

# THE RIVETER INTERVIEW QUESTIONS

Responses due by Monday, Feb. 23

## 1. Funding Discrepancy

The pro forma lists \$870,000 in AHP funding as a financing source, but this amount does not appear in the application. Can you clarify whether AHP funding has been secured?

**Yes the 870,000 in AHP is committed and evidence was uploaded as Attachment VII. It should have been included as a committed financing source in CDS to match with pro forma.**

## 2. Contingency Levels

The project's contingency amounts appear to be lower than required. Can you explain how these levels were determined and whether they can be increased?

**The hard cost owner-held contingency is 8.00% plus a 2.00% GC contingency. As this pro forma assumed primarily new construction, we believe this combined 10.00% percent is sufficient since an adaptive reuse and not an occupied rehab. Any increase would increase gap and require additional support.**

## 3. Prevailing Wage Monitoring Costs

There appears to be no line item in the budget for prevailing wage monitoring, despite the use of State and Federal funds. How will prevailing wage compliance and associated monitoring costs be addressed?

**The hard cost numbers from RO include prevailing wage. They typically do not separate out this as a separate line item. The construction management line item includes \$90,000 for prevailing wage monitoring through a firm like CCMI or Meltzer and Associates who will likely be contracted for this project.**

## 4. NEPA Review and Project Changes

A NEPA review was completed in 2023, but the project scope, phasing, and total cost have since changed. Can you clarify whether an updated or supplemental NEPA review will be required?

**The project was entitled as 135 units and awarded vouchers for the entire project. Both CEQA and NEPA cover the full entitlement scope, which this application reflects.**

## 5. Target Population Clarification

The application references serving people experiencing homelessness, while prior materials have identified seniors and families as the target population, and the project includes HOME-ARP funding. Seniors and families are not an eligible population for HOME-ARP funds. Can you clearly define the project's target population and explain how it aligns with the proposed funding sources? Is there a subset of units set aside for those experiencing homelessness and/or at-risk? How many units?

The project has 34 project-based vouchers, which will be reserved for CES lease ups. 25 of these will be reserved for Phase 1. According to the table below, only four units are assisted by HOME-ARP. These will be filled via CES and set aside for homeless residents.

# of Bedrooms	Total # of Units	Affordability Level	CDBG-Assisted Units	MX-Assisted Units	PLHA-Assisted Units	HOME-ARP-Assisted Units	Total County-Assisted Units	
Studio	12	21-30%	6	4	0	2	6	
Studio	17	41-50%	6	2	3	0	6	
1	13	21-30%	5	5	0	2	7	
1	16	41-50%	5	0	3	0	5	
2	1	manager						
<b>TOTAL</b>	<b>59</b>		<b>21</b>	<b>11</b>	<b>6</b>	<b>4</b>	<b>21</b>	

### 6. Project Timing and Tax Credit Application

You noted the possibility of applying for tax credits in either 2026 or 2027. Occupancy is proposed in January 2029 with perm conversion over a year later (March 2030). Can we discuss the overall project timeline and how the timing of the tax credit application affects funding commitments and construction readiness? Is the perm close conversion date a typo? Why would it take over a year from full occupancy to complete the perm conversion?

SuperNOFA		AHSC	
County Interviews	2/1/2026	County Interviews	2/1/2026
County Affordable Housing Committee	3/1/2026	County Affordable Housing Committee	3/1/2026
SuperNOFA Due	4/1/2026	AHSC Due	5/1/2026
Board of Supervisors	6/1/2026	Board of Supervisors	6/1/2026
SuperNOFA Response	9/1/2026	AHSC Response	12/31/2026
Tax Credits - R3 4%	9/8/2026	Tax Credits - R1 4%	2/3/2027
Award	12/9/2026	Award	5/12/2027
Closing	6/1/2027	Closing	11/12/2027

### 7. AHSC 2026 NOFA

Has the State announced details for the 2026 AHSC NOFA? Is the due date announced at this time?

**Comments were due on 1/26/2026. It is expected that awards will be made by December 2026. Based on last year, the application was due in May. We are working with Kevin Rodin at Brisa Development Partners on an application.**

#### **8. Reasonable Development Costs**

Projects with abnormally high development costs – generally defined as being more than 15% above the average development costs per unit, per bedroom, or per square foot for similar projects must provide justification for the high costs. Compared with the rest of the applications submitted this year, the total project cost, cost per unit, and cost per residential square foot all exceed the average by more than 15%. Please provide a rationale for why these project costs are higher than those of the other applications received.

