





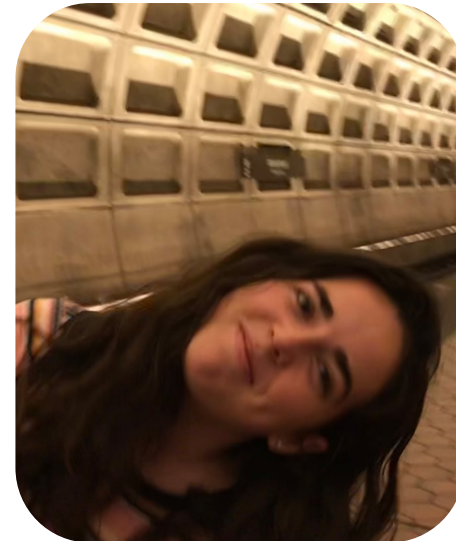
Michelle Williams
Public Health +
City Planning



John Maher
Haas-Executive MBA



Elaine Forbush
M.Arch



Amelia Goldrup
M.Arch

Our Project Vision



To create a **healthy housing community**

To provide **affordable housing and amenities** for **low income individuals and families** in Santa Cruz County that promotes **community health, social connectivity,** and **environmental sustainability.**

To **improve life** in the Harvey West District

To support **the cohesion of the Harvey West district** by providing a campus, and amenities that **complement Housing Matters and the Tannery Arts Center** which neighbor Riverstone Homes.

Who We Serve

100% Affordable Housing Community

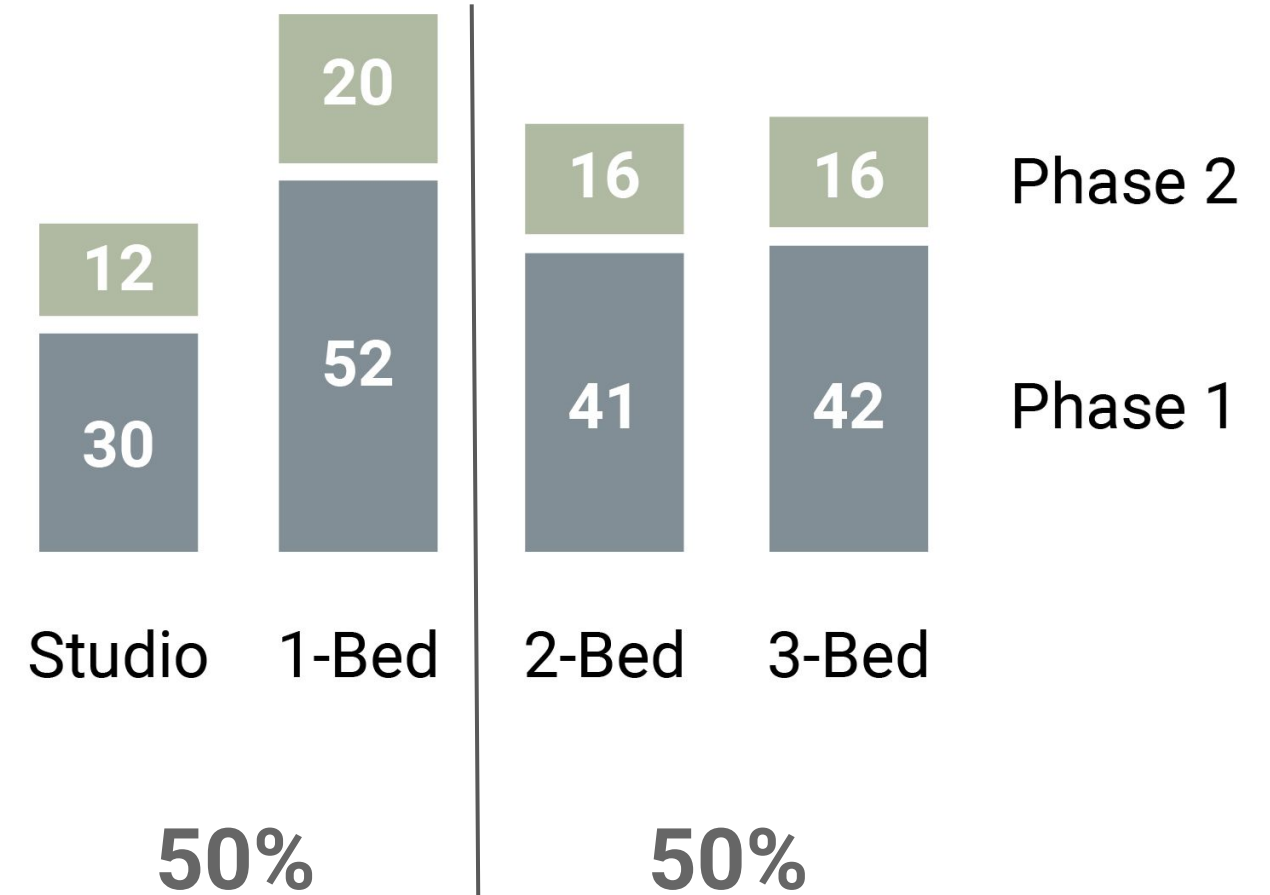
Mixed-income families (30% - 80% AMI)

