. Glover,  
 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: May 21, 2019

Joseph Villarreal, Executive Director

By: Jami Napier, Deputy

Contact: 925-957-8028

cc:

BACKGROUND (CONTD)

The variance increase in expenditures of \$6,466,001 was a direct result of Housing Assistance Payments (HAP) made in the Housing Voucher and Housing Certificate Programs.

HACC Agency Summary	Annual Budget	3rd Quarter Actual 12/31/18	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 136,171,936	\$ 108,895,085	\$ 34,042,983	\$ 142,938,068	\$ 6,766,132
Expenditures	\$ 137,140,248	\$ 109,321,187	\$ 34,285,062	\$ 143,606,249	\$ 6,466,001
	\$ (968,312)	\$ (426,102)	\$ (242,079)	\$ (668,181)	

The net change to reserves was a decrease of \$426,102. This change to reserves are highlighted by program as follows: Housing Choice Voucher an increase to reserves in the amount of \$137,475; Public Housing decrease in the amount of \$297,388; State and Local a decrease in the amount of \$258,988; and Housing Certificate Program a decrease in the amount of \$7,201. The chart below reflects the current reserve balances by program.

Analysis of Agency Reserves	Beginning Balance 4/1/18 (Audited)	3rd Quarter ending 12/31/18 (Unaudited)	Reserve Balance period ending 12/31/18 (Unaudited)
Total Reserves	\$ 9,360,421	\$ (426,102)	\$ 8,934,319
<u>Restricted Reserves</u>			
Housing Choice Vouchers	\$ -0-	\$ -0-	\$ -0-
Public Housing & Cap. Funds	\$ -0-	\$ -0-	\$ -0-
State & Local Programs	\$ -0-	\$ (206,383)	\$ (206,383)
Housing Certificates Programs	\$ -0-	\$ -0-	\$ -0-
Total Restricted Reserves	\$ -0-	\$ (206,383)	\$ (206,383)
<u>Unrestricted Reserves</u>			
Housing Choice Vouchers	\$ 4,601,633	\$ 137,475	\$ 4,739,108
Public Housing & Cap. Funds	\$ 2,273,093	\$ (297,388)	\$ 1,975,705
State & Local Programs	\$ 2,485,695	\$ (52,605)	\$ 2,433,090*
Housing Certificates Programs	\$ -0-	\$ (7,201)	\$ (7,201)
Total Unrestricted Reserves	\$ 9,360,421	\$ (219,719)	\$ 9,140,702

\* Does not include unfunded pension & OPEB liability of roughly \$15.9 million.

As a reminder, almost all reserves are restricted for use within each program. The designation of restricted or unrestricted reserves merely indicates that the funds are obligated for special use within the program (restricted) or that they can be used for any purpose tied to the program (unrestricted). The only reserves that can be used freely are unrestricted reserves within the State and Local Programs that are not tied to the tax credit properties. These reserves can be used to support any of HACC's programs.

## **FUNDS OVERVIEW:**

### **Housing Choice Vouchers**

**Program Summary** - The HCV program provides assistance to families in the private rental market. HACCC qualifies families for the program based on income. These families find a home in the private rental market and HACCC provides them with a subsidy via a HAP contract with the property owner. HAP is paid by HACCC directly to the owner. Through its HCV program, HACCC is authorized to provide affordable housing assistance to a maximum of 6,936 families. However, due to funding constraints, utilization has drop to approximately 6,027 families.

### **Summary of Difference Between Budgeted and Annual Estimate:**

**Revenue** – The revenue increase of \$6,033,755 is a result of \$4.29 million dollars being funded by other Housing Authority for families porting into Contra Costa County. \$1.37 million was an increase in HAP revenue to cover the rising subsidy cost, and the remaining amount of \$373,000 was increased administrative fees associated with the portability increase.

**Expenditures**- The projected increase in expenditures of \$5.66 million is the increase in payments for portability families and subsidy increases outlined above.

Housing Choice Vouchers	Annual Budget	3rd Quarter Actual 12/31/18 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 114,086,817	\$ 91,598,868	\$ 28,521,704	\$ 120,120,572	\$ 6,033,755
Expenditures	\$ 114,394,568	\$ 91,461,393	\$ 28,598,642	\$ 120,060,035	\$ 5,665,467
	\$ (307,751)	\$ 137,475	\$ (76,938)	\$ 60,537	

### **Analysis of Program Reserves:**

Housing Choice Vouchers	Beginning Balance 4/1/18 Audited	3rd Quarter 12/31/18 (Unaudited)	Reserve Balance period ending 12/31/18 (Unaudited)
Restricted Reserves	\$ -0-	\$ -0-	\$ -0-
Unrestricted Reserves	\$ 4,601,633	\$ 137,475	\$ 4,739,108
Total Reserves	\$ 4,601,633	\$ 137,475	\$ 4,739,108

### **Public Housing Operating and Capital Funds**

**Program Summary** - HACCC owns and manages 1,179 public housing units at 16 different sites throughout the County. Operating funds for these properties come from tenant rents as well as an operating subsidy received from HUD that is designed to cover the gap between rents collected from the low-income tenants and annual operating expenses. HUD allocates the Capital Fund annually via formula to approximately 3,200 housing authorities. Capital Fund grants may be used for development, financing, modernization, and management improvements within public housing.

### **Summary of Difference Between Budgeted and Annual Estimate:**

Revenue – The increase in revenue of \$235,693 is a result of increased HUD funding over the annual budgeted amount for the Capital Grant Fund.

Expenditures - The increase in expenditures of \$85,475 is a result of numerous increases and decreases in expense. The primary adjustment in the expenditures was a utilities charge related to sewer fees that was deferred in the amount of \$155,739 from the prior fiscal year.