**This application envisioned a single-phased project. Attachment VIC shows breakdown by building. The hard cost per unit is \$630,209. \$666,190 for Building A and \$601,667 per unit for Building B. Other notable areas:**

- **Services Reserve – includes \$800,000 to support ongoing services for 25 PBV CES units**
- **Acquisition Basis – TDC includes \$14.2M in acquisition costs to help leverage basis**
- **Demolition and site cleaning – existing building needs to be abated while a significant portion of offsite work includes regrading the site adding \$4M to hard cost budget**
- **Local development impact fees were combined as two projects and reduced for Phase 1. Due to 1% for the arts and additional impact fees projected from EBMUD based on other recent projects like Legacy Court it is prudent to hold this higher budget.**

#### **9. Cash Flow / Residual Payments**

Is the cash flow residual payments section set up to meet the requirements of the County Program Guidelines? Per Section 7.3, the County loan is paid annually from Residual Receipts. The County will share in Residual Receipts “prorata” with other soft lenders based on the respective amounts of the soft lender loans. The County will typically require that the soft lenders share in 75% of Residual Receipts, and the Borrower may retain 25% of Residual Receipts as Borrower's Share of Residual Receipts. In addition, for both 9% and 4% tax credit projects, if there are insufficient development sources to pay the cash fee in the amount approved by the County, the County may agree that such unpaid portion of the cash fee may be paid as an operating expense prior to repayment of the County Loan from Residual Receipts. Any deferred developer fee may be paid only from the portion of the residual receipts that the County designates as "Borrower's Share of Residual Receipts".

If the cash flow provided in the application does not meet the above standards, it will need to be revised accordingly.

**We revised the cash flow to reflect the requested split. Due to the priority deferred fee, no residual receipts are expected in Years 1 through 15. Beginning in Year 16, residual receipts are shared pro rata with soft lenders in accordance with above.**

### 10. Per Unit SQ. FT. Missing from Application

The square footage of each apartment unit size was missing from the following table in the application.

Enter the number of times needed. - 15

# of Bedrooms	# of Bathrooms	Total # of Units	Per Unit Sq. Ft.	Affordability Level	Measure-X-Assisted Units	Total County Assisted Units
Studio	1	12		0% - 20%	12	12
1	1	10		0% - 20%	10	10
2	1	6		0% - 20%	6	6
3	2	6		0% - 20%	6	6
Studio	2	10		41% - 50%		0
1	2	14		41% - 50%		0
2	2	2		41% - 50%		0
3	2	1		41% - 50%		0
Studio	2	16		51% - 60%		0
1	2	31		51% - 60%		0
2	2	12		51% - 60%		0
3	2	13		51% - 60%		0
2	2	2		Unrestricted		0
<b>Total: 159</b>	<b>242</b>	<b>135</b>	<b>0</b>		<b>34</b>	<b>34</b>

Phase 1	sq ft	20%	50%	60%	Manager	Total	PBV	Measure X
0 BR	250	12	17			29	12	12
1 BR	500	13	16			29	13	13
2 BR	750				1	1		

Phase 2	sq ft	20%	50%	60%	Manager	Total	PBV	Measure X
0 BR	300		9			9		
1 BR	650	10	16			26	2	2
2 BR	936	6	2	12	1	21	3	3
3 BR	1200	6	1	13		20	4	4

