Public Housing Repositioning Plan

Housing Authority of the County of Contra Costa

Presented to the Board of Commissioners

Zen Development Consultants · Structure Development Advisors · Forward City Labs

August 11, 2026

WHO PREPARED THIS PLAN

The Consultant Team

ZDC — Lead Advisor

Zen Development Consultants

Financial feasibility, repositioning strategy, and transaction structuring.

SDA — HUD Specialists

Structure Development Advisors

Section 18 / RAD eligibility, blends, and HUD processing.

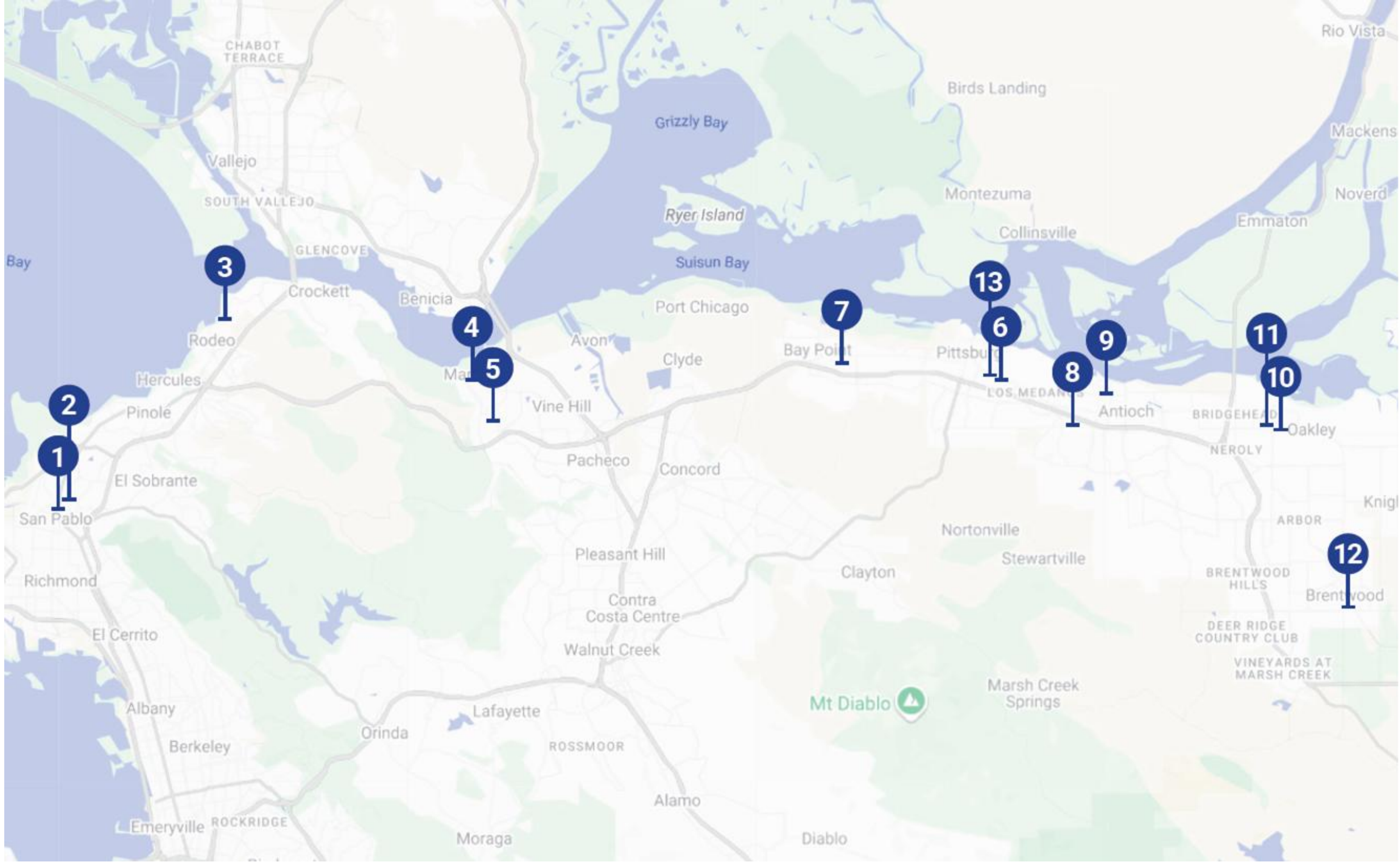
FCL — Land Use

Forward City Labs

Architectural test-fit studies; infill and redevelopment concepts.