Public Housing Operating and Capital Fund	Annual Budget	3rd Quarter Actual 12/31/18 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 10,857,881	\$ 8,379,104	\$ 2,714,470	\$ 11,093,574	\$ 235,693
Expenditures	\$ 11,454,689	\$ 8,676,492	\$ 2,863,672	\$ 11,540,164	\$ (85,475)
	\$ (596,808)	\$ (297,388)	\$ (149,202)	\$ (446,590)	

**Analysis of Program Reserves:**

Public Housing & Capital Fund	Beginning Balance 4/1/18 (Unaudited)	3rd Quarter 12/31/18 (Unaudited)	Reserve Balance period ending 12/31/18 (Unaudited)
Restricted Reserves	\$ -0-	\$ -0-	\$ -0-
Unrestricted Reserves	\$ 2,273,093	\$ (297,388)	\$ 1,975,705
Total Reserves	\$ 2,273,093	\$ (297,388)	\$ 1,975,705

**State and Local Programs**

**Program Summary** - HACCC administers a variety of programs and activities that are either not funded by HUD or that involve non-restricted HUD funds. Currently, HACCC is the managing general partner for two tax credit projects (DeAnza Gardens & Casa Del Rio). HACCC receives management fees for administering the Public Housing and HCV programs under HUD’s asset-management model. In addition, the State and Local Program manages the employee pension and OPEB benefit program.

**Summary of Difference between Budgeted and Annual Year-End Estimate:**

Revenue –The projected decrease in revenue of \$302,223 is related to rental loss in the tax credit programs in the amount of \$251,594. An additional \$50,629 was lost in reduced management fees from the federal programs due reduced units in Public Housing and Housing Vouchers.

Expenditures - The projected \$88,094 reduction in expenditures is a result of savings in operating costs.

State & Local Programs	Annual Budget	3rd Quarter Actual 12/31/18 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 6,062,925	\$ 4,244,971	\$ 1,515,731	\$ 5,760,702	\$ (302,223)
Expenditures	\$ 6,122,738	\$ 4,503,959	\$ 1,530,685	\$ 6,034,644	\$ 88,094
	\$ (59,813)	\$ (258,988)	\$ (14,954)	\$ (273,942)	

Analysis of Reserves:

State & Local Programs	Beginning Balance 4/1/18 Audited	3rd Quarter 12/31/18 (Unaudited)	Reserve Balance Period ending 12/31/18 (Unaudited)
Restricted Reserves	\$ -0-	\$ (206,383)	\$ (206,383)
Unrestricted Reserves	\$ 2,485,695	\$ (52,605)	\$ 2,433,090*
Total Reserves	\$ 2,485,695	\$ (258,988)	\$ 2,226,707

\* does not include the unfunded pension & opeb liability of roughly 15.9 million.

Housing Certificate Programs

Program Summary - HACCC administers a Housing Certificate Program in administering the Continuum of Care Program previously referred to as Shelter Plus Care. The Continuum of Care Program provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. HACCC assists approximately 327 clients under this program.

Summary of Difference Between Budgeted and Annual Year-End Estimate:

Revenue & Expenditure -The projected increase of \$798,907 in revenue is tied to the increase of \$803,153 in HAP expenses. HUD increases revenue (to a budget cap) to reimburse HACCC for added rental costs.

Housing Certificate Programs	Annual Budget	3rd Quarter Actual 12/31/18 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 5,164,313	\$ 4,672,142	\$ 1,291,078	\$ 5,963,220	\$ 798,907
Expenditures	\$ 5,168,253	\$ 4,679,343	\$ 1,292,063	\$ 5,971,406	\$ (803,153)
	\$ (3,940)	\$ (7,201)	\$ (985)	\$ (8,186)	

Analysis of Reserves:

Housing Certificate Programs	Beginning Balance 4/1/18 Audited	3rd Quarter 12/31/18 (Unaudited)	Reserve Balance period ending 12/31/18 (Unaudited)
Restricted Reserves	\$ -0-	\$ -0-	\$ -0-
Unrestricted Reserves	\$ -0-	\$ (7,201)	\$ (7,201)
Total Reserves	\$ -0-	\$ (7,201)	\$ (7,201)

FISCAL IMPACT

None. Information item only.

CONSEQUENCE OF NEGATIVE ACTION

None. Information item only.

To: Contra Costa County Housing Authority Board of Commissioners  
 From: David Twa, County Administrator  
 Date: May 21, 2019



Contra  
 Costa  
 County

Subject: Claims

---

**RECOMMENDATIONS**

DENY claim filed by Carla Hammer.

**BACKGROUND**

See Attached claim.

**FISCAL IMPACT**

No fiscal impact.

---

Action of Board On: **05/21/2019**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

**VOTE OF COMMISSIONERS**

AYE: John Gioia, Commissioner  
 Candace Andersen,  
 Commissioner  
 Diane Burgis, Commissioner  
 Karen Mitchoff,  
 Commissioner  
 Federal D. Glover,  
 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: May 21, 2019  
 Joseph Villarreal, Executive Director

By: Jami Napier, Deputy

Contact: Scott Selby  
 925.335.1400

cc:

ATTACHMENTS

HA claim Hammer 5-21-19

HOUSING CLAIM

BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF CONTRA COSTA

BOARD ACTION: May 21, 2019

NOTICE TO CLAIMANT

Claim Against the County, or District Governed by )
the Board of Commissioners, Routing )
Endorsements, and Board Action. All Section )
references are to California Government Codes. )

The copy of this document mailed to you is your notice of the
action taken on your claim by the Board of Commissioners
(Paragraph IV, below) given Pursuant to Government Code
Sections 913, 915.2, 915.4. Please note all "Warnings".

RECEIVED

APR 24 2019

COUNTY COUNSEL
MARTINEZ, CALIF

AMOUNT: \$2,402.11

CLAIMANT: Carla Hammer

ATTORNEY:

ADDRESS:

Richmond, CA 94801

BY DELIVERY TO COB ON: 4/22/2019

BY MAIL TO COB POSTMARKED:

I. FROM: Clerk of the Board of Commissioners

TO: County Counsel

Attached is a copy of the above-noted Claim.