25% 2-bedroom units

25% 3-bedroom units



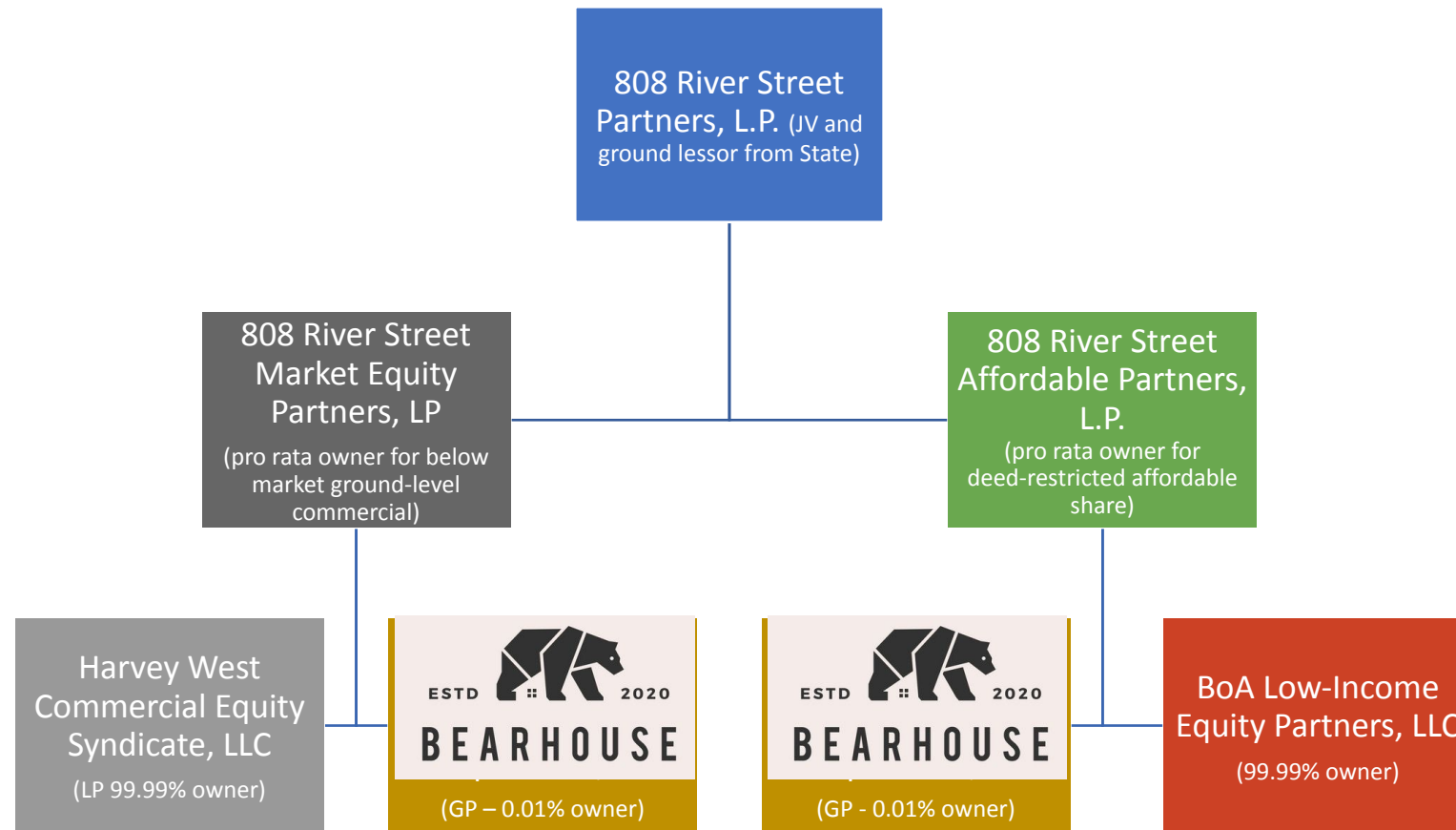
Unit Mix



Project Ownership and Management

Ownership Structure

Developer: BearHouse



Public and Community Partners



Tannery Arts Center

Riverstone Homes
Site

Housing Matters

Downtown Santa Cruz

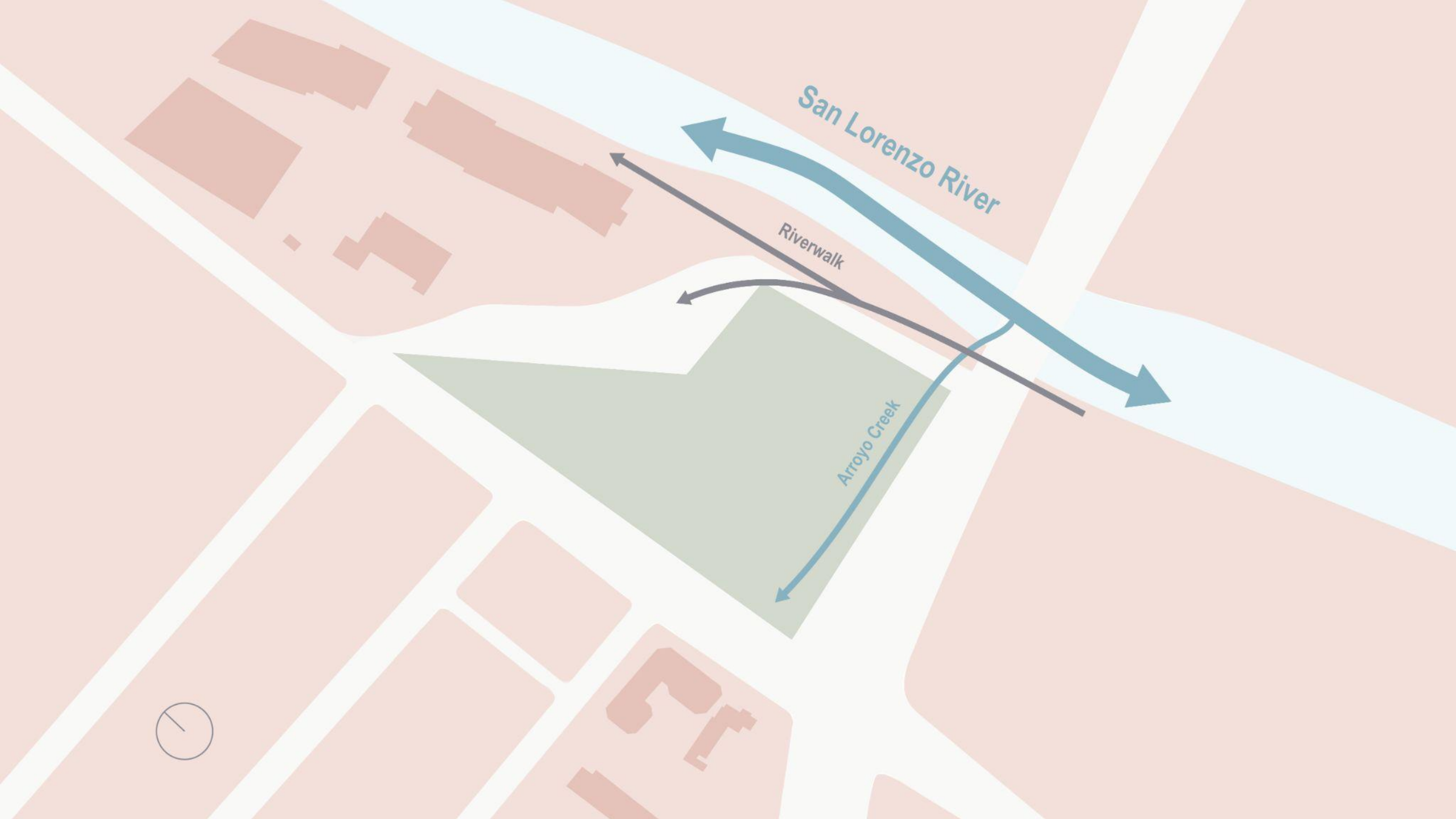




Highway 1

River Street



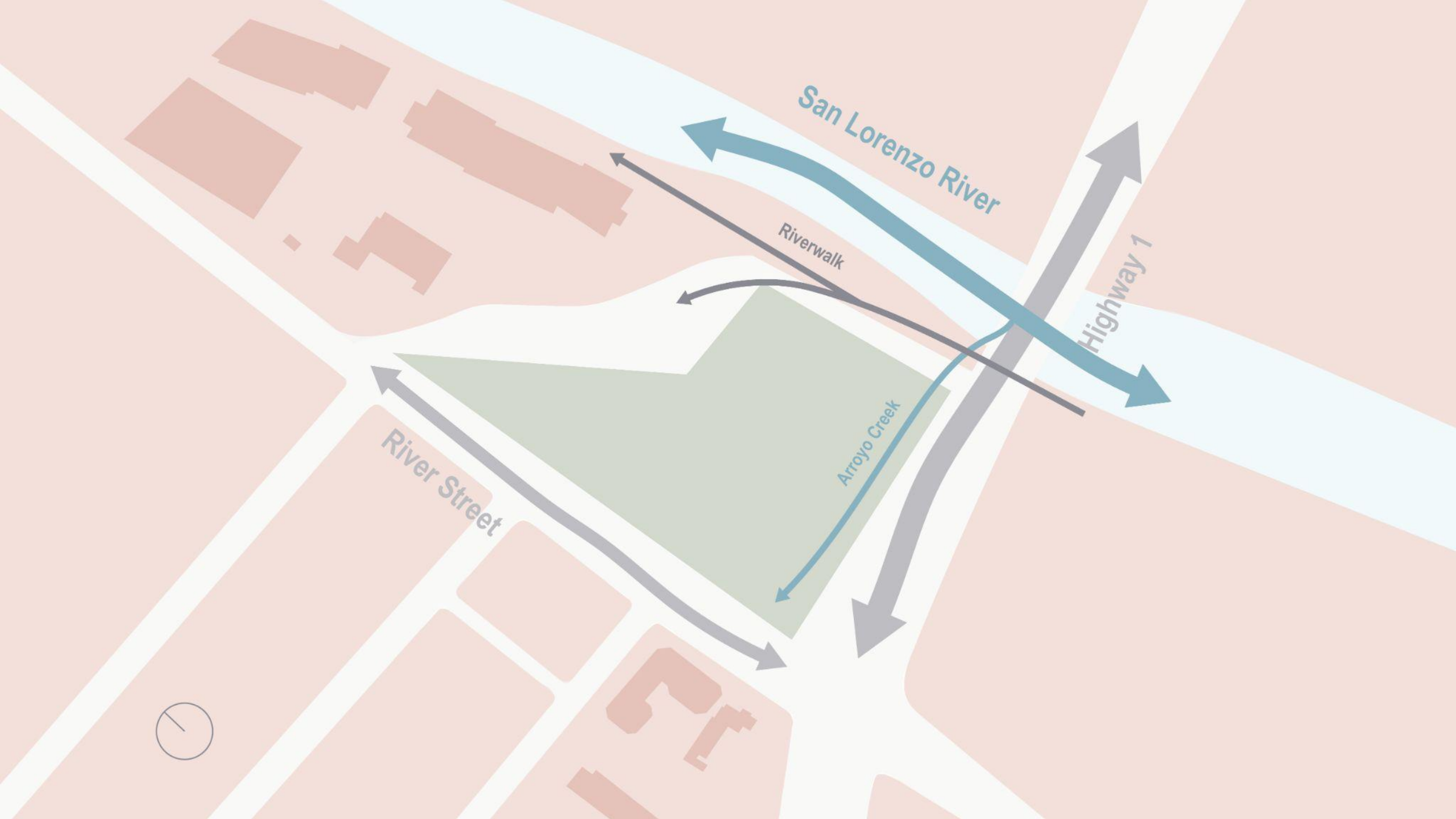


San Lorenzo River