Together the team combines the finance, HUD/regulatory, and land-use expertise a repositioning requires.

Portfolio Snapshot



	Property	Units
1	Vista del Camino	100
2	Kidd Manor	41
3	Bayo Vista	244
4	Hacienda	50
5	Alhambra Terrace	52
6	El Pueblo	176
7	Casa de Serena	50
8	Elder Winds	100
9	Bridgemont	36
10	Casa de Manana	40
11	Los Arboles	30
12	Los Nogales	44
13	Pittsburg Preschool	0
	Total (occupied)	**963**

WHY ACT NOW

The Need for Action

- 12 occupied properties, 963 units on ~100 acres, all but one built during the 1940s–1960s
- 2026 capital fund is $3.8M (with $2.1M of that set aside for repairs), against immediate capital needs of $9.3M and 3–5-year needs of $36.5M
- Public housing operating and capital funds are chronically underfunded and uncertain year to year
- HUD is actively encouraging housing authorities to exit the public housing program

The gap in numbers: $2.1M of capital funding available for repairs vs. $9.3M of immediate needs — and $36.5M over the next 3–5 years.

WHAT WE DID

Our Approach

- Portfolio-wide assessment: physical condition, achievable rents, operating budgets, and capital needs
- Financial feasibility modeled at a conservative (high-cost) and optimistic (low-cost) level for every property
- Land-use and architectural test-fit studies for infill and redevelopment potential
- Goal: preserve and modernize units, maintain long-term affordability, and selectively expand supply

THE TOOLS

Section 18 & RAD

Reposition units out of public housing into long-term, project-based Section 8 (voucher) contracts.

RAD

- Converts existing public housing subsidy
- Contract rents based on current funding — significantly lower for HACCC
- Preserves affordability and the right to return

Section 18

- Disposition with Tenant Protection Vouchers
- Rents based on Fair Market Rent — significantly higher for HACCC
- Requires qualifying (obsolescence, scattered site, etc.)

Blend the two — e.g., 90% Section 18 / 10% RAD — to maximize contract rents and debt capacity, which fund a deeper rehabilitation.

HOW IT PAYS FOR ITSELF

The Financing Model

1

Long-term Section 8 contract

Predictable rent supports a private permanent loan

→

2

Tax-exempt bonds + 4% LIHTC

A bond allocation (CDLAC) automatically brings 4% credits (CTCAC) — the core capital stack