DAVID TWA, Clerk

By: Deputy Stephanie Melby

Dated: 04/22/19

II. FROM: County Counsel

TO: Clerk of the Board of Commissioners

This claim complies substantially with Sections 910 and 910.2.

This claim FAILS to comply substantially with Sections 910 and 910.2, and we are so
notifying claimant. The Board cannot act for 15 days (Section 910.8).

Claim is not timely filed. The Clerk should return the claim on the ground that it was filed late and
send warning of claimant's right to apply for leave to present a late claim (Section 911.3).

Other:

Dated: 4/25/19

By: [Signature], Deputy County Counsel

III. FROM: Clerk of the Board

TO: County Counsel (1)

County Administrator (2)

Claim was returned as untimely with notice to claimant (Section 911.3).

IV. BOARD ORDER By unanimous vote of the Commissioners present:

This claim is rejected in full.

Other:

I certify that this is a true and correct copy of the Board's Order entered in its minutes for this date.

Dated: DAVID TWA, Clerk, By Deputy Clerk

WARNING (Gov. Code section 913)

Subject to certain exceptions, you have only six (6) months from the date of this notice was personally
delivered or deposited in the mail to file a court action on this claim. See Government Code Section
945.6. You may seek the advice of an attorney of your choice in connection with this matter. If you
desire to consult with an attorney, you should do so immediately.

\*For Additional Warning See Reverse Side of This Notice.

AFFIDAVIT OF MAILING

I declare under penalty of perjury that I am now, and at all times herein mentioned, have been a citizen
of the United States, over age 18; and that today I deposited in the United States Postal Service in
Martinez, California, postage fully prepaid a certified copy of this Board Order and Notice to Claimant,
addressed to the claimant or claimant's attorney as shown above.

Dated: DAVID TWA, Clerk, By Deputy Clerk

This warning does not apply to claims which are not subject to the California Tort Claims Act, such as actions in inverse condemnation, actions for specific relief such as mandamus or injunction, or Federal Civil Rights claims. The above list is not exhaustive and legal consultation is essential to understand all the separate limitations periods that may apply. The limitations period within which suit must be filed may be shorter or longer depending on the nature of the claim. Consult the specific statutes and cases applicable to your particular claim.

The County of Contra Costa does not waive any of its rights under California Tort Claims Act nor does it waive its rights under the statutes of limitations applicable to actions not subject to the California Tort Claims Act.

**Claim to: BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY  
OF THE COUNTY OF CONTRA COSTA  
INSTRUCTIONS TO CLAIMANT**

- A. Claims relating to causes of action for death or for injury to person or to personal property or growing crops and which accrue on or before December 31, 1987, must be presented not later than the 100th day after the accrual of the cause of action. Claims relating to causes of action for death or for injury to person or to personal property or growing crops and which accrue on or after January 1, 1988, must be presented not later than six months after the accrual of the cause of action. Claims relating to any other cause of action must be presented not later than one year after the accrual of the cause of action. (Govt. Code §911.2.)
- B. Claims must be filed with the Clerk of the Board at its office in Room 106, County Administration Building, 651 Pine Street, Martinez, CA 94553, either by mail or in person.
- C. If the claim is against more than one public entity; separate claims must be filed against each public entity.

D. Fraud. See penalty for fraudulent claims, Penal Code Sec. 72 at the end of this form.  
\*\*\*\*\*

RE: Claim By:

) Reserved for Clerk's filing stamp

Carla Hammer  
Name )  
)



Against: The Housing Authority of the County of Contra Costa

The undersigned claimant hereby makes claim against the Housing Authority of the County of Contra Costa in the sum of 2,402.11 and in support of this claim represents as follows:

1. When did the damage or injury occur? (Give exact date and hour)

12/10/2018 AT 9:00AM

2. Where did the damage or injury occur? (Include city and county)

Richmond, California

3. How did the damage or injury occur? (Give full details; use extra paper if required)

The Housing Authority Truck was on wrong side of street proceeded into the intersection without stopping and Accident occurred

4. What particular act or omission on the part of county or district officers, servants or employees caused the injury or damage?

\_\_\_\_\_

5. What are the names of county or district officers, servants or employees causing the damage or injury?

*Kenneth Eugene Potts*

6. What damage or injuries do you claim resulted? (Give full extent of injuries or damages claimed. Attached two estimates for auto damage.)

7. How was the amount claimed above computed? (Include the estimated amount of any prospective injury or damage.)

*From Auto repair shop*

8. Names and addresses of witnesses, doctors and hospitals.

*n/a*

9. List the expenditures you made on account of this accident or injury:

DATE

ITEM

AMOUNT

\*\*\*\*\*

SEND NOTICE TO: (Attorney)

Name and Address of Attorney

Gov. Code Sec. 910.2 provides:  
"The claim must be signed by the claimant  
or by some person on his behalf."

*Carla Hammer*

(Claimant's Signature)

[Redacted Address]

(Address)

*Richmond CA 94801*

Telephone No. \_\_\_\_\_

Telephone No. \_\_\_\_\_

\*\*\*\*\*

**NOTICE**

**Section 72 of the Penal Code provides:**

"Every person who, with intent to defraud, presents for allowance or for payment to any state board or officer, or to any county, city or district board or officer, authorized to allow or pay the same if genuine, any false or fraudulent claim, bill, account, voucher, or writing, is punishable either by imprisonment in the county jail for a period of not more than one year, by a fine of not exceeding one thousand (\$1,000), or by both such imprisonment and fine, or by imprisonment in the state prison, by a fine of not exceeding ten thousand dollars (\$10,000) or by both such imprisonment and fine."