Riverwalk

Arroyo Creek





San Lorenzo River

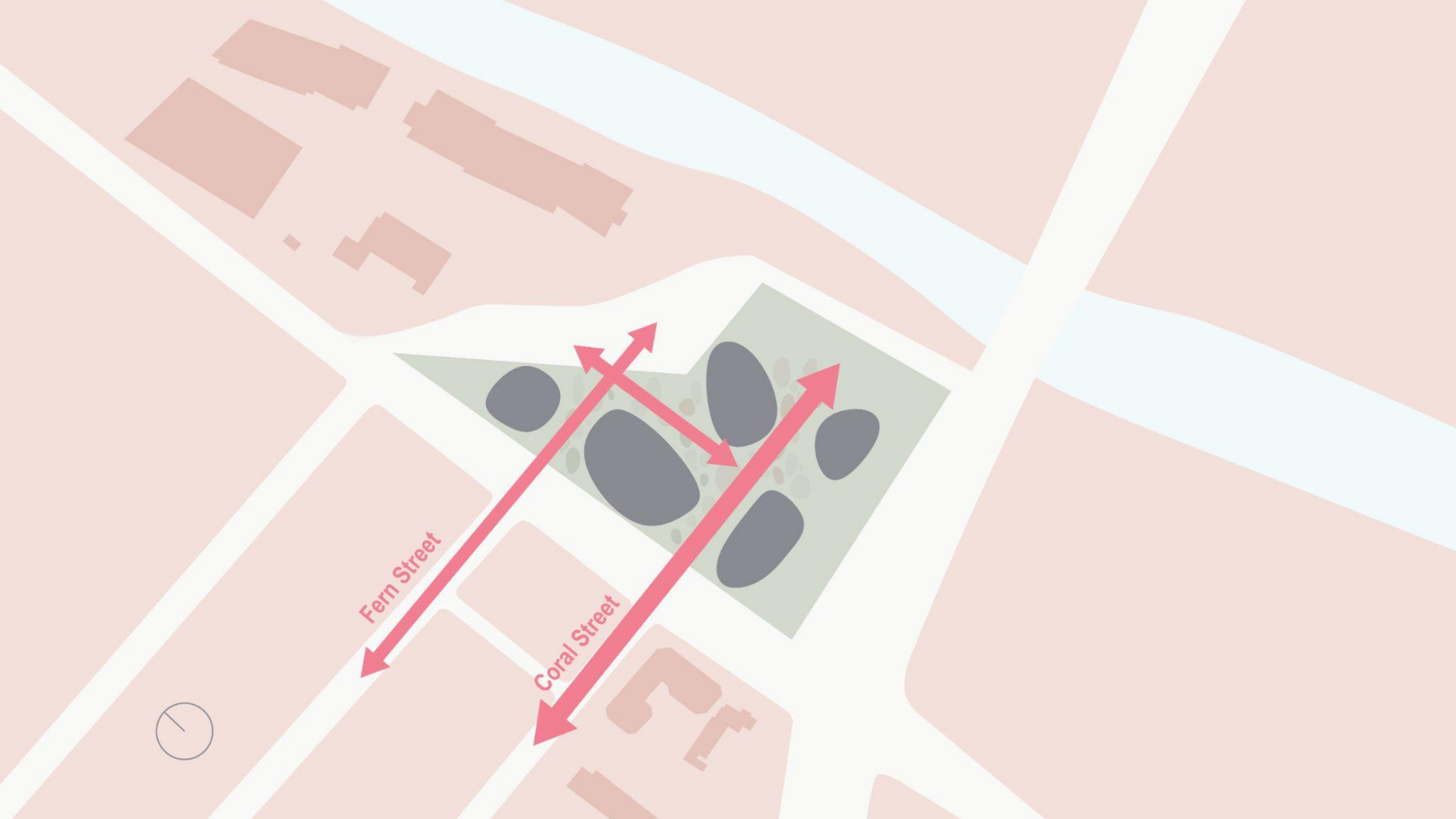
Riverwalk

Highway 1

Arroyo Creek

River Street

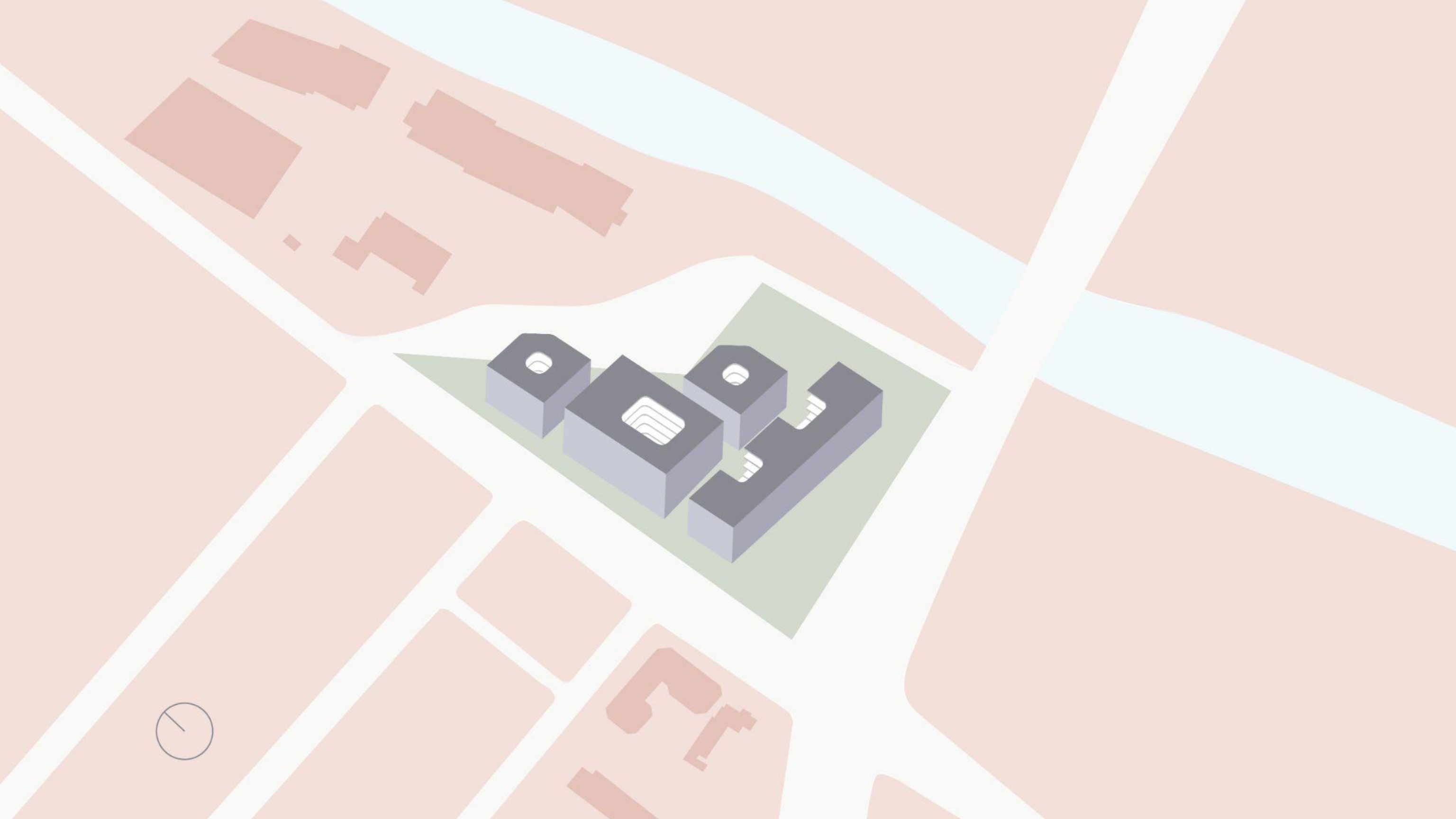


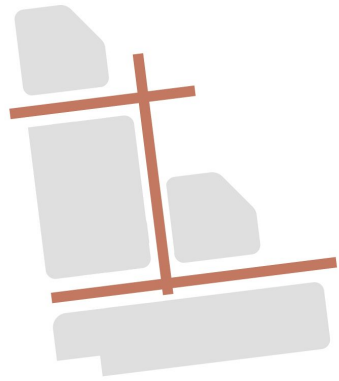


Fern Street

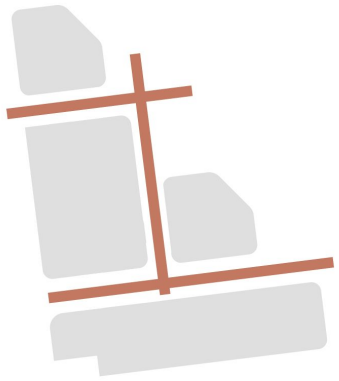
Coral Street

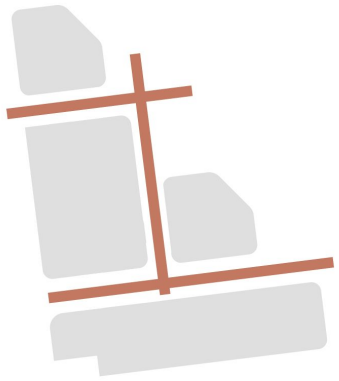




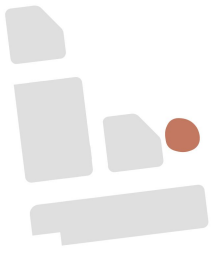


First Floor Plan
1/16" = 1'



