

# Trinity Plaza Senior Apartments Staff Report

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*Prepared for Affordable Housing Finance Committee Review*

## Project Overview

**Project Name:** Trinity Plaza Senior Apartments

**Applicant/Sponsor:** Eden Housing, Inc. (Eden) and Community Housing Development Corporation (CHDC)

**Location:** 350 & 410 Macdonald Avenue, Richmond

**Consistency with Program Priorities:** Preservation of Affordable Housing Stock

**CDBG Eligibility Activity:** Rehabilitation of privately-owned residential buildings

**CDBG National Objective and Matrix Code:** Low Mod Housing; 14B Rehab Multi-Unit Residential

**HOME Eligibility Activity:** Affordable Rental Housing

The proposed project seeks to address pressing housing needs in the community by rehabilitating an existing 66-unit senior multifamily apartment building. The project is proposed to be affordable and occupied by seniors earning 30%-50% area median income (AMI). Objectives include preserving affordable senior housing, improving building systems and accessibility, increasing energy efficiency, and preventing displacement. The project's location is transit-accessible and aligned with local and regional housing goals.

## Sources of Funds (Permanent Financing)

• <b>FY2026/27 CDBG funds requested:</b>	<b>\$1,300,000</b>	<b>applied</b>
• <b>FY2026/27 HOME funds requested:</b>	<b>\$2,700,000</b>	<b>applied</b>
• 4% tax credits – Federal (CDLAC/CTCAC):	\$12,950,373	proposed
• Conventional Permanent Loan:	\$9,340,000	committed
• City of Richmond (former Redevelopment):	\$3,581,126	committed
• Seller Carryback Loan:	\$5,015,465	committed
• Acquired Project Reserves:	\$474,812	committed
• Income From Operations:	\$971,179	committed
• Deferred Developer Fee:	\$768,458	committed
• GP Capital:	\$100	committed
• <u>Accrued Interest from County Loans*</u>	<u>\$120,883</u>	<u>proposed</u>

Total Permanent Sources: \$36,932,396

\* The accrued interest will not be included in any County loan documents.

### **Uses of Funds (Development Budget)**

- Land Acquisition: \$20,474,812
- Financing Costs: \$484,934
- Hard Construction Costs (Structures): \$5,993,093
- Other Construction Costs (Non-Structures): \$1,454,213
- Soft Costs: \$3,411,886
- Hard Cost Contingency: \$1,117,096
- Soft Cost Contingency: \$133,093
- Reserves: \$371,117
- Total Developer Fee: \$2,694,490

Total Uses: \$36,134,734

### **Unit and Affordability Mix**

The project will preserve affordable housing by rehabilitating 65 units for Seniors.

#### **1-Bedroom Units:**

Number: 65 affordable + 1 unrestricted = 66 total

Proposed County-Assisted Units: 20

Affordability Level: 30%-50% AMI

### **Financial Analysis and Underwriting**

The estimated per-unit cost is \$568,191, which is high in comparison to other major rehabilitation resyndication project applications submitted this year. The hard construction cost per unit is \$160.64, which is comparable. The financing plan leverages tax-exempt bonds, federal tax credits, local contributions, and private lending to minimize the County's required investment. Operating projections indicate positive cash flow beginning in Year 1, a DSCR of 1.15 at stabilization, and adequate reserves, including a capitalized operating reserve of \$371,117. The project is underwritten for long-term sustainability.

### **HOME Match Requirements**

The HOME program requires a 25 percent funding match from non-federal sources that are a permanent contribution to the project. As proposed, the minimum match required for the HOME program is \$675,000, and for CDBG, it is \$130,000. Eden and CHDC propose using

the net present value of the property tax exemption as the match source for both programs.

## **HOME CHDO Eligibility**

The HOME Program requires a 15 percent set-aside for Community Housing Development Organizations (CHDOs) of the annual HOME grant allocation. The developer qualifies as a CHDO organization. Another timelier project is recommended to meet the CHDO set-aside requirement.

## **Scoring Criteria**

Evaluation was conducted based on:

- **Project Readiness - 54 pts**  
Trinity Plaza will be applying for 4% tax credits in May of this year and has already secured 65 project-based vouchers. The project requires no design review for planning or building permits and has an existing investment from the Richmond Redevelopment Agency. The NEPA for the project is currently underway.
- **Project Location - 15 pts**  
The site is within a half mile of AC Transit bus lines along the Point Richmond to Jack London Square route, with stops at multiple BART stations in El Cerrito and downtown Oakland. It is located close to a full-service grocery store and healthcare facilities. The site is located within the “extreme displacement” category of the Urban Displacement Project’s California estimate.
- **Project Targeting and Characteristics - 10 pts**  
Trinity Plaza Senior Apartments is an existing, occupied 66-unit development. Project improvements will include interior upgrades, refurbishing common areas and property management offices, improving the plumbing, heating, and electrical infrastructure, and installing greening and energy-efficiency measures.
- **Developer Experience and Capacity - 39 pts**  
Eden Housing is one of the oldest affordable housing developers in California and has developed and acquired nearly 12,000 residential units in 170 properties in cities throughout the San Francisco Bay Area. Community Housing Development Corporation (CHDC) is focused on developing affordable housing in the greater Richmond area of California. CHDC also provides homebuyer assistance, financial counseling, and other programs to encourage resident self-sufficiency.
- **Penalty for Nonperforming Previously Funded Projects – -2**

The 2025 monitoring noted challenges with two Eden projects (Riverhouse Hotel and Virginia Lane), and both projects still have audit items pending resolution.

Total Score: 116 points out of a possible 189.

### **Funding Recommendation Amount**

Staff recommends an award of \$2,500,000 in FY2026/27 CDBG funds and \$1,500,000 in FY2026/27 HOME funds.

### **Rationale for Recommendation**

The project preserves affordable housing, prevents displacement, and modernizes critical systems in alignment with County and regional priorities. It is well-positioned to move forward, with plans to apply for 4% tax credits this year and city support and entitlements already secured.

### **Conditions of Approval**

- All other financing commitments secured by December 31, 2026, including an award of tax credits and/or tax-exempt bonds.
- FY2026/27 HOME and CDBG funds committed, as evidenced by an executed loan, by June 30, 2027.
- Confirmation that the project's financials and pro forma budget are compliant with the County's Affordable Housing Program Guidelines.
- Federal Crosscutting requirements, including an environmental review, Federal prevailing wage, Uniform Relocation Act requirements, Section 3, and Build America, Buy America are required.
- An award of \$1,500,000 in HOME and \$2,500,000 in CDBG will require the following recommended unit mix:

#### **1-Bedroom Units**

7 units at 30% AMI (4 assisted)

- 2 HOME
- 2 CDBG

58 units at 50% AMI (16 assisted)

- 11 HOME
- 5 CDBG