



**Contra  
Costa  
County**

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: February 9, 2016

Subject: Allocation of Fiscal Year 2015/16, 2016/17, and 2017/18 Housing Opportunities for Persons with HIV/AIDS (HOPWA)

**RECOMMENDATION(S):**

APPROVE the allocation of \$1,010,000 of Housing Opportunities for Persons with HIV/AIDS (HOPWA) funds from Fiscal Years 2015/16, 2016/17, and 2017/18 to Resources for Community Development for the Riviera Family Apartments project in the City of Walnut Creek.

**FISCAL IMPACT:**

No General Fund impact. 100% federal funds. HOPWA funds are provided to the County on a formula basis through the City of Oakland. Catalog of Federal Assistance No.: Housing Opportunities for Persons with HIV/AIDS (HOPWA) Program - 14.241.

**BACKGROUND:**

The National Affordable Housing Act (Public Law 101-625, approved November 28, 1990) authorizes the Housing Opportunities for Persons with HIV/AIDS (HOPWA) program to provide states and localities with resources to devise long-term comprehensive strategies for meeting the housing needs of persons with HIV/AIDS and related diseases.

The City of Oakland (City) is the HOPWA grant recipient for Alameda and Contra Costa

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **02/09/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: Candace Andersen, District II  
Supervisor  
Mary N. Piepho, District III  
Supervisor  
Karen Mitchoff, District IV  
Supervisor  
Federal D. Glover, District V  
Supervisor

ABSENT: John Gioia, District I  
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: February 9, 2016

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Chris Heck, Deputy

Contact: Kristin Sherk, (925)  
674-7887

cc:

Counties. The City allocates HOPWA funds between the counties based on the number of HIV/AIDS cases. These funds may be used for site acquisition, rehabilitation and new construction of affordable housing, supportive services, housing information services, rent and utility subsidies, and certain other housing related activities for low-income persons living with HIV/AIDS in both incorporated and unincorporated areas of the County.

## BACKGROUND: (CONT'D)

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The Contra Costa Consortium (County staff and staff from the Cities of Antioch, Concord, Pittsburg, Richmond, and Walnut Creek) makes funding recommendations regarding HOPWA to the Board of Supervisors. The Consortium met on December 10, 2015, to consider staff recommendations for the Riviera Family Apartments project. The Consortium recommends that the Board of Supervisors allocate \$1,010,000 in HOPWA funds to Resources for Community Development (RCD) to assist in the the new construction of Riviera Family Apartments. This allocation will leave approximately \$250,000 in FY 2016/17 funds available for the Health Services Department HIV/AIDs program and DCD administration. There are no known developments in the HOPWA pipeline. This allocation of funds will assist the County in meeting the expenditure goals set by the City of Oakland.

RCD is proposing to develop Riviera Family Apartments, which involves the new construction of 58 units including 8 studio, 24 one-bedroom, 8 two-bedroom, and 17 three-bedroom units distributed over two non-contiguous sites located at 1511-1515 and 1716-1738 Riviera Avenue in Walnut Creek. All of the rents will be affordable to households with incomes at or below 60 percent area median income (AMI), including rents at 30 percent, 40 percent, 50 percent, and 60 percent AMI. A total of 28 units will be designated as County-assisted, including 8 HOPWA units and 16 HOME units. Of the 8 HOPWA units, 4 will be studios, 3 will be one-bedroom, and one will be a two-bedroom unit. In accordance with HOPWA regulations, RCD will contract with the County Health Services Department HIV/AIDS Program to be the lead service agency and provider of services to residents at Riviera Family Apartments.

The recommended HOPWA allocation includes \$258,064 from FY 2015/16, \$251,936 from FY 2016/17, \$250,000 from FY 2017/18, and \$250,000 from a loan payment. The FY 2017/18 HOPWA funds are contingent on the County executing an agreement for HOPWA funds with the City of Oakland. As proposed, \$500,000 in HOPWA funds will be expended at construction close, scheduled for summer 2016. The remaining \$500,000 will be expended at permanent close, scheduled for late 2017. The remaining \$10,000 of HOPWA funds is for project specific delivery costs, including legal document preparation, environmental review, Davis Bacon monitoring, and related activities.

Additional sources of financing includes the following:

City of Walnut Creek	\$6,000,000
Infill Infrastructure Program	\$2,800,240
Affordable Housing Program (AHP)	\$570,000
Affordable Housing Sustainable Communities Loan	\$2,614,450
Affordable Housing Sustainable Communities Grant	\$2,342,160

Low Income Housing Tax Credits	\$14,434,013
General Partner Contributions	\$1,300,000
Conventional Loan A - Rent Revenue	\$1,068,400
Conventional Loan B - Section 8	\$1,768,708
Deferred Developer Fee	\$200,000
HOME Investment Partnership Act (HOME)	\$1,000,000

The Walnut Creek City Council has endorsed and supported the project with \$6 million in funding by providing funds for the acquisition of the two sites as well as predevelopment money.

Legal documents for the project will include a loan agreement, a promissory note, a deed of trust and security agreement, a regulatory agreement, an intercreditor agreement, and a subordination agreement. Other documents that may be required include an assignment and assumption agreement and one or more estoppel agreements. These documents will be submitted for the Board of Supervisors approval at a later date

#### CONSEQUENCE OF NEGATIVE ACTION:

If the Board does not approve this allocation of HOPWA funds, Riviera Family Apartments may not be viable at this time.

#### CHILDREN'S IMPACT STATEMENT:

The new construction of affordable housing is consistent with outcome #3 of the Children's Report Card: Families are Economically Self Sufficient.