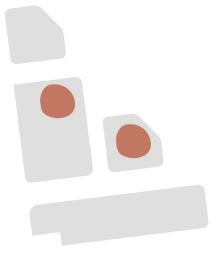


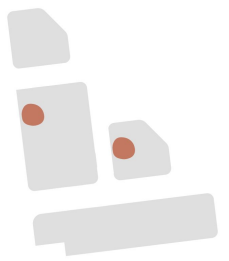


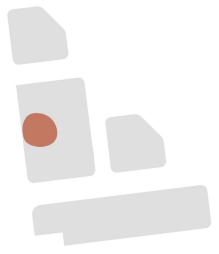


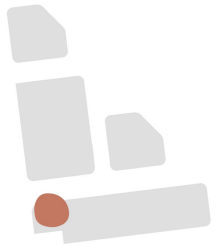




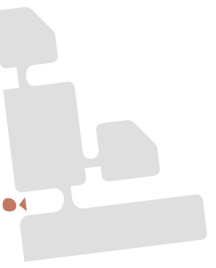








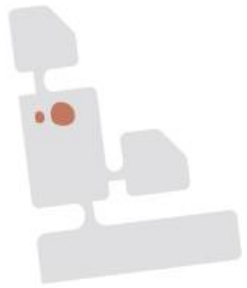


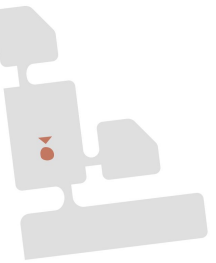






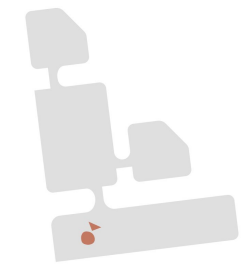
① Second Floor Plan
1/16" = 1'