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Nevada & Arizona  
Since 1985

**SAN JOSE /  
HOME OFFICE**  
1631 Willow St., #220  
San Jose, CA 95125  
Phone: (408) 265-3800  
[sikoning@koning.us](mailto:sikoning@koning.us)

**SAN FRANCISCO**  
1001 Bayhill Dr., 2<sup>nd</sup> Floor  
San Bruno, CA 94066  
Phone: (650) 952-0822  
[sfkoning@koning.us](mailto:sfkoning@koning.us)

**OAKLAND**  
3478 Buskirk Ave., #1000  
Pleasant Hill, CA 94523  
Phone: (925) 943-5252  
[wckoning@koning.us](mailto:wckoning@koning.us)

**SACRAMENTO**  
8801 Folsom Blvd., #161  
Sacramento, CA 95826  
Phone: (916) 266-4330  
[sakoning@koning.us](mailto:sakoning@koning.us)

**MODESTO**  
P.O. Box 542  
Modesto, CA 95353  
Phone: (209) 575-5802  
[mokoning@koning.us](mailto:mokoning@koning.us)

**FRESNO**  
7075 N. Howard St., #104  
Fresno, CA 93720  
Phone: (559) 261-9140  
[frkoning@koning.us](mailto:frkoning@koning.us)

**BAKERSFIELD**  
4900 California Ave.,  
Tower B, 2<sup>nd</sup> Fl.  
Bakersfield, CA 93309  
Phone: (661) 587-0773  
[bkkoning@koning.us](mailto:bkkoning@koning.us)

**LOS ANGELES**  
400 Corporate Pointe, #300  
Culver City, CA 90230  
Phone: (310) 337-7180  
[lakoning@koning.us](mailto:lakoning@koning.us)

**ORANGE**  
1835 W. Orangewood Ave.  
Suite 305  
Orange, CA 92868  
Phone: (714) 456-9923  
[ockoning@koning.us](mailto:ockoning@koning.us)

**SAN DIEGO**  
2831 Camino del Rio South  
Suite 301  
San Diego, CA 92108  
Phone: (619) 584-7822  
[sdkoning@koning.us](mailto:sdkoning@koning.us)

**VENTURA**  
1000 Town Center Dr., #300  
Oxnard, CA 93036  
Phone: (805) 642-7812  
[vtkoning@koning.us](mailto:vtkoning@koning.us)

**SAN BERNARDINO**  
242 E. Airport Dr., #113  
San Bernardino, CA 92408  
Phone: (909) 383-5012  
[sbdkoning@koning.us](mailto:sbdkoning@koning.us)

**LAS VEGAS**  
2300 W. Sahara Ave., #800  
Las Vegas, NV 89102  
Phone: (702) 220-7631  
[lvkoning@koning.us](mailto:lvkoning@koning.us)

**PHOENIX**  
4600 E. Washington St.,  
Suite 300  
Phoenix, AZ 85034  
Phone: (602) 253-4605  
[pxkoning@koning.us](mailto:pxkoning@koning.us)

# Koning & Associates

Insurance Adjusters • Investigators  
[www.Koning.us](http://www.Koning.us)

January 11, 2019

Via Email and U.S. Mail: [daloniehammer@gmail.com](mailto:daloniehammer@gmail.com)

CARLA HAMMER  
[REDACTED]  
RICHMOND, CA 94801

Re: Our Principal : HOUSING AUTHORITY  
INSURANCE GROUP  
Their Claim No. : I3GP3  
Insured : CONTRA COSTA  
HOUSING AUTHORITY  
Date of Loss : 12/10/18  
Claimant : HAMMER, CARLA  
Our File No. : SH-176301-228W

Dear Mr. Hernandez:

Koning & Associates represents the interests of Housing Authority Insurance Group with regard to the above-captioned claim. All final determinations concerning coverage, liability and damage will be made strictly by Housing Authority Insurance Group.

In order to address any claim for damages, you must first present your administrative claim, in writing directly to the entity for which you are alleging is responsible for your damages. Please see the attached form, the form should be completed in its entirety.

Please return the form to the following address:

Clerk of the Board  
County Administration Building, Room #106  
651 Pine Street  
Martinez, CA 94553

Please be advised that Contra Costa Housing Authority or "CCHA" is a Public Entity and the Statute of Limitations to file a claim directly with CCHA is six (6) months from the dated of the incident or 6/10/19. If you fail to present your claim or file suit against the CCHA prior to this date, you may be barred from recovery. You may consult with an attorney at your own discretion and at your own expense.



Contra  
Costa  
County

To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: May 21, 2019

Subject: HIGH PERFORMER CERTIFICATION FOR THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM (SEMAP) FOR F

---

### **RECOMMENDATIONS**

ADOPT Resolution No. 5223 certifying the Housing Authority of the County of Contra Costa (HACCC) as a High Performer under the Section 8 Management Assessment Program (SEMAP), subject to HUD confirmatory review, for the period of April 1, 2018 to March 31, 2019.

### **BACKGROUND**

HUD utilizes SEMAP to evaluate a public housing authority's (PHA) management of the HCV program. SEMAP scores are based on a combination of electronic data reported to HUD at regular intervals by public housing authorities (PHAs) and self-reported scores based on internal audits conducted by PHA staff. PHAs use HUD's SEMAP Certification form to submit their scores. HACCC's completed form for fiscal year 2018 is attached. The SEMAP rating consists of fourteen separate performance indicators plus a Bonus Indicator. Scores for Indicators 1-8 on the attached SEMAP Certification form are based upon HACCC's internal review and an external review conducted by a consultant. Scores for Indicators 9-14 on the attached SEMAP Certification form are based on HUD's automatic scoring of these Indicators. Based on staff's certification, HACCC's HCV program is entitled to receive 125 out of 135 possible points, which will result in a SEMAP score of 93%. The rating becomes official after HUD reviews and approves the submission. If HUD maintains this score, HACCC will once again qualify as a "High Performer" under HUD's SEMAP program.