→

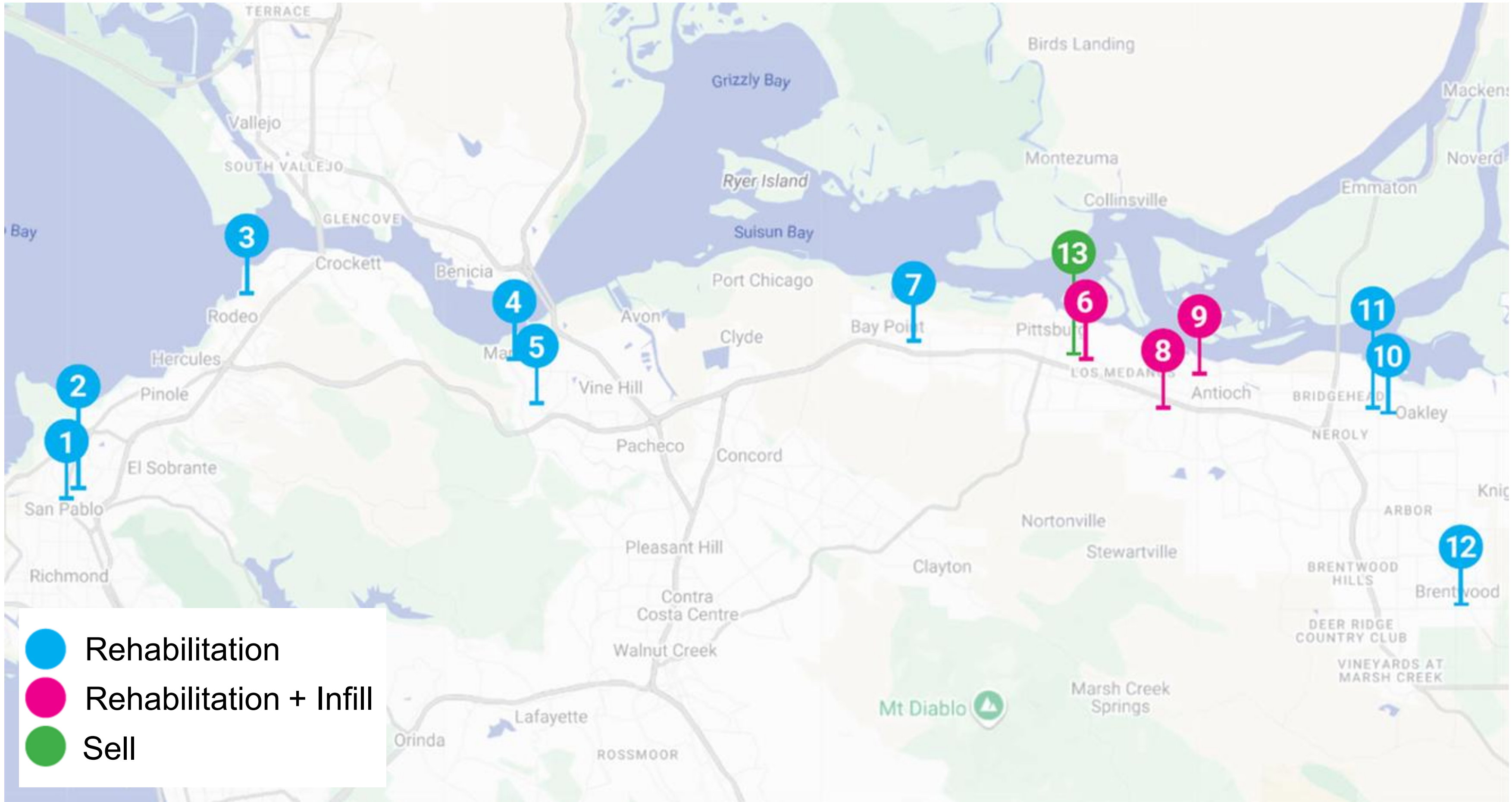
3

Subordinate gap funding

County Measure X and State HCD programs close any remaining need

Basis boost: a location in a Qualified Census Tract (QCT) or Difficult Development Area (DDA) adds a 30% boost to tax-credit equity — often the difference between feasible and not.

Recommended Direction by Property



	Property
1	Vista del Camino
2	Kidd Manor
3	Bayo Vista
4	Hacienda
5	Alhambra Terrace
6	El Pueblo
7	Casa de Serena
8	Elder Winds
9	Bridgemont
10	Casa de Manana
11	Los Arboles
12	Los Nogales
13	Pittsburg Preschool

Recommended Direction by Property

Property	Region	Units	Recommended direction
Vista del Camino	West	100	Rehabilitation (redevelopment alternative under study)
Kidd Manor	West	41	Rehabilitation
Bayo Vista	West	244	Rehabilitation (standalone transaction)
Hacienda	Central	50	Rehabilitation
Alhambra Terrace	Central	52	Rehabilitation
El Pueblo	East	176	Rehabilitation + infill (~100 or ~50 new units)
Casa de Serena	East	50	Rehabilitation (or sale / relocate to El Pueblo)
Elder Winds	East	100	Rehabilitation + infill (~58 new units)
Bridgemont	East	36	Rehabilitation + infill (~4 new units)
Casa de Manana	East	40	Rehabilitation
Los Arboles	East	30	Rehabilitation
Los Nogales	East	44	Rehabilitation
Pittsburg Preschool	East	0	Sell
Total (occupied)		**963**	

MAKING IT FEASIBLE

Grouping into Six Transactions

12 properties → **6 transactions**

- Combine the 12 properties into 6 transactions rather than financing each individually
- Scattered-site “projects” may combine up to 5 sites in a county under one financing
- Spreads fixed transaction costs and lets financially stronger properties offset weaker ones
- Reaches the scale needed to attract development partners and tax-credit investors

