

FY 2026/27

La Loma Senior Housing Interview Questions

Funds Requested: \$2,150,000 HOME Funds
 \$5,620,859 Measure X Funds
 \$960,000 Inclusionary In-Lieu Funds

\$8,730,859 Total Funds Requested

General:

1. Please provide a brief update on the current status of your project since the submittal of your application for funding. What changes have occurred since you last applied for funding from the County during the FY 2025/2026 Notice of Funding Availability (NOFA) process?

Since submitting our FY 2024/2025 NOFA application, the Project has continued to advance toward construction. Construction documents are approximately 90% complete, and plans were submitted to the Building Department for plan check in mid-January.

We have worked closely with County Planning and Employment and Human Services staff to refine the community space design, balancing project feasibility with the needs of the meal delivery program. In parallel, the Project has progressed through the NEPA review process. A draft FONSI is currently under County review.

We also continue exploring alternative financing sources in coordination with our financial consultants. Collectively, these efforts reflect our ongoing commitment to moving La Loma Senior Housing forward.

2. As it was last year, the County is over subscribed for all funding sources included in the application NOFA this year, so the likelihood of being fully funded as requested is very low. In addition, the federal budget has not been approved, and it is uncertain the amount of HOME funds the County will be allocated. Last year you stated that if you do not receive the full ask from the County, you would not be competitive for 9% tax credits and you would not be able to move forward with this project. Would you still need the full ask in order to be competitive for the 9% tax credits?

While it remains true that a partial County award alone would not make the Project competitive for a 9% tax credit application, any level of County funding would still be meaningful and impactful. Even a partial award would help advance the Project by

strengthening the Project's capital stack and further demonstrating County support, which is critical in pursuing alternative financing sources when they become available. These potential additional sources could help bridge remaining gaps and position the Project to be more competitive for a future 9% tax credit application.

Application:

1. Please clarify how you propose to use the requested funds. The application indicates that you intend to use the funds for construction soft costs, construction closing costs, and construction costs. Please provide in more detail how much you're proposing to use under these categories.

The County funds will be applied toward architecture, engineering, and construction hard costs.

2. The project's development costs remain approximately the same compared to last year's application proforma budget. How is this possible?

The Project's development costs remain largely consistent with last year's application due to several offsetting factors. Construction costs were re-estimated using a 90% Construction Drawing set, with an updated schedule of values prepared by our predevelopment construction advisor, Huff Construction Company. The resulting estimate came in very close to last year's budget, which we attribute in part to increased market competition and a thorough subcontractor outreach process across all major trades.

Because the architectural plans are now significantly more advanced, pricing certainty has improved, allowing for a modest reduction in construction hard cost contingencies. We have also refined the construction schedule, which was conservatively overestimated in the prior application. The updated, shorter construction timeline reduces construction loan interest carry. In addition, construction lender interest rates have declined since the previous application, further reducing the cost of capital.

Collectively, these updates have allowed total development costs to remain stable.

3. The request for funding this NOFA round is less than last year's application for approximately \$13 million. This is a significant reduction in the ask. What has changed in your budget or outlook that has resulted in a smaller funding gap?

The reduced funding request reflects improvements in the Project's overall financial capacity. Lower interest rates, updated rent assumptions, and a reassessment of the operating budget have increased the Project's ability to support additional conventional

debt. This enhanced debt capacity has reduced the remaining funding gap and, accordingly, the amount of County funding requested in this NOFA round.

4. Are all of the programs and services listed planned in the resident community room, or are all of the listed classes and services going to be conducted in the proposed senior center?

There is no distinction between the community room and a separate senior center. The services and programs described in the application will be provided by EAH staff or by service providers engaged by EAH for the benefit of Project residents. The meal delivery service will also operate within the community space and will be administered by Meals on Wheels Diablo Region, serving seniors invited by the provider, including individuals beyond the Project's residents.

5. Please provide the construction budget and proof of funding commitment for the senior center's construction costs.

The construction budget for the Project was developed based on the 90% Construction Drawing set. The costs associated with the community space are fully integrated into the overall construction hard costs and are not estimated or budgeted separately. Pursuant to the Disposition, Development, and Loan Agreement, \$450,000 is committed to fund a portion of the community space.

6. The application indicates the total federal financial assistance proposed for the project from all sources is \$13,180,859. Please identify the federal financial assistance and the amounts from each program. It's not clear where this figure is coming from.

We are not aware of a specific location in the application where federal financial assistance is separately identified. The amount of \$13,180,859 represents the combined County funding sources that are either committed or being requested for the Project. In addition, federal assistance in the form of 16 project-based Section 8 vouchers has been committed to the Project by the Housing Authority of Contra Costa County.

Federal/Local Funding Requirements:

1. What is the total number of County assisted units that you are proposing? The number on the application appears to be incorrect and exceeds the number of units in the project. Please revise the following table.

See updated chart below:

# Bed	# Bath	Total # Units	Unit Sq Ft	Affordability	HOME Assisted	Measure X Assisted	In-Lieu Assisted	Total Assisted
0	1	8	375	21%-30%		8		8
1	1	8	500	21%-30%	8			8
0	1	16	375	31%-40%		16		16
1	1	1	500	31%-40%	1			1
1	1	27	500	41%-50%	2	17	4	23
1	1	6	500	51%-60%				0
2	1	1	500	Unrestricted				0
Total: 44	67	67	30800		11	41	4	56

2. You indicate in your application that the HOME match will be from Contra Costa County HAF. What is this source and the terms for this source?

The HOME match identified in the application is proposed to be satisfied through a seller carry-back loan provided by Contra Costa County, as documented in the executed Disposition, Development, and Loan Agreement (DDLA).

Under the DDLA, the County provides a Seller Carry-Back Component in the amount of \$980,000, representing the fair market value of the land conveyed to the Project. This seller carry-back loan is used to acquire the Property and is secured by a Deed of Trust, with repayment structured on a residual receipts basis and no scheduled amortization, consistent with long-term affordability requirements. The Seller Carry-Back Component functions as a permanent contribution to the Project and satisfies the HOME Program's requirement that match funds be a non-federal, permanent contribution to the County HOME Program

3. If a project has a certain number of PBVs, federal prevailing wage will apply. What is the PBV threshold for federal prevailing wage? Did the project's budget account for federal prevailing wages?

Federal prevailing wage requirements apply when a project includes 9 or more Project-Based Vouchers.

The project's construction budget fully accounts for federal prevailing wage requirements, and all hard cost estimates reflect compliance with applicable federal prevailing wage standards associated with the PBVs.

Financial Analysis/Budget Proforma:

1. The proforma budget does not include a deferred developer fee in the permanent sources of funds as it had shown in the previous application. Please confirm your total developer fee for the project is \$2,500,000.

There is no deferred developer fee contemplated on this project. The total developer fee budgeted is \$2,500,000.

2. Does the proforma budget show a proportionate share of the on-site and off-site construction costs for the residential and commercial developments?

There is no commercial development component as part of the Project. The community space is a multi-purpose area dedicated to serving ~~project~~ residents and supporting a County-affiliated meal delivery service, and is fully integrated into the residential development.