---

Action of Board On: **05/21/2019**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

### **VOTE OF COMMISSIONERS**

AYE: John Gioia, Commissioner  
Candace Andersen,  
Commissioner  
Diane Burgis, Commissioner  
Karen Mitchoff,  
Commissioner  
Federal D. Glover,  
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: May 21, 2019

Joseph Villarreal, Executive Director

By: Jami Napier , Deputy

Contact: 925-957-8028

cc:

## BACKGROUND (CONTD)

HACCC achieved a favorable score in 12 of 13 of the SEMAP Indicators for which it is eligible. Specifically, HACCC scored points in the following Indicators:

- Selection From the Waiting List
- Determination of Rent Reasonableness
- Determination of Adjusted Income
- Maintaining Current Utility Allowance Schedules
- Conducting Quality Control Inspections
- Expanding Housing Opportunities
- Maintaining Current Payment Standards
- Conducting Annual Income Reexaminations
- Correctly Calculating Tenant Rent
- Conducting Pre-Contract Housing Quality Standards (HQS) Inspections
- Annual HQS Inspections
- Lease-Up/Utilization Rate

The Authority did not receive points for Housing Quality Standard Enforcement. Specifically,

- Housing Quality Standards Enforcement

HQS Enforcement shows whether, following each HQS inspection of a unit under contract where the unit fails to meet HQS, any cited life-threatening deficiencies are corrected within 24 hours from the inspection and all other deficiencies are corrected within no more than 30 calendar days from the inspection or any HACCC approved extension. Points are based on whether HACCC corrects all HQS deficiencies within the required time frames permitted by HUD. The margin of error on this indicator is next to zero. Unfortunately, there were 6 instances where one inspector failed to properly notice the owners and follow up on the deficiencies in the allotted time frames. HACCC has taken steps to remove this inspector from its rotation of inspectors and expects to have this matter resolved next year. HACCC will continue following the Administrative Plan and local code for following proper HQS guidelines. HACCC will also continue to utilize quality control measures to help identify remaining weaknesses in overall processes on this Indicator.

Because HACCC has exceeded HUD's requirements, the Agency is no longer rated in the following Indicator:

- Family Self Sufficiency (FSS)

HACCC is no longer rated under SEMAP for this Indicator because we have graduated more FSS participants than the minimum required by HUD. If the HACCC was still rated, it would receive points for this Indicator.

## FISCAL IMPACT

HUD provides over \$109 million annually to serve low-income families in Contra Costa County via the Housing Choice Voucher (HCV) rental assistance program. Approval of this SEMAP certification is a condition for continued funding.

## CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners elect not to approve Resolution No. 5223, HACCC would be in jeopardy of losing over \$109 million in funding that provides rental assistance for low income families in Contra Costa County.

AGENDA ATTACHMENTS

SEMAP Resolution 5223

SEMAP Certification Form - FORM HUD - 52648 Indicator 8 Attachment

SEMAP Certification Form - FORM HUD - 52648

MINUTES ATTACHMENTS

Signed Resolution 5223

THE BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

RESOLUTION NO. 5223

RESOLUTION APPROVING THE SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM  
CERTIFICATION FOR THE HOUSING CHOICE VOUCHER PROGRAM AND AUTHORIZING  
SUBMISSION OF RELATED DOCUMENTATION

WHEREAS, the Housing Authority of the County of Contra Costa's Board of Commissioners want to continue to provide housing assistance payments to qualified low-income tenants; and

WHEREAS, the Housing Authority of the County of Contra Costa wants to ensure that its Housing Choice Voucher program functions within the standards of the U.S. Department of Housing and Urban Development (HUD) Section 8 Management Assessment Program (SEMAP); and

WHEREAS, 24 CFR Section 985.101 requires a public housing authority (PHA) that administers a Section 8 tenant-based assistance program to submit an annual SEMAP certification within 60 calendar days after the end of its fiscal year; and

WHEREAS, the information requested on the SEMAP Certification concerns the performance of the PHA and provides assurance that there is no evidence of seriously deficient performance.; and

WHEREAS, HUD uses the information and other data to asses PHA management capabilities and deficiencies, and assign an overall performance rating to the PHA; and

WHEREAS, the certification must be approved by PHA board resolution and signed by the PHA executive director; and

WHEREAS, a PHA's SEMAP certification is subject to HUD verification by an on-site confirmatory review at any time.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY, as follows:

1. The SEMAP certification for the Housing Authority of the County of Contra Costa for the period ending March 31, 2019, is hereby approved subject to any subsequent HUD confirmatory reviews; and,
2. The Executive Director of the Housing Authority of the County of Contra Costa is authorized to submit this certification and any related documentation to the U.S. Department of Housing and Urban Development. This Resolution shall be effective immediately.

PASSED AND ADOPTED ON \_\_\_\_\_ by  
the following vote of the Commissioners.

AYES:

NOES:

ABSENT:

ABSTAIN:

I HEREBY CERTIFY THAT THIS IS A  
TRUE AND CORRECT COPY OF AN  
ACTION TAKEN AND ENTERED ON THE  
MINUTES OF THE BOARD OF  
COMMISSIONERS ON THE DATE SHOWN.