THE ROADMAP

Phasing Plan

Phase	Transaction	Properties	Units
1	Martinez	Hacienda, Alhambra Terrace	102
1	East County & Kidd Manor	Kidd Manor, Los Arboles, Casa de Manana, Los Nogales	155
2	El Pueblo	El Pueblo (rehabilitation + infill)	176 (+100)
2	Bayo Vista	Bayo Vista	244
3	East County – Added Units	Casa de Serena, Bridgemont, Elder Winds	186 (+62)
3	Vista del Camino	Vista del Camino	100

Phase 1: feasible rehabs · Phase 2: largest properties + infill · Phase 3: most complex / threshold-dependent sites

Expanding the Supply: Infill & Redevelopment

- Infill alongside rehabilitation: El Pueblo (~100-unit or ~50-unit alternative), Elder Winds (~58), Bridgemont (~4)
- Redevelopment studied: Vista del Camino (~500 units) and Casa de Serena (~124 units)
- Added-unit scenarios cost more per unit and generally require gap funding — carried as options to advance when feasible
- Forward City Labs concept drawings for each site are included in the appendix

VALUE CREATED

Economic Benefit to HACCC by Grouping

Grouping	Low cost	High cost
Martinez	$3.8M	$3.9M
East County & Kidd Manor	$4.8M	$5.4M
El Pueblo	$7.3M	$7.5M
Bayo Vista	$11.9M	$11.9M
East County – Added Units	$3.8M	$5.6M
Vista del Camino	$3.5M	$3.9M
Total	**~$35.2M**	**~$38.2M**

WHY IT MATTERS

Value to HACCC & Continuity for Residents and Staff

$35–38M

estimated economic value to HACCC — developer fees and long-term cash flow to reinvest in its mission

- Nearly 1,000 affordable homes preserved and modernized, with new units added at select sites
- Residents keep deep affordability (~30% of income), the right to return, and federal relocation protections
- HACCC retains its administrative and maintenance staff through a new property-management entity
- HACCC keeps long-term ownership and control of the portfolio

HACCC's Role & Selecting a Development Partner

- HACCC's role: ground lessor (long-term ground lease) plus a seller note for the value of the improvements
- HACCC participates as a joint-venture partner — sharing developer fee and cash flow — and manages the properties where feasible
- The development partner is in the driver's seat: leads execution, funds most predevelopment, and provides the financing guarantees
- Procure partner(s) through a qualifications-based RFQ (not a price-based RFP); a pre-qualified pool can serve the multi-phase program

REQUESTED BOARD ACTIONS

Next Steps

Target: Board action at the September meeting

- Adopt the Repositioning Plan; confirm property strategies, groupings, and phasing
- Authorize initiation of the Phase 1 transactions
- Procure experienced development partner(s) through a qualifications-based RFQ
- Commission updated PNAs / appraisals; engage HUD; resolve Phase 2–3 threshold issues (e.g., Bayo Vista environmental)

Appendix

Supporting detail for discussion and the public record

Section 18 / RAD Blend by Property — High vs. Low Cost

Property	Blend — high cost	Blend — low cost
Vista del Camino	90% / 10%	60% / 40%
Kidd Manor	90% / 10%	60% / 40%
Bayo Vista	90% / 10%	90% / 10%
Alhambra Terrace	90% / 10%	90% / 10%
Hacienda	90% / 10%	60% / 40%
El Pueblo	90% / 10%	90% / 10%
Casa de Serena	90% / 10%	90% / 10%
Elder Winds	60% / 40%	30% / 70%
Bridgemont	90% / 10%	90% / 10%
Casa de Manana	90% / 10%	60% / 40%
Los Arboles	90% / 10%	60% / 40%
Los Nogales	90% / 10%	90% / 10%

Feasibility Summary — Surplus / (Gap) by Property

Property	Surplus / (gap) — high cost	Surplus / (gap) — low cost
Vista del Camino	($0.12M)	$5.58M
Kidd Manor	($7.29M)	($3.53M)
Bayo Vista	$18.23M	$32.04M
Alhambra Terrace	($0.86M)	$2.60M
Hacienda	($2.29M)	($0.28M)
El Pueblo	($3.48M)	$6.66M
Casa de Serena	($10.35M)	($4.08M)
Elder Winds	$5.61M	($2.10M)
Bridgemont	($3.68M)	($1.41M)
Casa de Manana	($0.96M)	$1.28M
Los Arboles	$0.92M	$0.94M
Los Nogales	$0.18M	$2.61M
Portfolio total	**($4.1M)**	**$40.3M**

