



# **Review of Proposals To Fund Affordable Housing Development**

Hercules Housing Successor Agency

May 12, 2026

# NOFA and Responses



Notice of Funding Availability (NOFA) issued in October 2025



\$5 Million available from the Low- and Moderate-Income Housing Asset Fund of the Housing Successor to the former Hercules Redevelopment Agency



Three (3) Developers responded:

- Community Housing Works (CHW)
- Satellite Affordable Housing Associates (SAHA)
- Eden Housing (EDEN)

# Proposal Evaluation Criteria

- ☑ Developer qualifications and experience
- ☑ Financial capacity
- ☑ Alignment with Housing Element and community goals
- ☑ Project readiness and economic viability
- ☑ Project eligibility and affordability
- ☑ Reasonable cost assumptions
- ☑ Compliance with California and Federal funding requirements and rent limits

# Additional Review Factors

- ☆ Number of affordable units at deepest levels of affordability
- ☆ Number of new residents based on bedroom count
- ☆ Progress towards Regional Housing Needs Allocation (RHNA)
- ☆ Progress towards Housing Element goals
- ☆ Income and age limit restrictions on local Housing Fund source
- ☆ Positive cash flow projections to cover expenses and debt service
- ☆ Development timeline elements: site control, funding commitments, development application status

# RSG Findings:

- All of the projects and developers are worthy of support.
  - All developers have considerable experience and reputations.
  - All of the projects provide additional needed housing at varying levels of affordability.
  - All of the projects are projected to be completed at a reasonable development cost.
  
- It is better to fund one project than split the \$5 million available to multiple projects.
  - The funded project will be more competitive for other funding sources.
  - The funded project will have a higher chance of successful and timely development.

# Developer Proposal Comparison Summary

Developer	CHW	SAHA	EDEN	
<b>Project Name</b>	Bayline Apartments	Sycamore Crossing	Victoria Green	
<b>Location</b>	Bayfront Boulevard	Sycamore & San Pablo Ave.	Paradise Drive (near Victoria Crescent W)	
<b>Population Served (units)</b>	Individuals and families (62)  Persons with intellectual and development disabilities (21)	Individuals and families (100)	New Units: Seniors (66)	<i>Existing Units: Individuals and families (132)</i>
<b>Unit Type</b>	1, 2, and 3 bed	Studio, 1, 2, and 3 bed	Studio and 1 bed	<i>Studio, 1, 2, and 3 bed</i>

# Developer Proposal Comparison Summary

Developer	CHW	SAHA	EDEN	
<b>Number of Units by Income Level:</b>				
			New Units	<i>New + Rehab</i>
30% AMI	29	11	7	21
50% AMI	16	30	45	85
60% AMI	27	58	13	67
80% AMI	10			23
Manager	1	1	1	2
# of Units	<b>83</b>	<b>100</b>	<b>66</b>	<b>198</b>
Weighted Avg Bedroom Size	1.74	1.69	0.71	1.69
Est. Resident Count	269	260	92	508
<b>Target Income Levels as % of Total Units:</b>				
30% AMI	35%	11%	11%	11%
50% AMI	19%	30%	69%	43%
60% AMI	33%	59%	20%	34%
80% AMI	12%	0%	0%	12%
Manager	1%	1%	1%	1%
Weighted Avg Affordability	49% AMI	54% AMI	50% AMI	53% AMI

# Developer Proposal Comparison Summary

Developer	CHW	SAHA	EDEN	
Total Building Sq Ft	95,980	102,660	46,681	
Number of Stories	4	5	3	
			<u>New Units</u>	<u>New + Rehab</u>
City Funding Requested	\$5,000,000	\$5,000,000	\$5,000,000	
City Funding per Unit	\$60,241	\$50,000	\$75,758	\$25,253
Total Development Cost (net of land)	\$60,430,339	\$77,897,924	\$34,427,523	\$40,427,523
Cost per Unit (net of land)	\$728,076	\$778,979	\$521,629	\$204,179
Net Developer Fee	\$2,800,000	\$3,842,078	\$5,919,086	
Include Prevailing Wage	Yes	Yes	No	
Site Control	Yes, owns site	Yes, with execution of Purchase & Sale Agreement	Yes, owns site	
Cash Flow	Positive NOI, Maintains 1.15 debt service coverage, Soft loan repayments begin in Year 11	Positive NOI, Maintains 1.15 debt service coverage, Soft loan repayments begin in Year 7	<b>Negative NOI after 24 Years, Debt service coverage declines after Year 12, No soft loan repayments</b>	

# Developer Proposal Comparison Summary

Developer	CHW	SAHA	EDEN	
<b>Housing Successor Compliance: Minimum 30% @ 30% AMI, Maximum 20% @ 60-80% AMI</b>				
			<u>New Units</u>	<u>New + Rehab</u>
Number of 30% AMI Units	29	11	7	21
Housing Asset Fund Subsidy Per 30% AMI Unit	\$172,414	\$454,545	\$714,286	\$238,095
Total Development Cost Per Unit (net of land)	\$728,076	\$778,979	\$521,629	\$204,179
Can Allocate Full Request to 30% AMI (Per Unit Funding Less than Total Dev Cost)	Yes	Yes	No	No
SB 341 Compliance by Income Level	Complies, can allocate all funding to 30% AMI	Complies, can allocate all funding to 30% AMI	Subsidy per 30% AMI unit exceeds development cost	Subsidy per 30% AMI unit exceeds development cost
Percent Senior Units	0%	0%	100%	33%
SB 341 Compliance by Age	Yes	Yes	Exceeds 50% maximum for seniors	

# Developer Proposal Comparison Summary

Developer	CHW	SAHA	EDEN
<b>Alignment with Community Goals / Housing Element Needs:</b>			
Housing Choice Vouchers (Program H1-3)	no	no	no
Senior Housing Project (Program H2-3)	no	no	yes
Alternative Housing Model (Program H2-5)	no	no	no
Housing for Persons with Special Needs (Program H4-1)	yes	no	yes
Policy 1.5 Encourage development of new special needs housing for seniors, single parents, families, large families, the disabled, including those with developmental disabilities, and extremely low-income households	yes	yes	yes
Policy 1.6. Use density bonuses and other incentives to facilitate the development of new housing for extremely low, very low- and low-income households in conformity with State law	yes	yes	yes
Policy H4.5 Encourage housing serving special needs such as elderly and disabled	yes	no	yes



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