ATTESTED \_\_\_\_\_  
JOSEPH VILLARREAL, CLERK OF THE  
BOARD OF COMMISSIONERS AND  
EXECUTIVE DIRECTOR

By \_\_\_\_\_

**CA011 - SEMAP Certification - Indicator #8 - Page 2**

Payment Standards. The PHA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and, if applicable, for each PHA-designated part of an FMR area, which do not exceed 110 percent of the current applicable FMR and which are not less than 90 percent of the current FMR (unless a lower percent is approved by HUD). (24 CFR 982.503)

PHA Response Yes  No

Enter current FMRs and payment standards (PS)

0-BR FMR \_\$1540\_\_\_ 1-BR FMR \_\_\$1855\_\_ 2-BR FMR \_\_\$2329\_\_ 3-BR FMR \_\$3219\_ 4-BR FMR \_\_\$3946\_\_

O-BR PS \_\$1435\_\_\_ 1-BR PS \_\_\$1723\_\_ 2-BR PS \_\_\$2173\_\_ 3-BR PS \_\_\$3017\_\_ 4-BR PS \_\_\_\$3552\_\_

**If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, attach similar FMR and payment standard comparisons for each FMR area and designated area.**

# Section 8 Management Assessment Program (SEMAP) Certification

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0215  
(exp. 02/29/2020)

Public reporting burden for this collection of information is estimated to average 12 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

This collection of information is required by 24 CFR sec 985.101 which requires a Public Housing Agency (PHA) administering a Section 8 tenant-based assistance program to submit an annual SEMAP Certification within 60 days after the end of its fiscal year. The information from the PHA concerns the performance of the PHA and provides assurance that there is no evidence of seriously deficient performance. HUD uses the information and other data to assess PHA management capabilities and deficiencies, and to assign an overall performance rating to the PHA. Responses are mandatory and the information collected does not lend itself to confidentiality.

**Instructions** Respond to this certification form using the PHA's actual data for the fiscal year just ended.

PHA Name	For PHA FY Ending (mm/dd/yyyy)	Submission Date (mm/dd/yyyy)
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**Check here if the PHA expends less than \$300,000 a year in Federal awards**

Indicators 1 - 7 will not be rated if the PHA expends less than \$300,000 a year in Federal awards and its Section 8 programs are not audited for compliance with regulations by an independent auditor. A PHA that expends less than \$300,000 in Federal awards in a year must still complete the certification for these indicators.

## Performance Indicators

1. Selection from the Waiting List. (24 CFR 982.54(d)(1) and 982.204(a))

(a) The PHA has written policies in its administrative plan for selecting applicants from the waiting list.

**PHA Response** Yes  No

(b) The PHA's quality control samples of applicants reaching the top of the waiting list and of admissions show that at least 98% of the families in the samples were selected from the waiting list for admission in accordance with the PHA's policies and met the selection criteria that determined their places on the waiting list and their order of selection.

**PHA Response** Yes  No

2. Reasonable Rent. (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)

(a) The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units (i) at the time of initial leasing, (ii) before any increase in the rent to owner, and (iii) at the HAP contract anniversary if there is a 5 percent decrease in the published FMR in effect 60 days before the HAP contract anniversary. The PHA's method takes into consideration the location, size, type, quality, and age of the program unit and of similar unassisted units, and any amenities, housing services, maintenance or utilities provided by the owners.

**PHA Response** Yes  No

(b) The PHA's quality control sample of tenant files for which a determination of reasonable rent was required shows that the PHA followed its written method to determine reasonable rent and documented its determination that the rent to owner is reasonable as required for (check one):

**PHA Response**  At least 98% of units sampled  80 to 97% of units sampled  Less than 80% of units sampled

3. Determination of Adjusted Income. (24 CFR part 5, subpart F and 24 CFR 982.516)

The PHA's quality control sample of tenant files shows that at the time of admission and reexamination, the PHA properly obtained third party verification of adjusted income or documented why third party verification was not available; used the verified information in determining adjusted income; properly attributed allowances for expenses; and, where the family is responsible for utilities under the lease, the PHA used the appropriate utility allowances for the unit leased in determining the gross rent for (check one):

**PHA Response**  At least 90% of files sampled  80 to 89% of files sampled  Less than 80% of files sampled

4. Utility Allowance Schedule. (24 CFR 982.517)

The PHA maintains an up-to-date utility allowance schedule. The PHA reviewed utility rate data that it obtained within the last 12 months, and adjusted its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.

**PHA Response** Yes  No

5. HQS Quality Control Inspections. (24 CFR 982.405(b))

A PHA supervisor (or other qualified person) reinspected a sample of units during the PHA fiscal year, which met the minimum sample size required by HUD (see 24 CFR 985.2), for quality control of HQS inspections. The PHA supervisor's reinspected sample was drawn from recently completed HQS inspections and represents a cross section of neighborhoods and the work of a cross section of inspectors.

**PHA Response** Yes  No

6. HQS Enforcement. (24 CFR 982.404)

The PHA's quality control sample of case files with failed HQS inspections shows that, for all cases sampled, any cited life-threatening HQS deficiencies were corrected within 24 hours from the inspection and, all other cited HQS deficiencies were corrected within no more than 30 calendar days from the inspection or any PHA-approved extension, or, if HQS deficiencies were not corrected within the required time frame, the PHA stopped housing assistance payments beginning no later than the first of the month following the correction period, or took prompt and vigorous action to enforce the family obligations for (check one):

**PHA Response**  At least 98% of cases sampled  Less than 98% of cases sampled

7. Expanding Housing Opportunities. (24 CFR 982.54(d)(5), 982.153(b)(3) and (b)(4), 982.301(a) and 983.301(b)(4) and (b)(12)).

**Applies only to PHAs with jurisdiction in metropolitan FMR areas.**

**Check here if not applicable**

(a) The PHA has a written policy to encourage participation by owners of units outside areas of poverty or minority concentration which clearly delineates areas in its jurisdiction that the PHA considers areas of poverty or minority concentration, and which includes actions the PHA will take to encourage owner participation.

**PHA Response** Yes  No

(b) The PHA has documentation that shows that it took actions indicated in its written policy to encourage participation by owners outside areas of poverty and minority concentration.

**PHA Response** Yes  No

(c) The PHA has prepared maps that show various areas, both within and neighboring its jurisdiction, with housing opportunities outside areas of poverty and minority concentration; the PHA has assembled information about job opportunities, schools and services in these areas; and the PHA uses the maps and related information when briefing voucher holders.