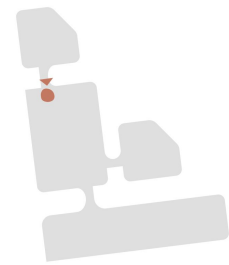


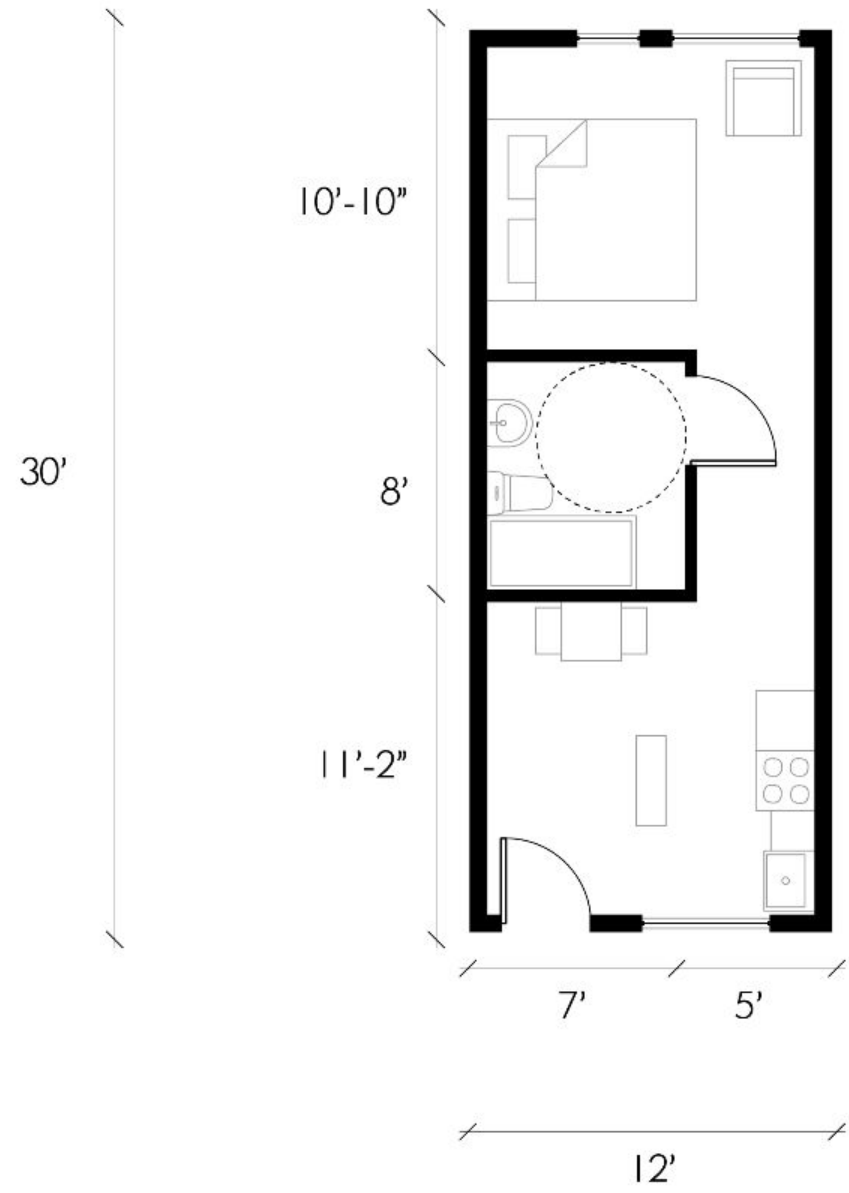




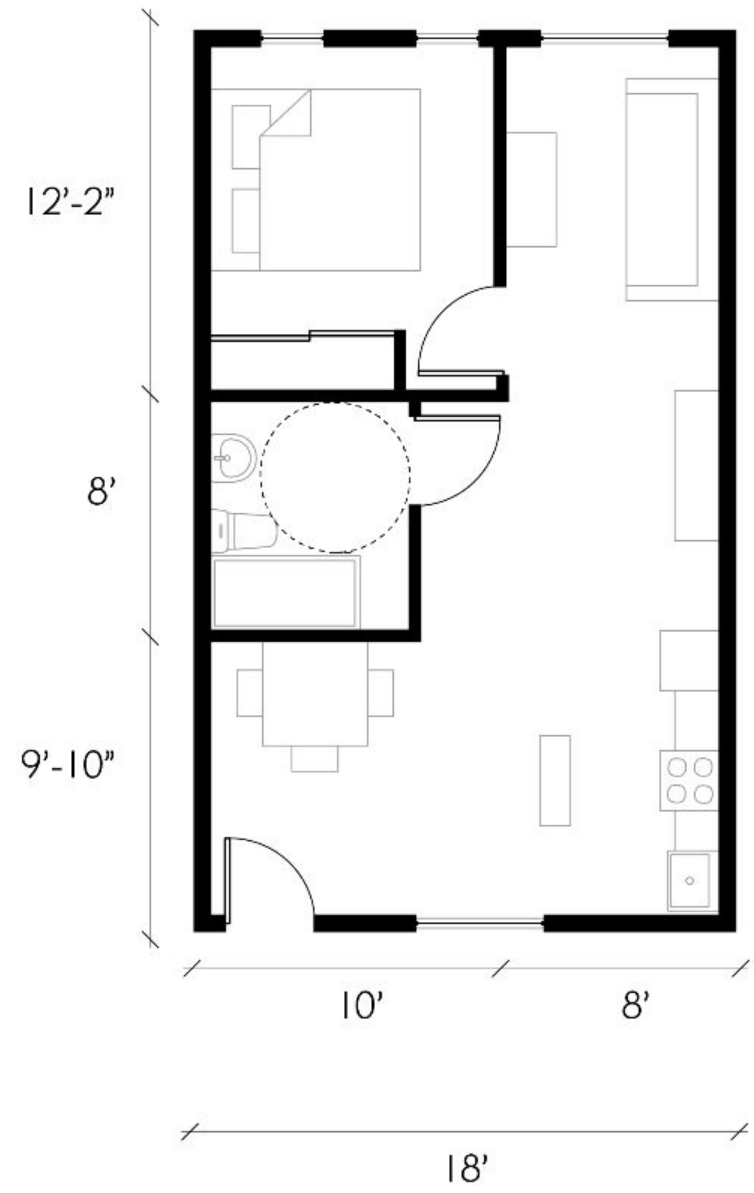




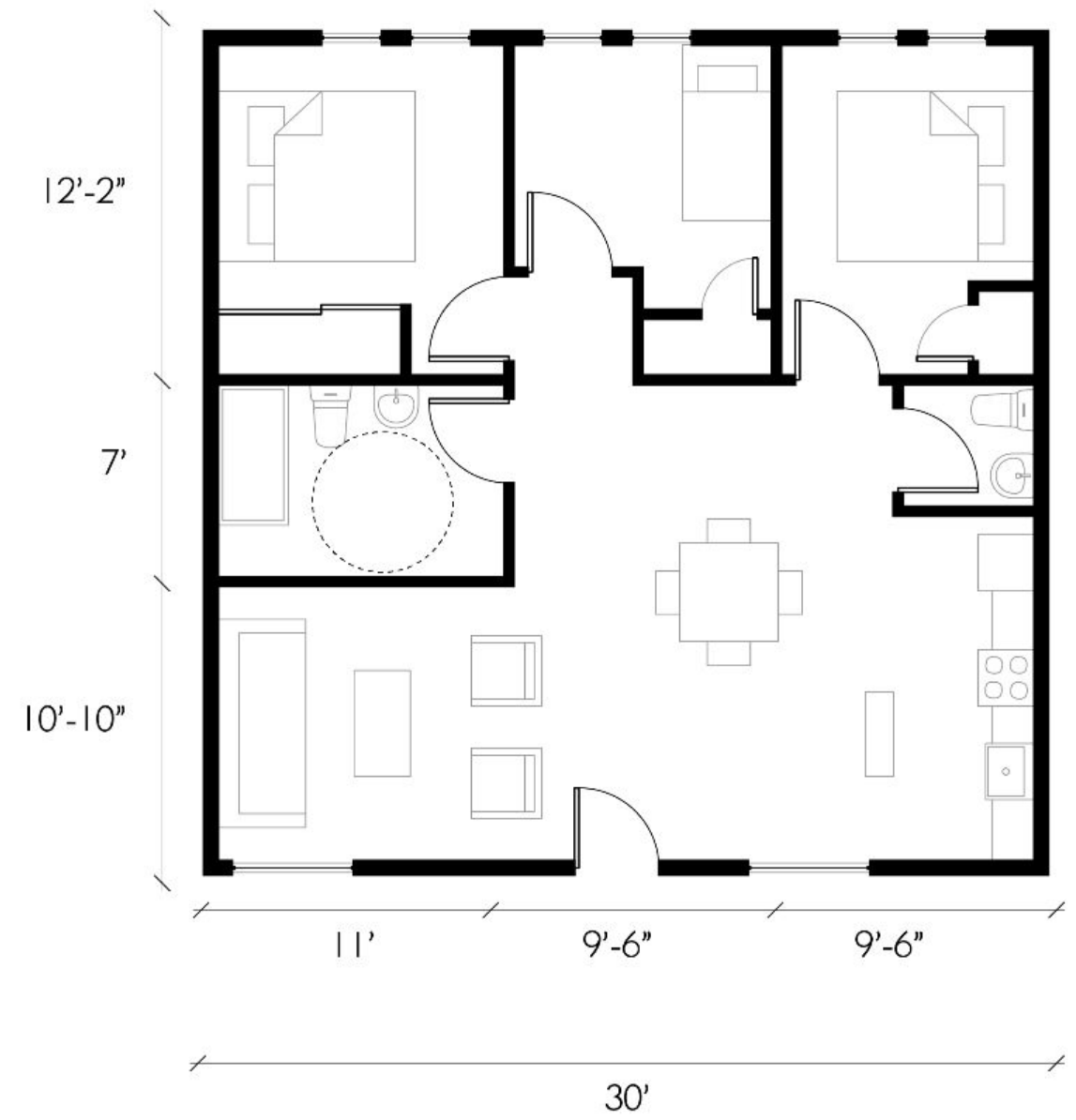
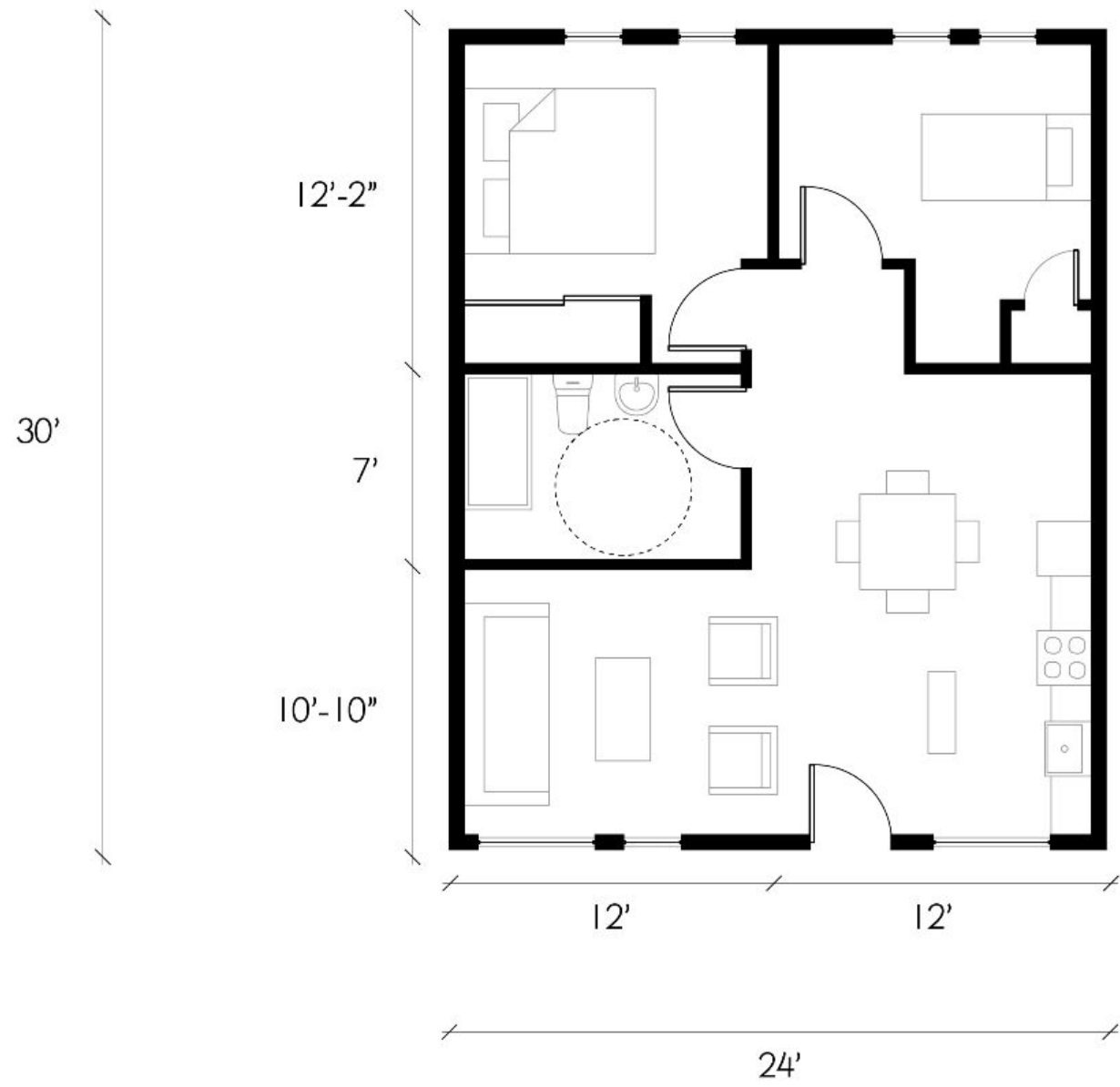




42



72





Community Amenities

Free Grocery Co-op

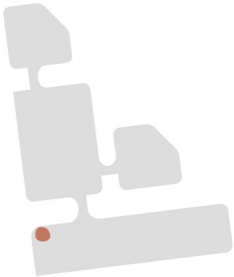


Photo credits: Josuè Barajas, Second Harvest Food Bank, Santa Cruz County

Housing Matters Annex

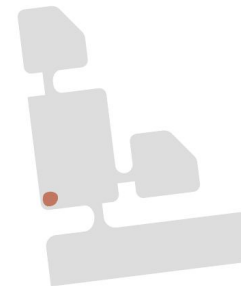


Day Services

- Lockers
- Mail
- Charging stations
- Bathrooms
- Community meeting space

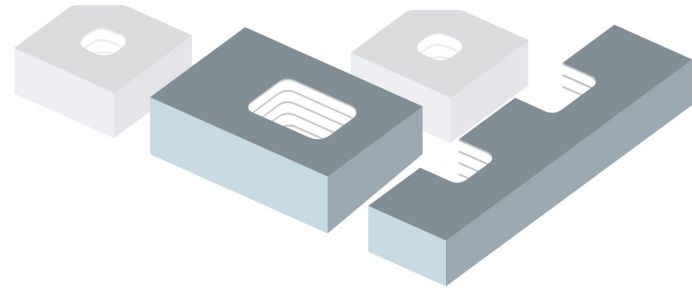
Behavioral Health Services

Social Services + Benefits Assistance



Project Delivery

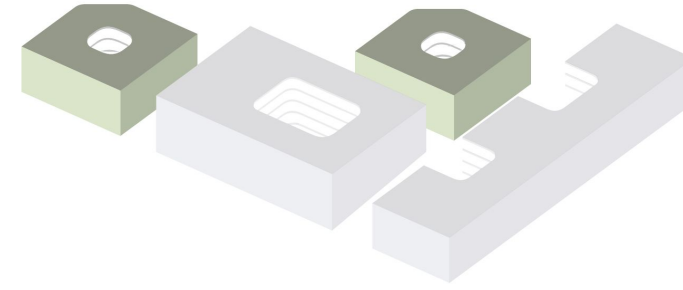
Phase 1 More Units, More Affordable



Target Population	Large Family
# of Units	165
Average AMI	44%
Parking Spaces	124
Gross SF	207,465
Commercial SF	9,785
Affordability	30% - 60% AMI