El Pueblo — Infill Option 1

El Pueblo, Pittsburg

Developable Site Area: 1.75 Acres (76,311 Sq Ft)

Proposed Development Type: Multi-family housing

Proposed Bedroom Mix: 1-Bedroom (50%) , 2-Bedroom (25%) & 3-Bedroom (25%)

Source: Forward City Labs Test-Fit / Development Capacity Study

El Pueblo — Infill Option 2 (Casa de Serena relocation)

El Pueblo, Pittsburg (Relocation option for Casa De Serena)

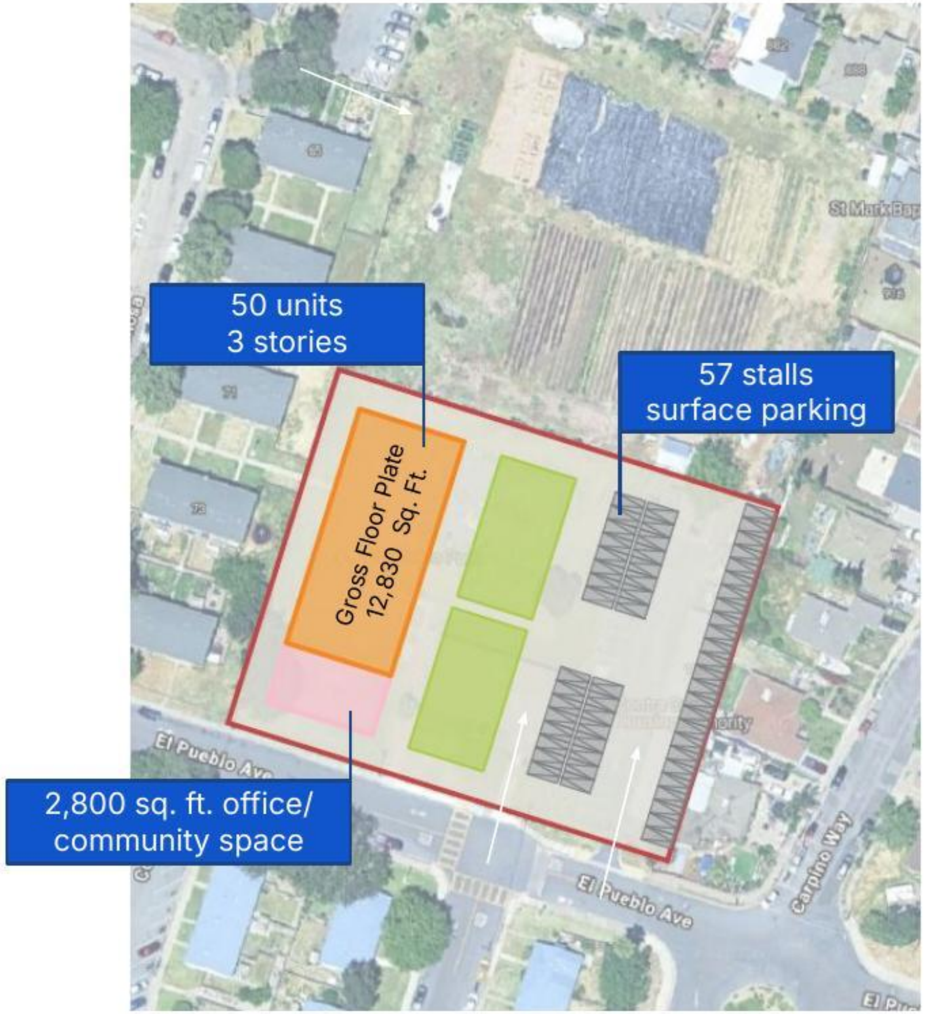
Developable Site Area: 1.75 Acres (76,311 Sq Ft)