**PHA Response** Yes  No

(d) The PHA's information packet for voucher holders contains either a list of owners who are willing to lease, or properties available for lease, under the voucher program, or a list of other organizations that will help families find units and the list includes properties or organizations that operate outside areas of poverty or minority concentration.

**PHA Response** Yes  No

(e) The PHA's information packet includes an explanation of how portability works and includes a list of neighboring PHAs with the name, address and telephone number of a portability contact person at each.

**PHA Response** Yes  No

(f) The PHA has analyzed whether voucher holders have experienced difficulties in finding housing outside areas of poverty or minority concentration and, where such difficulties were found, the PHA has considered whether it is appropriate to seek approval of exception payment standard amounts in any part of its jurisdiction and has sought HUD approval when necessary.

**PHA Response** Yes  No

8. Payment Standards. The PHA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and, if applicable, for each PHA-designated part of an FMR area, which do not exceed 110 percent of the current applicable FMR and which are not less than 90 percent of the current FMR (unless a lower percent is approved by HUD). (24 CFR 982.503)

**PHA Response** Yes  No

Enter current FMRs and payment standards (PS)

0-BR FMR \_\_\_\_\_ 1-BR FMR \_\_\_\_\_ 2-BR FMR \_\_\_\_\_ 3-BR FMR \_\_\_\_\_ 4-BR FMR \_\_\_\_\_  
PS \_\_\_\_\_ PS \_\_\_\_\_ PS \_\_\_\_\_ PS \_\_\_\_\_ PS \_\_\_\_\_

**If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, attach similar FMR and payment standard comparisons for each FMR area and designated area.**

9. Annual Reexaminations. The PHA completes a reexamination for each participating family at least every 12 months. (24 CFR 982.516)

**PHA Response** Yes  No

10. Correct Tenant Rent Calculations. The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program. (24 CFR 982, Subpart K)

**PHA Response** Yes  No

11. Precontract HQS Inspections. Each newly leased unit passed HQS inspection before the beginning date of the assisted lease and HAP contract. (24 CFR 982.305)

**PHA Response** Yes  No

12. Annual HQS Inspections. The PHA inspects each unit under contract at least annually. (24 CFR 982.405(a))

**PHA Response** Yes  No

13. Lease-Up. The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year.

**PHA Response** Yes  No

14a. Family Self-Sufficiency Enrollment. The PHA has enrolled families in FSS as required. (24 CFR 984.105)

**Applies only to PHAs required to administer an FSS program.**

**Check here if not applicable**

**PHA Response**

a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1998. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaid or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1998.)

or, Number of mandatory FSS slots under HUD-approved exception

b. Number of FSS families currently enrolled

c. Portability: If you are the **initial** PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Percent of FSS slots filled (b + c divided by a)

14b. Percent of FSS Participants with Escrow Account Balances. The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances. (24 CFR 984.305)

**Applies only to PHAs required to administer an FSS program .**

**Check here if not applicable**

**PHA Response**      **Yes**       **No**

Portability: If you are the **initial** PHA, enter the number of families with FSS escrow accounts currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

**Deconcentration Bonus Indicator** (Optional and only for PHAs with jurisdiction in metropolitan FMR areas).

The PHA is submitting with this certification data which show that:

- (1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;
- (2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area during the last PHA FY is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the last PHA FY;

**or**

- (3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area over the last two PHA FYs is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.

**PHA Response**      **Yes**       **No**       **If yes, attach completed deconcentration bonus indicator addendum.**

I hereby certify that, to the best of my knowledge, the above responses under the Section 8 Management Assessment Program (SEMAP) are true and accurate for the PHA fiscal year indicated above. I also certify that, to my present knowledge, there is not evidence to indicate seriously deficient performance that casts doubt on the PHA's capacity to administer Section 8 rental assistance in accordance with Federal law and regulations.

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

Executive Director, signature

Chairperson, Board of Commissioners, signature

\_\_\_\_\_  
Date (mm/dd/yyyy) \_\_\_\_\_

\_\_\_\_\_  
Date (mm/dd/yyyy) \_\_\_\_\_

The PHA may include with its SEMAP certification any information bearing on the accuracy or completeness of the information used by the PHA in providing its certification.

# SEMAP Certification - Addendum for Reporting Data for Deconcentration Bonus Indicator

Date (mm/dd/yyyy) \_\_\_\_\_

PHA Name \_\_\_\_\_

Principal Operating Area of PHA \_\_\_\_\_  
(The geographic entity for which the Census tabulates data)

**Special Instructions for State or regional PHAs** Complete a copy of this addendum for each metropolitan area or portion of a metropolitan area (i.e., principal operating areas) where the PHA has assisted 20 or more Section 8 families with children in the last completed PHA FY. HUD will rate the areas separately and the separate ratings will then be weighted by the number of assisted families with children in each area and averaged to determine bonus points.

1990 Census Poverty Rate of Principal Operating Area \_\_\_\_\_

## Criteria to Obtain Deconcentration Indicator Bonus Points

To qualify for bonus points, a PHA must complete the requested information and answer yes for only one of the 3 criteria below. However, State and regional PHAs must always complete line 1) b for each metropolitan principal operating area.

