

Bob Dabney Plaza Staff Report

Prepared for Affordable Housing Finance Committee Review

Project Overview

Project Name: Bob Dabney Plaza

Applicant/Sponsor: Community Housing Development Corporation of North Richmond (CHDC)

Location: 100 & 106 Macdonald Avenue, Richmond

Consistency with Program Priorities: Production of Affordable Rental Housing

The proposed project is for the new construction of 32-unit multifamily affordable housing development, including one manager’s unit, on a vacant lot. The project will include one-, two-, and three-bedroom units for households with 30% to 60% of Area Median Income (AMI). There will be an office for an on-site resident manager, office for a resident services coordinator, and flex offices for third party service providers to meet with the residents as needed. Services will be provided to all residents based on their needs. The project will include a rooftop open space with garden, and 18 off-street parking spaces.

The site is located within one half mile to an AC Transit bus stop, and proximity to a grocery store, medical clinic, and pharmacy. The project has been awarded eight project-based vouchers (PBV) by the Housing Authority of Contra Costa County.

Sources of Funds (Permanent Financing)

• FY 2026/27 Measure X funds (requested):	\$3,426,044	applied
• State of California MHP:	\$10,244,610	proposed
• 9% Tax Credit Equity (TCAC/CDLAC):	\$22,400,000	proposed
• AHP (Affordable Housing Program):	\$930,000	proposed
• City of Richmond EPA Region 9 Funding:	\$75,000	expended
• State of California DTSC ECRG:	\$128,520	expended
• <u>GP Equity:</u>	<u>\$100</u>	<u>committed</u>

Total Permanent Sources: \$37,204,274

Uses of Funds (Development Budget)

- Land Acquisition: \$560,480

- Hard Construction Costs (Structures): \$17,203,216
- Other Construction Costs (Non-Structures): \$2,676,022
- Soft Costs: \$9,847,568
- Owner Hard Cost Contingency: \$3,033,572 (8% Construction Contingency)
- Soft Cost Contingency: \$456,916 (8% Soft Cost Contingency)
- Financing Costs: \$357,000
- Reserves: \$269,500
- Total Developer Fee: \$2,800,000

Total Uses: \$37,204,274 (balanced with total sources)

Unit and Affordability Mix

The project will help alleviate the need for safe, decent, affordable housing through the new construction of 31 affordable rental units for families including:

1-Bedroom Units

Number: 8

Proposed County-Assisted Units: 0

Affordability Level: 30% AMI

2-Bedroom Units

Number: 15

Proposed County-Assisted Units: 0

Affordability Level: 30–60% AMI

3-Bedroom Units

Number: 8

Proposed County-Assisted Units: 0

Affordability Level: 30-60% AMI

Manager’s Unit (2-Bedroom)

Number: 1

Affordability Level: Unrestricted

Total Units: 32

Financial Analysis and Underwriting

The estimated per-unit cost is approximately \$1,200,138. The hard cost per residential square foot is projected at \$678.49. Both costs are high, more than 15 percent above the average, compared to the other new construction podium parking project applications submitted to the County this round. The financing plan layers federal tax credits, State MHP funds, County Measure X funds, AHP financing, and EPA/DTSC grants. The total committed non-County funding is approximately 9 percent of the total sources. Pro forma cash flow shows positive annual cash flow from Year 1 through Year 20.

Scoring Criteria

- Project Readiness: 23 pts

The project does not have any awards of State 2025 HCD SuperNOFA/AHSC funds and is not applying for tax credits in 2026. The project's total committed non-County funding has been expended and is approximately nine percent of the total sources. The applicant was able to obtain land use approval from planning. However, the NEPA environmental review approval for the PBVs was not completed as of the filing of the application. The environmental consultant has completed additional rounds of testing and submitted a report to DTSC for review and comment.

- **Developer Experience & Capacity: 28 pts**
CHDC has experience in developing affordable housing in California for 33 years. In the past 10 years, CHDC has completed at least five multifamily residential projects with a total of 296 units.
- **Project Location: 15 pts**
The project is located in the City of Richmond within 1 mile of a full-service grocery store, within 1 mile of a pharmacy, within 1 mile of a medical clinic, and is with the "Extreme Displacement" category of the Urban Displacement Project's California Estimate Displacement Risk Model.
- **Project Targeting & Characteristics: 15 pts**
The income targeting exceeds the minimum with 55 percent of the units in the project (14 units) are proposed at 30% AMI. No documentation was provided regarding the energy efficient/green building construction score. The project is not providing any units for people with special needs or new permanent supportive housing units for homeless families or individuals.
- **Penalty for Nonperforming Previously Funded Projects – Not Applicable**

Total Score: 81 points out of a maximum of 189 points for rental projects.

Funding Recommendation Amount

Staff does not recommend any funding at this time.

Rationale for Recommendation

The project did not score as competitively as other projects reviewed this application round. The project does not have any awards of State 2025 HCD SuperNOFA/AHSC funds and is not applying for tax credits in 2026. The applicant is requesting all funding for predevelopment, which they intend to roll into construction costs. The requested funding is for predevelopment and construction costs. The applicant will be applying for the following proposed permanent funding sources for State of California MHP funds in 2026 and AHP

funds in February 2028. The applicant is anticipating submitting an application for 9% tax credits in July 2027 and beginning construction in December 2027 if awarded tax credits.