	A	B	C	D	E	F	G	H	I	J
1	The Riveter, 100 38th Street Ph 1, Richmond, CA		4% Scenario							
2	County		Contra Costa							
3	<b>SOURCES OF FUNDS</b>		<b>TOTAL</b>	<b>RESIDENTIAL</b>	<b>Interest Rate</b>	<b>Am/Term</b>	<b>Period</b>	<b>Construction</b>		
4	Perm Loan		1,022,000	1,022,000	6.00%	15		Total Developer Fee		3,300,000
5				0				Deferred		1,300,000
6	HCD AHSC (or other HCD)		20,306,625	20,306,625				Developer Fee Schedule (estimate)		
7	Sponsor Loan - congressional earmark		3,000,000	3,000,000			3,000,000			
8	AHP		870,000	870,000			870,000	Closing		800,000
9	Seller Carryback		14,255,000	14,255,000			14,255,000	Perm Conversion		900,000
10				0				8609/Tax Return		300,000
11	County CDBG/HOME		2,804,115	2,804,115			2,804,115	Net Paid Dev Fee (HCD)		2,000,000
12	County Measure X/PLHA		2,214,000	2,214,000			2,214,000			
13	County - 2026-27 request		4,142,231	4,142,231			4,142,231			0
14	Deferred Developer Fee		1,300,000	1,300,000	<b>net dev fee</b>	<b>2,000,000</b>				
15	GP equity-			100						100
16	Investor Capital Contributions	federal	30,028,806	30,028,806			3,002,881			
17		state	0	0						
18	<b>TOTAL SOURCES</b>		<b>79,942,877</b>	<b>79,942,877</b>			<b>funds available 30,288,327</b>	<b>25% test</b>		
19							<b>Const. period cos 75,872,646</b>	Basis		71,297,321
20								land - value of donation + costs		4,221,000
21	Construction loan needed		45,584,320	5.80%				bond financing		<b>22,655,496</b>
22			20	mo const +	8					30,000
23	Surplus/Gap		0					land value		3,737,000
24				100.00%				Taxable Tail		22,928,824
25	<b>USES OF FUNDS</b>		<b>TOTAL COST L</b>	<b>RESIDENTIA</b>	<b>ACQUISITIO</b>	<b>N BASIS</b>	<b>4% CREDIT</b>	<b>Construction</b>		
26	<b>LAND COST/ACQUISITION</b>									
27	Improvements Cost or Value		14,255,000	14,255,000	14,255,000			14,255,000		
28	Environmental Remediation			0				0		
29	Carrying Costs		300,000	300,000	300,000			300,000		
30	Legal & Closing Costs		180,000	180,000				180,000		
31	Land Cost		4,000	4,000				4,000		
32	Relocation		0	0				0		
33	Site Maintenance (Security, Clean up)		0	0				0		
34	Off-Site Improvements - non-basis		2,526,760	2,526,760			0	2,526,760		65,000
35	<b>Total Acquisition Cost</b>		<b>17,265,760</b>	<b>17,265,760</b>	<b>14,555,000</b>			<b>17,265,760</b>		<b>22,792</b>
36	<b>REHABILITATION</b>									
37	Site Work and Utilities		0	0			0	0		10,000
38	Off site improvements		0	0			0	0		53,182
39	Structures		0	0			0	0		15,955
40	Solar Net Cost		0	0			0	0		6,838
41	General Requirements		0	0			0	0		0
42	Contractor Insurance & Bond		0	0			0	0		0
43	Contractor Overhead & Profit		0	0			0	0		0
44	Remediation		0	0			0	0		71.4%
45	<b>Total Rehabilitation Cost</b>		<b>0</b>	<b>0</b>				<b>0</b>		<b>0</b>
46	<b>ADAPTIVE REUSE OR CONVERSION</b>									
47	Site Work - Demo and Rough Grading		2,021,380	2,021,380				2,021,380		
48	Off site improvements		196,380	196,380			196,380	196,380		
49	Structures		30,554,390	30,554,390			30,554,390	30,554,390		
50	Solar Net Cost		250,750	250,750			250,750	250,750		
51	General Requirements		2,254,116	2,254,116			2,254,116	2,254,116		
52	Contractor Insurance & Bond		235,865	235,865			235,865	235,865		
53	Contractor Overhead & Profit		1,511,957	1,511,957			1,511,957	1,511,957		
54	GC Contingency		611,088	611,088			611,088	611,088		
55	<b>Total New Construction Costs</b>	0.00%	<b>37,635,926</b>	<b>37,635,926</b>				<b>37,635,926</b>		
56	<b>ARCHITECTURAL FEES</b>									
57	Design		3,265,181	3,265,181			3,265,181	3,265,181		
58	Supervision		0	0			0	0		
59	<b>Total Architectural Costs</b>		<b>3,265,181</b>	<b>3,265,181</b>				<b>3,265,181</b>		
60	Survey and Engineering includes testing		1,404,000	1,404,000			1,404,000	1,404,000		
61	<b>CONSTR. INTEREST &amp; FEES</b>									