- 1) \_\_\_\_\_ a. Number of Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY who live in low poverty census tracts. A low poverty census tract is a tract with a poverty rate at or below the overall poverty rate for the principal operating area of the PHA, or at or below 10% whichever is greater.  
\_\_\_\_\_ b. Total Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY.  
\_\_\_\_\_ c. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the last PHA FY (line a divided by line b).  
Is line c 50% or more? Yes  No
- 2) \_\_\_\_\_ a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the last completed PHA FY.  
\_\_\_\_\_ b. Number of Section 8 families with children who moved to low poverty census tracts during the last completed PHA FY.  
\_\_\_\_\_ c. Number of Section 8 families with children who moved during the last completed PHA FY.  
\_\_\_\_\_ d. Percent of all Section 8 mover families with children who moved to low poverty census tracts during the last PHA fiscal year (line b divided by line c).  
Is line d at least two percentage points higher than line a? Yes  No
- 3) \_\_\_\_\_ a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the second to last completed PHA FY.  
\_\_\_\_\_ b. Number of Section 8 families with children who moved to low poverty census tracts during the last two completed PHA FYs.  
\_\_\_\_\_ c. Number of Section 8 families with children who moved during the last two completed PHA FYs.  
\_\_\_\_\_ d. Percent of all Section 8 mover families with children who moved to low poverty census tracts over the last two completed PHA FYs (line b divided by line c).  
Is line d at least two percentage points higher than line a? Yes  No

**If one of the 3 criteria above is met, the PHA may be eligible for 5 bonus points.**

**See instructions above concerning bonus points for State and regional PHAs.**

THE BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

RESOLUTION NO. 5223

RESOLUTION APPROVING THE SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM  
CERTIFICATION FOR THE HOUSING CHOICE VOUCHER PROGRAM AND AUTHORIZING  
SUBMISSION OF RELATED DOCUMENTATION

WHEREAS, the Housing Authority of the County of Contra Costa's Board of Commissioners want to continue to provide housing assistance payments to qualified low-income tenants; and

WHEREAS, the Housing Authority of the County of Contra Costa wants to ensure that its Housing Choice Voucher program functions within the standards of the U.S. Department of Housing and Urban Development (HUD) Section 8 Management Assessment Program (SEMAP); and

WHEREAS, 24 CFR Section 985.101 requires a public housing authority (PHA) that administers a Section 8 tenant-based assistance program to submit an annual SEMAP certification within 60 calendar days after the end of its fiscal year; and

WHEREAS, the information requested on the SEMAP Certification concerns the performance of the PHA and provides assurance that there is no evidence of seriously deficient performance.; and

WHEREAS, HUD uses the information and other data to asses PHA management capabilities and deficiencies, and assign an overall performance rating to the PHA; and

WHEREAS, the certification must be approved by PHA board resolution and signed by the PHA executive director; and

WHEREAS, a PHA's SEMAP certification is subject to HUD verification by an on-site confirmatory review at any time.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY, as follows:

1. The SEMAP certification for the Housing Authority of the County of Contra Costa for the period ending March 31, 2019, is hereby approved subject to any subsequent HUD confirmatory reviews; and,
2. The Executive Director of the Housing Authority of the County of Contra Costa is authorized to submit this certification and any related documentation to the U.S. Department of Housing and Urban Development. This Resolution shall be effective immediately.

PASSED AND ADOPTED ON May 21, 2019 by  
the following vote of the Commissioners.

AYES: 5

NOES: 0

ABSENT: 0

ABSTAIN: 0

I HEREBY CERTIFY THAT THIS IS A  
TRUE AND CORRECT COPY OF AN  
ACTION TAKEN AND ENTERED ON THE  
MINUTES OF THE BOARD OF  
COMMISSIONERS ON THE DATE SHOWN.

ATTESTED Jami Napier  
JOSEPH VILLARREAL, CLERK OF THE  
BOARD OF COMMISSIONERS AND  
EXECUTIVE DIRECTOR

By [Signature]

To: Contra Costa County Housing Authority Board of Commissioners  
 From: Joseph Villarreal, Housing Authority  
 Date: May 21, 2019



Contra  
 Costa  
 County

Subject: RELOCATION STATUS OF LAS DELTAS RESIDENTS

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### **RECOMMENDATIONS**

ACCPET report on the relocation status of the families at the Las Deltas public housing development in North Richmond.

### **BACKGROUND**

As part of the RAD conversion of the Las Deltas public housing units, HACCC is required to assist the families living at Las Deltas to find new, affordable places to live. All of the residents living at Las Deltas at the time of conversion, must be assisted under the laws and regulations set forth in the Uniform Relocation Act, California Relocation Assistance Law and the California Relocation Assistance and Real Property Acquisition Guidelines.

There were 81 families living at Las Deltas when it was approved for RAD. All are/were eligible for relocation benefits. In September 2017 HACCC began officially moving families out of Las Deltas. Although a few of the 81 families had moved before this date, these early movers retained eligibility for, and were offered, relocation benefits. The mover status of the Las Deltas families as of March 5, 2019 is as follows:

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Action of Board On: **05/21/2019**  APPROVED AS RECOMMENDED  OTHER

Clerks Notes:

### **VOTE OF COMMISSIONERS**

AYE: John Gioia, Commissioner  
 Candace Andersen,  
 Commissioner  
 Diane Burgis, Commissioner  
 Karen Mitchoff,  
 Commissioner  
 Federal D. Glover,  
 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: May 21, 2019

Joseph Villarreal, Executive Director

By: Jami Napier, Deputy

Contact: 925-957-8028

cc:

BACKGROUND (CONT'D)

**Total Las Deltas Families Eligible for Relocation 81**

<b>Total Families That Have Moved</b>	<b>78</b>
Moved to other public housing	43
Moved using voucher within HACCC jurisdiction	27
Moved using voucher outside of HACCC jurisdiction	7
Moved and left HACCC programs	1
<b>Total Families Pending Move</b>	<b>3</b>
Waiting to move to other public housing unit	2
Already issued voucher, searching for a unit	1
Waiting for voucher to be issued	0

FISCAL IMPACT

Funding of approximately \$1.4 million is provided in the Housing Authority's (HACCC) current PHA Annual Plan Capital Fund Program (CFP) budget for the cost of the relocation consultants and all direct relocation costs that will be provided to families (e.g., security deposits, utility transfer fees and the costs to hire movers). \$1 million is targeted for direct relocation costs for the families of Las Deltas.

CONSEQUENCE OF NEGATIVE ACTION

None. Information item only.