Proposed Development Type: Multi-family housing + Community Space/ Office Space

Proposed Bedroom Mix: 1-Bedroom (100%)

Development Assumptions & Strategy

- Existing uses to be demolished including HACCC office space, detached parking garages, basketball court and El Pueblo park
- 2,800 sq. ft. office/ community space allocated on ground floor to relocate the existing HACCC office
- 57 surface parking stalls includes 50 stalls (1:1) for resident parking + 7 stalls for office/ visitor parking
- Basketball court and El Pueblo park relocated as green space



Elder Winds — Infill

Elder Winds, Antioch

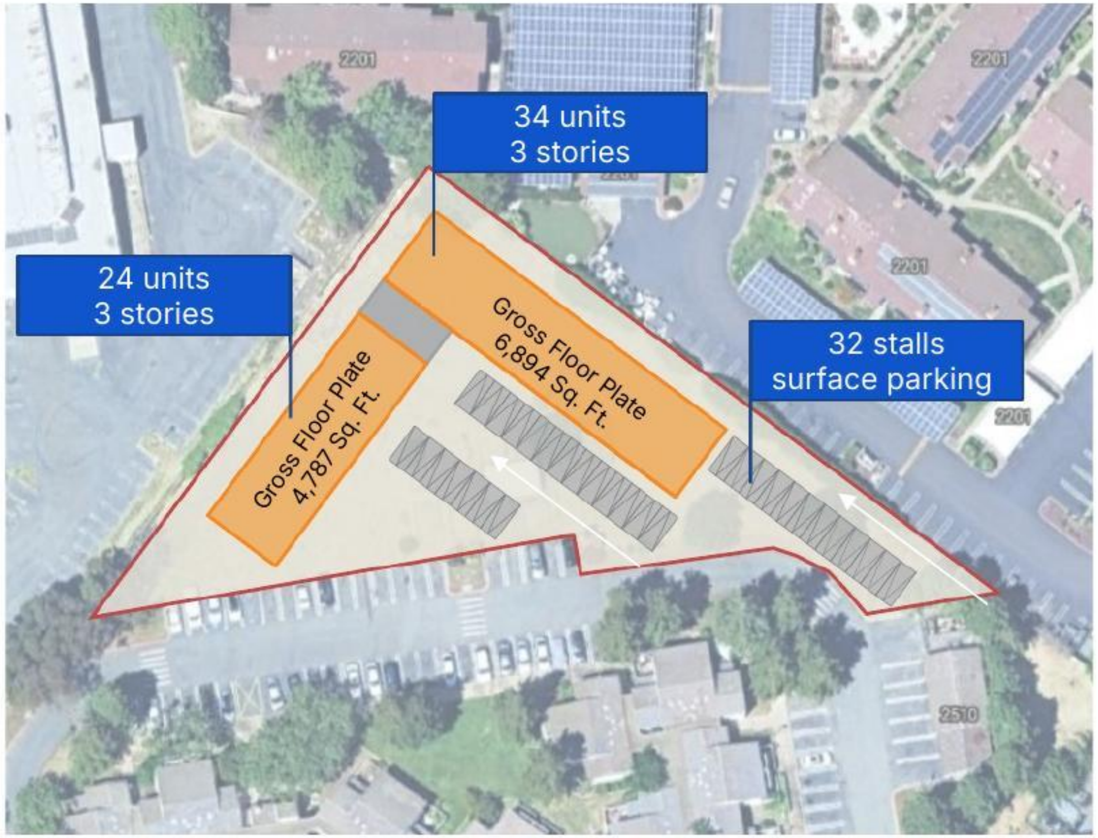
Developable Site Area: 0.9 Acres (39,142 Sq Ft)

Proposed Development Type: Apartment - Senior/Disabled

Proposed Bedroom Mix: 1-Bedroom (100%)

Development Assumptions & Strategy

- Infill Development utilizes State Density Bonus provisions to achieve additional density.
- Calculation excludes all common areas beyond basic utilities and on-site laundry.