62	Const. Loan Interest		4,186,160	4,186,160			2,423,566	4,186,160		
63	Predevelopment loan interest		600,000	600,000			600,000	600,000		
64	Construction loan fee		341,882	341,882			244,202	341,882		
65	Taxes		0	0			0	0		
66	Insurance		1,644,200	1,644,200			1,644,200	1,644,200		
67	Title and Recording		80,000	80,000			80,000	80,000		
68	Construction Loan Expenses		141,000	141,000			100,714	141,000		
69	<b>Total Construction Interest and Fees</b>		<b>6,993,242</b>	<b>6,993,242</b>				<b>6,993,242</b>		
70	<b>PERMANENT FINANCING</b>									
71	Perm loan fee (@1%)		10,220	10,220				10,220		
72	Credit Enhancement & Application Fee		0	0				0		
73	Title and Recording		50,000	50,000				0		
74	Legal and other costs		95,000	95,000				0		
75	Cost of Bond Issuance		173,766	173,766			124,119	173,766		
76	<b>Total Permanent Financing Costs</b>		<b>328,986</b>	<b>328,986</b>				<b>183,986</b>		
77	<b>LEGAL FEES</b>									
78	Lender Legal Costs Paid by Applicant		78,400	78,400			78,400	78,400		
79	Costs related to Courthouse easement		0	0			0	0		
80	County legal		16,000	16,000			16,000	16,000		
81	Other - Owner Legal		100,000	100,000			60,000	100,000		
82	<b>Total Attorney Costs</b>		<b>194,400</b>	<b>194,400</b>				<b>194,400</b>		
83	<b>RESERVES</b>									
84	Capitalized Operating Reserve - 6 months		525,913	525,913						
85	Services Reserve		800,000	800,000						0
86	Supplemental Operating Reserve		0	0						
87	Transition reserve - MHP COSR		0	0						
88	Pooled transition reserve fee - HCD		99,317	99,317						
89	<b>Total Reserve Costs</b>		<b>1,425,230</b>	<b>1,425,230</b>				<b>0</b>		
90	<b>Total Appraisal Costs</b>		<b>17,700</b>	<b>17,700</b>			<b>17,700</b>	<b>17,700</b>		
91	<b>Total Construction Contingency Costs 8.00%</b>		<b>3,213,015</b>	<b>3,213,015</b>			<b>3,213,015</b>	<b>3,213,015</b>		
92	<b>OTHER</b>									
93	Tax Credit App./Alloc./Monitoring fees		78,508	78,508				78,508		
94	Construction Management		270,000	270,000			270,000	270,000		
95	Local Development Impact Fees		3,049,932	3,049,932			3,049,932	3,049,932		
96	Permit Processing Fees		328,925	328,925			328,925	328,925		
97	Market Study		18,500	18,500				18,500		
98	Marketing & Lease up		97,750	97,750				97,750		
99	Environmental		225,000	225,000			225,000	225,000		
100	Furnishings		175,000	175,000			175,000	175,000		
101	Prevailing wage monitoring		0	0			0	0		
102	Other:		0	0			0	0		
103	Other:		0	0			0	0		
104	Development Consultant		0	0			0	0		
105	Soft Cost Contingency - adjust here		507,821	507,821			507,821	507,821		
106	<b>Total Other Costs</b>		<b>4,751,436</b>	<b>4,751,436</b>				<b>4,751,436</b>		
107	<b>Total Project Cost</b>		<b>76,494,877</b>	<b>76,494,877</b>	<b>14,555,000</b>		<b>53,442,321</b>	<b>74,924,646</b>		
108	<b>DEVELOPER COSTS</b>									
109	Developer Overhead/Profit		3,300,000	3,300,000			3,300,000	800,000		
110	Consultant/Processing Agent		0	0				0		
111	Project Administration									
112	Broker Fees paid by owner									
113	Construction Management Oversight									
114	Other									
115	<b>Total Developer Costs</b>		<b>3,300,000</b>	<b>3,300,000</b>			<b>3,300,000</b>	<b>800,000</b>		
116	<b>TOTAL PROJECT COST</b>		<b>79,794,877</b>	<b>79,794,877</b>	<b>14,555,000</b>		<b>56,742,321</b>	<b>75,724,646</b>		
117	<b>Syndication Costs</b>									
118	Legal - Syndication		68,000	68,000				68,000		
119	Audit		20,000	20,000				20,000		
120	Consultant - Syndication		60,000	60,000				60,000		
121	Bridge Loan Interest		0	0				0		
122	<b>Total Syndication Costs</b>		<b>148,000</b>	<b>148,000</b>				<b>148,000</b>		
123	<b>TOTAL PROJECT COSTS INCL. SYNDICATION</b>		<b>79,942,877</b>	<b>79,942,877</b>	<b>14,555,000</b>		<b>56,742,321</b>	<b>75,872,646</b>		