Phase 2 Fewer Units, Mixed Income

Construction starts 6 months after Phase 1



Target Population	Large Family
# of Units	64
Average AMI	56%
Parking Spaces	51
Gross SF	54,600
Affordability	30% - 80% AMI

Significant reduction in Rent Burden

Phase 1

Unit Type	Avg AMI	Avg Rent	Market Rent
Studio (30 units)	44%	\$1,070	\$2,432
1 Br (52 units)	43%	\$1,121	\$2,606
2 Br (41 units)	34%	\$1,063	\$3,126
3 Br (42 units)	45%	\$1,626	\$3,614
Average	42%	\$1,220	\$2,945

Reduction

\$1,725

Phase 1

Phase 2

Unit Type	Avg AMI	Avg Rent	Market Rent
Studio (12 units)	55%	\$1,338	\$2,432
1 Br (20 units)	57%	\$1,485	\$2,606
2 Br (16 units)	50%	\$1,563	\$3,126
3 Br (16 units)	58%	\$2,096	\$3,614
Average	55%	\$1,621	\$2,945

Reduction

\$1,324

Phase 2

Funding Qualifications and Strategy

- State Excess Land Act + State Density Bonus Law
- Project is located in TCAC high resource area
- Two Phases of Tax-exempt bonds + 4% LIHTC credits
- Targeting mixed income families upto 80% AMI
- 68% of units serve Very Low Income or below



Phase 1 - deeper affordability

4% LIHTC Credits and Tax-exempt Bonds
Section 8 Project-based Vouchers
HCD-MHP and IIG Funding through Super NOFA
Excess Sites Local Government Matching Grants Program

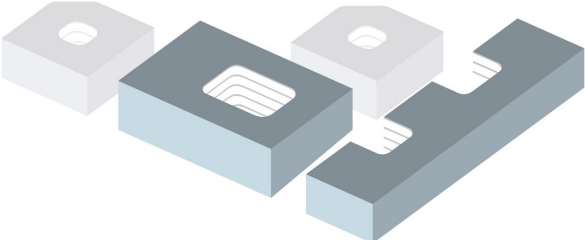
Phase 2 - wider affordability

Wider income range upto 80% AMI
4% LIHTC Credits and Tax-exempt Bonds
Conservative TCAC income-average test
CalHFA Mixed-Income Program

Riverstone Development Sources



Phase 1



Construction Loan

\$54 million

**Construction Loan -
Taxable Tail**

\$34 million

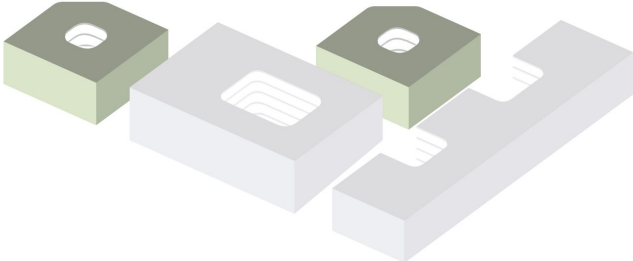
Other Sources

\$33 million

Total Development

\$121 million

Phase 2



Construction Loan

\$20 million

**Construction Loan -
Taxable Tail**

\$14 million

Other Sources

\$8 million

Total Development

\$42 million

Riverstone Permanent Sources



**Riverstone
Homes**

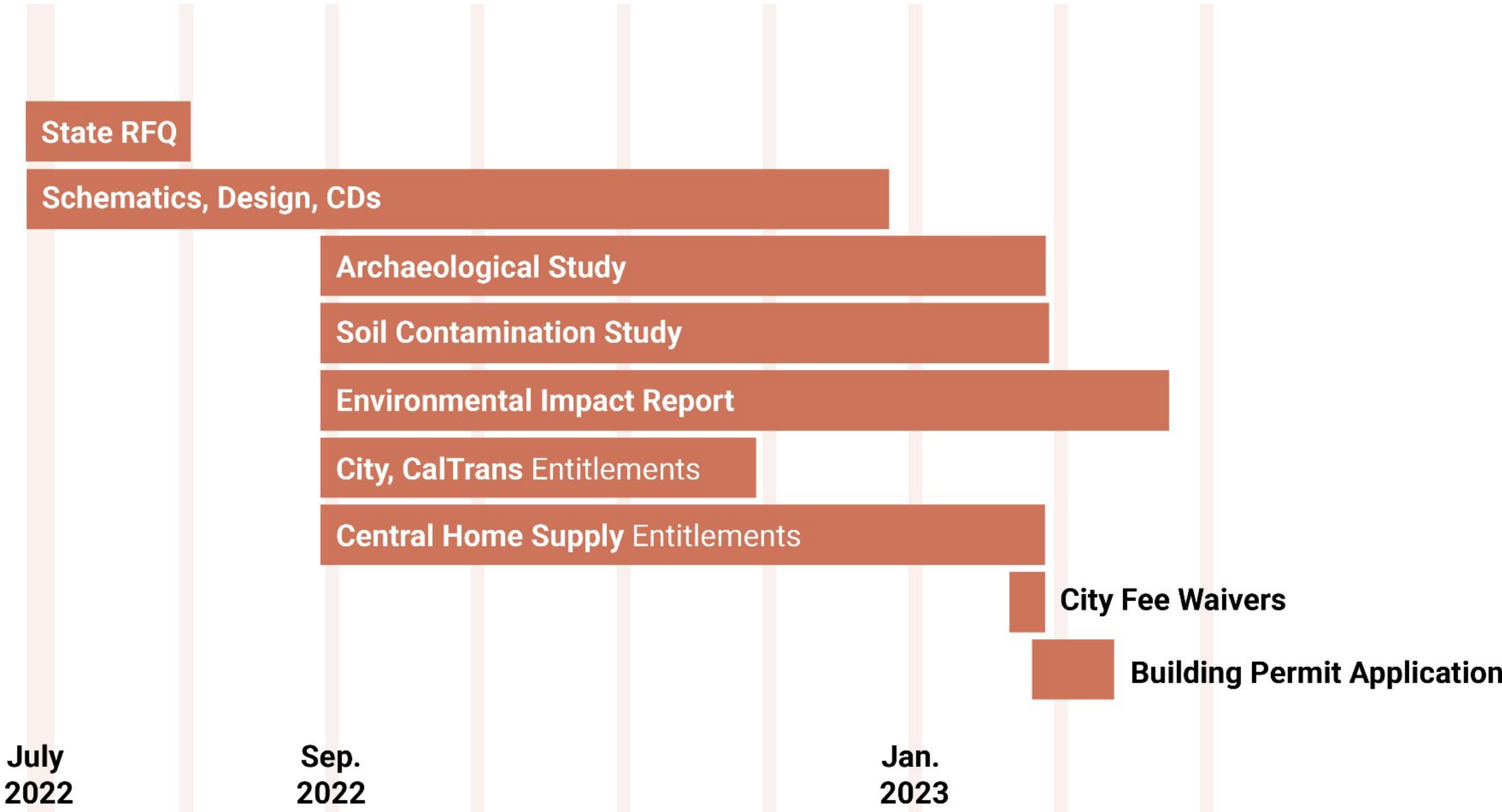
Phase 1

4% LIHTC Equity	\$42.4 million
HCD MHP	\$15.2 million
HCD-DGS LGMG	\$7.3 million
HCD IIG	\$4.5 million
Permanent Loan	\$11.1 million
Section 8 Loan	\$14.0 million
Total Sources	\$120.7 million