LAND USE CONCEPT

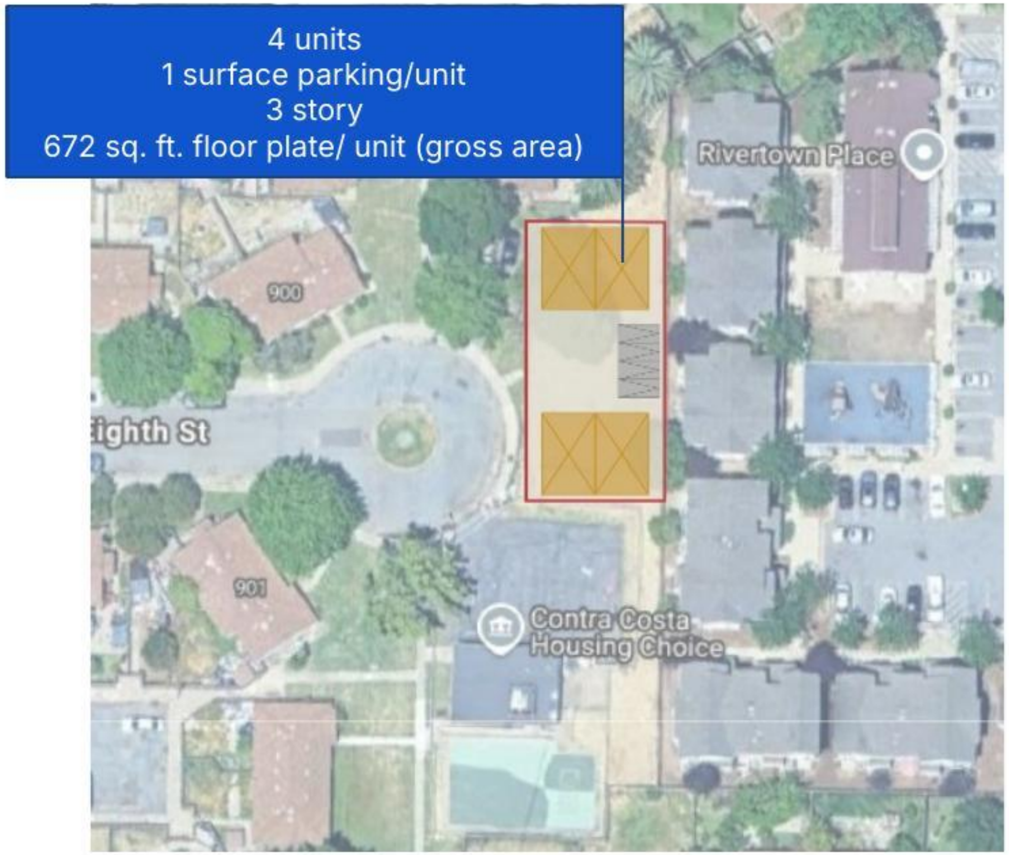
Bridgemont — Infill

Bridgemont, Antioch

Developable Site Area: 0.14 Acres (6,012 Sq Ft)

Proposed Development Type: Duplex - Family

Proposed Bedroom Mix: 2-Bedroom (50%) & 3-Bedroom (50%)



Vista del Camino — Redevelopment (studied)

Vista Del Camino, San Pablo

Developable Site Area: 8.27 Acres

Proposed Development Type: Multi-family housing

Proposed Bedroom Mix:

- **Bldg 1** (south of the site): Mirror the existing unit mix with 1-, 2-, 3-, and 4-bedroom units
- **Bldg 2** (north of the site): 1-Bedroom (50%), 2-Bedroom (25%), 3-Bedroom (25%)

Yield: 500 Units + 500 Surface Parking Stalls

Development Assumptions & Strategy

- Existing units assumed to be demolished.
- Site to be rezoned to achieve higher density and 5 stories height.
- The development to be carried out in multiple phases.