	A	B	C	D	E	F
129	<b>CREDIT CALCULATIONS</b>					
130						
131	Basis for 4% low income rehab credit		56,742,321			
132	% OF UNITS LOW INCOME			100%		
133	Eligible Basis		56,742,321			
134	<i>REDUCE FOR TIEBREAKER</i>		56,742,321	0		
135	Boost for DDA/QCT		73,765,017	130%	2025 QCT	
136	Deduct 50% PV credit		73,765,017	0		
137	Deduct Federal Grant		73,765,017			
138	Basis for 4% acquisition credit		14,555,000			
139						
140						
141	Federal Credit (construction and acquisition credit)		3,532,801	4.00%	Fixed Rate	
142	State Credit		0	30%		11,800,000
143	PV Credit					
144						
145	Equity from Federal Credit		30,028,806	0.850	equity estimate	
146	Equity from State Credit		0	0.850		
147	Equity from PV Credit		0	0.850		
148	<b>TOTAL EQUITY TO PROJECT</b>		<b>30,028,806</b>			
149						
150						
151						
152	<b>Basis limit calc</b>	<b>Contra Costa County 2025</b>				
153		29 0BR	473,390	13,728,310		
154		29 1BR	545,814	15,828,606		
155		1 2BR	658,400	658,400		
156		0 3BR		0		
157		4BR		0		
158		59		30,215,316		
159						
160	Plus prevailing wages	20% Yes		6,043,063		
161	Plus Impact Fees	Yes		3,049,932		
162	Plus Energy	5% yes		1,510,766		
163	Plus Elevator	10% Yes		3,021,532		
164	Plus Remediation/Seismic	15% yes		4,532,297		
165	Plus garage	7% yes		2,115,072		
166	9% 2BR <\$400K and High(est) Resource	10%		0		
167	Plus day care center	2% No		0		
168	Plus special Needs	2% yes		604,306		
169	seismic upgrades			0		
170	units 36-50%ami	0%		0		
171	units <35% ami	100%		60,430,632		
172						
173	Total Maximum Basis			111,522,917		
174						
175	Compare to project basis		56,742,321			
176	Subtract 50% PV Credit		0			
177	LOWER OF THE TWO		56,742,321	56,742,321		
178			50.88%	111.06%		
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4	<b>CASH FLOW ANALYSIS</b>									
5	<b>Tenant Income</b>									
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3	11	12	13	14	15	16	17	18	19	20
4										
5	890,048	912,299	935,107	958,484	982,446	1,007,008	1,032,183	1,057,987	1,084,437	1,111,548
6	8,909	9,132	9,360	9,594	9,834	10,080	10,332	10,590	10,855	11,127
7	-543	-556	-570	-584	-599	-614	-629	-645	-661	-678
8	-54,213	-55,568	-56,957	-58,381	-59,841	-61,337	-62,870	-64,442	-66,053	-67,704
9	844,202	865,307	886,939	909,113	931,841	955,137	979,015	1,003,491	1,028,578	1,054,292
10	653,350	669,684	686,426	703,587	721,176	739,206	757,686	776,628	796,044	815,945
11	-65,335	-66,968	-68,643	-70,359	-72,118	-73,921	-75,769	-77,663	-79,604	-81,594
12	588,015	602,715	617,783	633,228	649,059	665,285	681,917	698,965	716,439	734,350
13	0	0	0	0	0	0	0	0	0	0
14	1,432,217	1,468,022	1,504,723	1,542,341	1,580,899	1,620,422	1,660,932	1,702,456	1,745,017	1,788,643
15	925,353	957,740	991,261	1,025,955	1,061,864	1,099,029	1,137,495	1,177,307	1,218,513	1,261,161
16	232,394	240,528	248,946	257,659	266,677	276,011	285,671	295,670	306,018	316,729
17	274,470	269,754	264,516	258,726	252,359	245,382	237,766	229,479	220,486	210,753
18	103,491	103,491	103,491	103,491	103,491					
19	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
20	0	0	0	0	0	0	0	0	0	0
21	85,288	85,288	85,288	85,288	85,288	85,288	85,288	85,288	85,288	85,288
22	35,400	35,400	35,400	35,400	35,400	35,400	35,400	35,400	35,400	35,400
23	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900
24	43,392	38,676	33,437	27,648	21,280	117,794	110,178	101,891	92,898	83,165
25	0	0	0	0	0	0	0	0	0	0
26	0	0	0	0	0	0	0	0	0	0
27	43,392	38,676	33,437	27,648	21,280	117,794	110,178	101,891	92,898	83,165
28	1.23	1.20	1.17	1.14	1.11	2.34	2.25	2.16	2.05	1.94
29	7,053	7,300	7,555	7,820	8,093					
30	36,339	31,376	25,882	19,828	13,187					
31	0	0	0	0	0	60,125	62,229	64,407	66,662	68,995
32	0	0	0	0	0	14,417	11,987	9,371	6,559	3,543
33	0	0	0	0	0	13,446	11,179	8,739	6,117	3,304
34	0	0	0	0	0	29,806	24,782	19,373	13,560	7,324