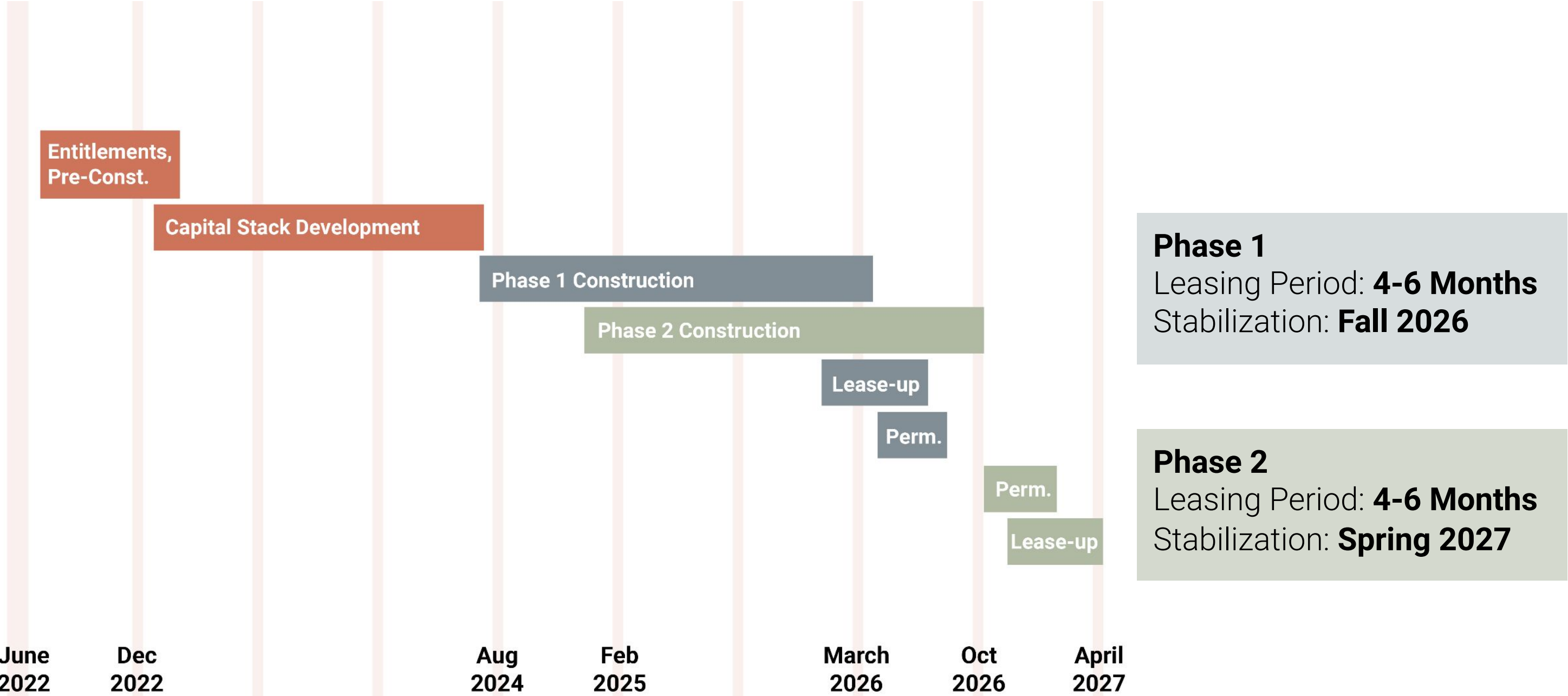
Phase 2

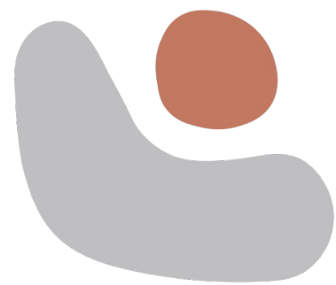
4% LIHTC Equity	\$17.7 million
Cal HFA - MIP	\$3.8 million
GP Equity	\$1.5 million
HCD-IIG	\$3.5 million
Permanent Loan	\$8.8 million
Deferred Dev Fee	\$1.3 million
Total Sources	\$41.9 million

Pre-development Timeline



Development Timeline





**Riverstone
Homes**

Integrated design and programming supports community connectivity, health and wellbeing for low-income families

Innovative financing and state sovereignty maximizes residential density, affordability ranges, and co-located amenities

Thank you!



→ Appendix ←

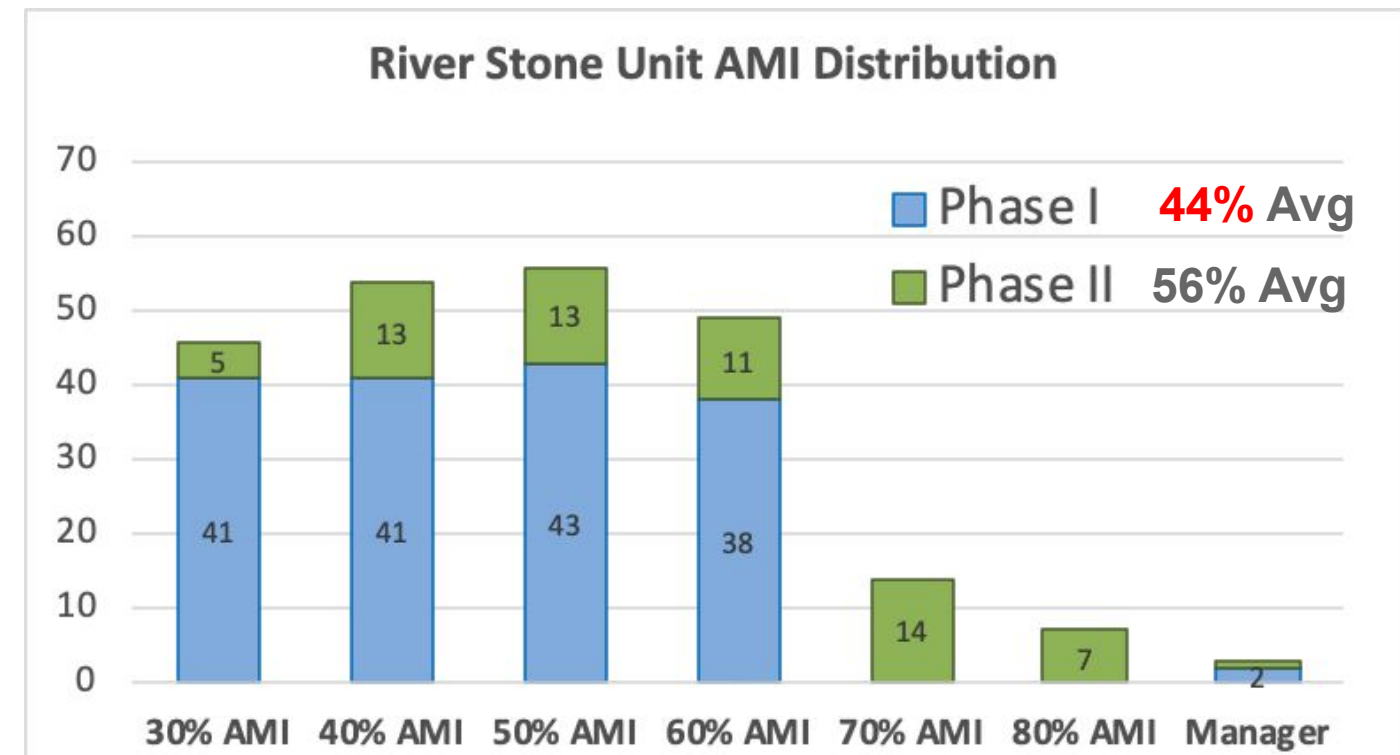
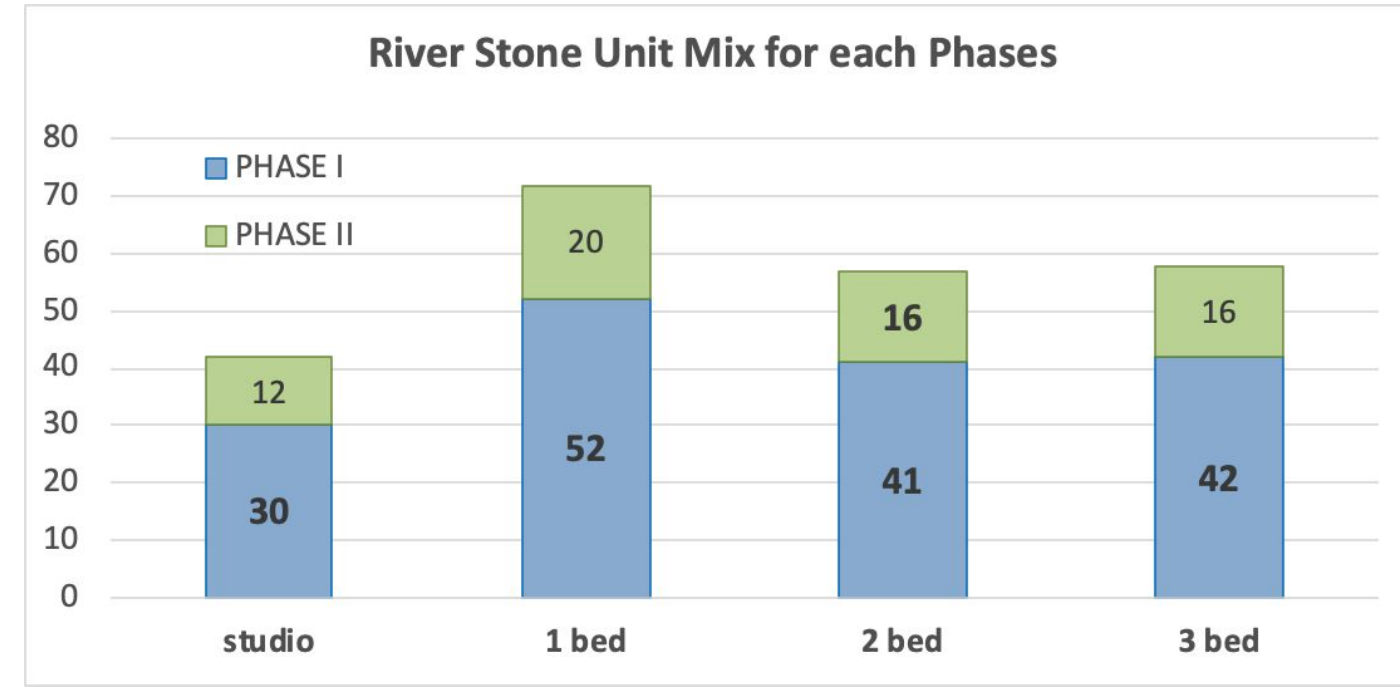
229 Units in Two Phases