Source: Forward City Labs Test-Fit / Development Capacity Study

Casa de Serena — Redevelopment (studied)

Casa De Serena, Unincorporated

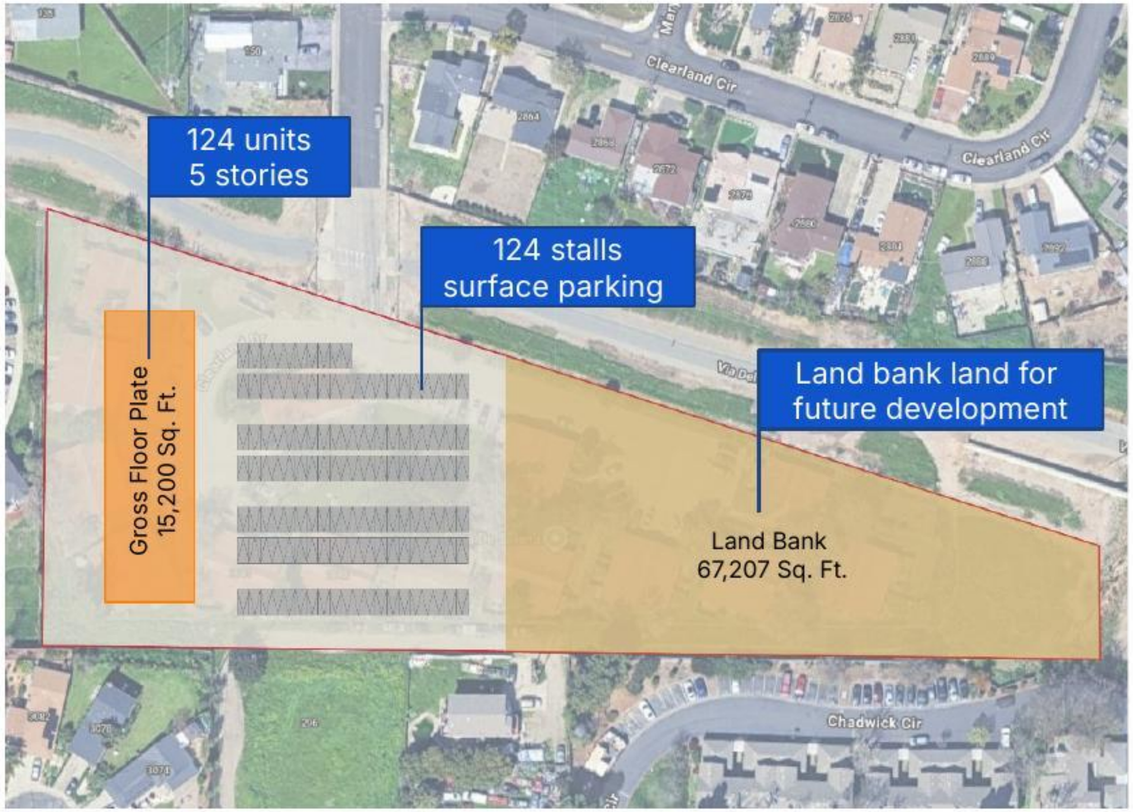
Developable Site Area: 4.07 Acres (177,174 Sq Ft)

Proposed Development Type: Multi-family Housing for Seniors

Proposed Bedroom Mix: 1-Bedroom (100%)

Development Assumptions & Strategy

- Existing units assumed to be demolished.
- Redevelopment utilizes State Density Bonus provisions to achieve density and target building height.
- Maximum residential yield is achieved under this scenario.
- A five-story structure optimizes both land use and hard costs, preserving the remaining acreage for phased development or complementary uses. To maximize the density of these future phases, a formal up-zoning request will be required.



RAD / Section 18 Eligibility & Blend Thresholds

- Section 18 (obsolescence): required repairs must exceed 57.14% (walk-up) or 62.5% (elevator) of HUD Total Development Cost (TDC)
- Other Section 18 routes: small PHA (≤ 250 units), very small PHA (≤ 50 units), and scattered-site tests
- Construction blends set by construction cost vs. HUD Housing Construction Cost (HCC): > 90% HCC → 90/10, > 60% → 60/40, > 30% → 30/70
- Higher-cost rehabilitations qualify for a higher Section 18 share — and therefore higher achievable rents

APPENDIX

Key Assumptions & Sources

- Feasibility modeled at conservative (high-cost) and optimistic (low-cost) hard-cost and relocation levels
- Rents from the Section 18 / RAD blend, capped by HACCC's rent-reasonableness study
- Appraised values estimated by formula — appraisals not yet commissioned
- Financing: tax-exempt bonds + 4% LIHTC, seller note, deferred developer fee, and subordinate gap funding
- Sources: consultant underwriting; HACCC records and financials; 2021 Physical Needs Assessments; Forward City Labs test-fits