	Phase 1	Phase 2	Total project
Target Population	Large Family	Mixed-Income	Mixed Income Family
Tax credits	4% LIHTC + TEB	4% LIHTC + TEB	4% LIHTC + TEB
Soft Debt	MHP, IIG, AHSC, Sec-8	CalHFA-MIP, IIG, AHSC	HCD / CalHFA
Total Cost	\$117.7m	\$39.1m	\$156.8m
# of Units	165	64	229
Average AMI	44%	56%	48%
Parking Spaces	124	50	174
Gross SF	207,465	81,818	290,000
Commercial SF	9,785	0	9,785
Affordability	100% Affordable	Income-Avg under 60%	100% AFO

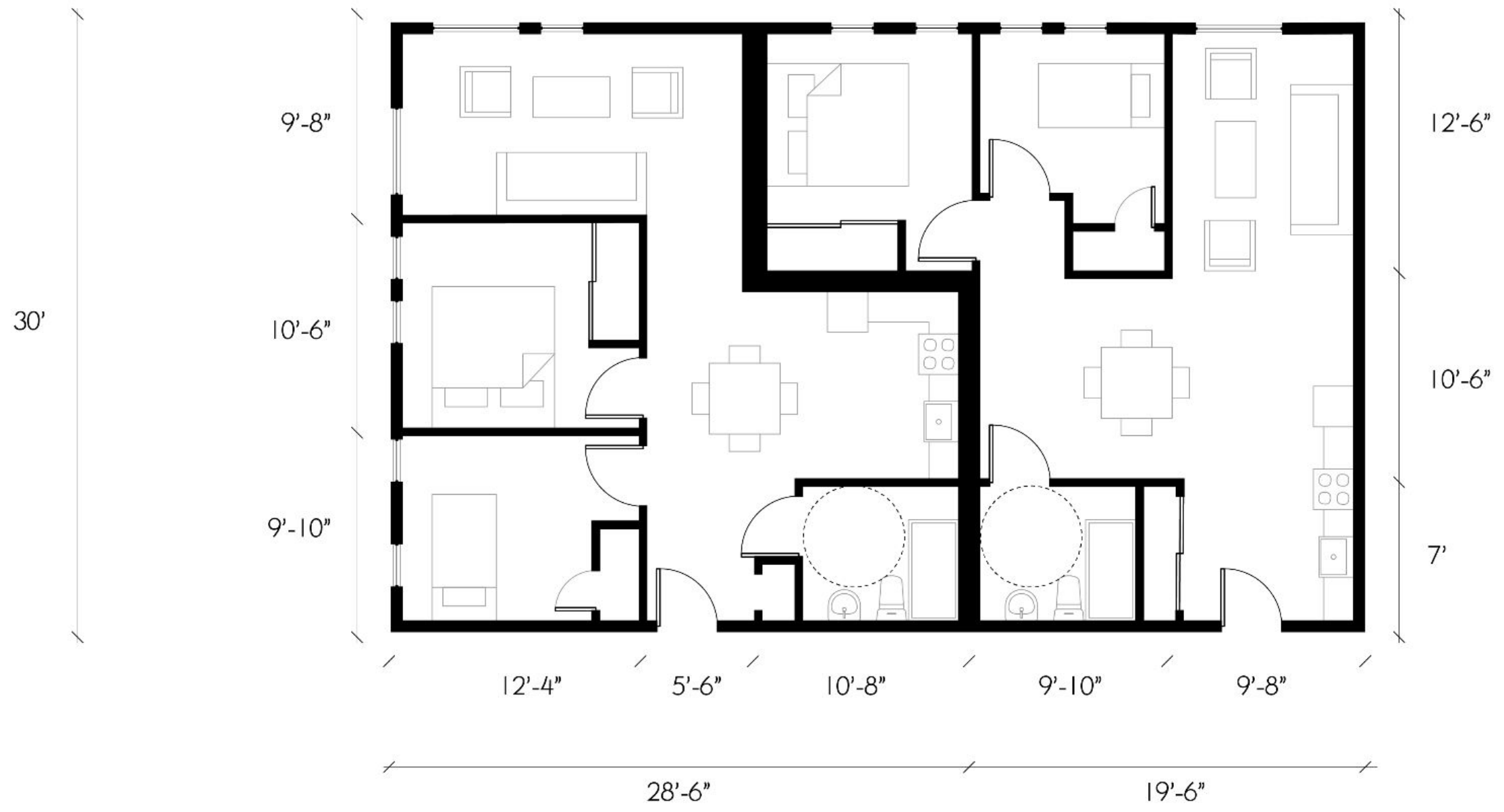
Unit Mix

PH-1	Avg Size (SF)	30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Mgr	Total
Studio	360	10	5	8	7	-	-		30
1 BR	540	15	15	11	11	-	-		52
2 BR	720	13	8	9	10	-	-	1	41
3 BR	900	10	10	12	10	-	-		42
Total		49	41	43	37	-	-		165
%									
Avg AMI	47%								

PH-2	Avg Size (SF)	30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Mgr	Total
Studio	360	-	3	3	3	3			12
1 BR	540	3	3	3	4	3	4		20
2 BR	720		5	5		5		1	16
3 BR	900	2	2	2	4	3	3		16
Total		5	13	13	11	14	7	1	64
%		8%	20%	20%	17%	22%	11%		100%
Avg AMI	57%								







Entitlements + Zoning

Item	Local Requirement	State Density Bonus Law	Our Project
Zoning Designation	Industrial - General: Permits required for residential, grocery, restaurant development	-	Closer to Community-Commercial with special use permit for high-density housing
Density	20.1 - 40 DU/acre with permit	80% increase from zoning requirements (max 72 DU/acre)	55 DU/acre (complying with state density bonus)
FAR	0.5:1 with permit	FAR increase to accommodate increase in density	2.83 (complying with state density bonus)
Maximum Height	28 ft (2 stories)	Additional 33 ft (3 stories), total 61 ft	61 ft (complying with state density bonus)
Floodplain Development [County ordinance]	<ul style="list-style-type: none"> - Flood-resistant construction, design, materials - Equipment, service facilities (except storage/parking) \geq 2 ft above base flood level - Drainage paths away from structures 	-	Complying

Parking

Item	Local Requirement	State Density Bonus Law	Our Project
Multifamily Parking	0-1 BR = 1 space 2+ BR = 2 spaces	0-1 BR = 1 space 2-3 BR = 1.5 spaces	
Affordable Multifamily Parking	0.5 spaces per unit within ½ mile of major transit stop		
Conditions for Parking Space Reductions	<ul style="list-style-type: none"> - 35% reduction with administrative use permit - Mixed-use in IG = 0.4 spaces reduction per unit with shared on-site parking plan - 10% reduction in required spaces with additional bike parking (6 bike spaces per converted auto space) 	-	<p>0-1 BR = 0.5 spaces 2-3 BR = 1 space</p>
Bike Parking	1 bike parking space per unit, 100% Class 1 garages/accessible indoor parking	-	Complying

HCD Super-NOFA self-score analysis (Phase I)

Criterion	Score (Ours / Max)	Justification
Extent to which the Project serves households at the Lowest Income Levels	/30	20% of units at 50% AMI = 5pts 22% at 40% AMI = 10pts 19% at 30% AMI = 11.25pts
State Policy Priorities	7 /17	High resource area = 5pts State-owned excess site = 2 pts
Project Sponsor and Ownership experience	20/20	Our organization completed enough projects in the last 10 years to get the full 20 points
Project Readiness	20/20	Enforceable commitments to construction financing, excluding TEB or tax credits = 4 pts Completion + certification of CEQA and NEPA = 4pts Project meets all local requirements for non-discretionary approval = 1pt All land use approvals and entitlements obtained = 3pts Commitments for deferred-payment financing from other HCD programs = 4pts
Adaptive Reuse Infill Proximity to Amenities Sustainable Building Methods	20 /21	Infill development = 5 pts Density exceeding 15 DU/acre = 5 pts Large family development in high resource area = 15 points
Cost Containment	5/5	
Total Score	102/113	

MIP Self-Assessment

Criterion	Qualifications
Financing Structure	Must use tax-exempt bonds with 4% LIHTC credits
Readiness	Site ready to start construction within 180 days General Contractor/ Construction Services Engagement Disposition and Development agreement ready
Cost Containment	Cost Containment Certification
Subsidy Efficiency	DSCR no higher than 1.20 Cash flow supports residential component of project Separate cash flow for any commercial use of project Cash flow after debt service = 25% of the annual must-pay debt service component or 8% of gross income during first 3 years (whichever is higher) Inflation factors, vacancy rates, and capitalized reserves according to CalHFA underwriting requirements

Detailed Timeline

