



Women in Wood Construction

Affordable Housing: Development, Design and the Benefits of Wood



Carolyn Bookhart
Director of Real Estate Development,
Resources for Community Development



Paige Smith, AIA LEED BD+C
Senior Project Manager
Lowney Architecture

Disclaimer: This presentation was developed by a third party and is not funded by WoodWorks or the Softwood Lumber Board.

Mission and History

For almost 40 years, RCD has created and preserved affordable housing for those with the fewest options, to build community and enrich lives.



RCD Portfolio Overview



63 communities since 1984

- 5,265 residents
- 2,556 apartments
- 26 cities, 6 counties
- 100% of residents are low-income
- Approx. 1/3 of residents have special needs
- 50,500 sq. ft. of commercial space

How We Build Communities



Real Estate Development

Creating properties that benefit residents and the broader communities



Community Development

Partnering with community organizations and residents to strengthen neighborhoods



Asset Management

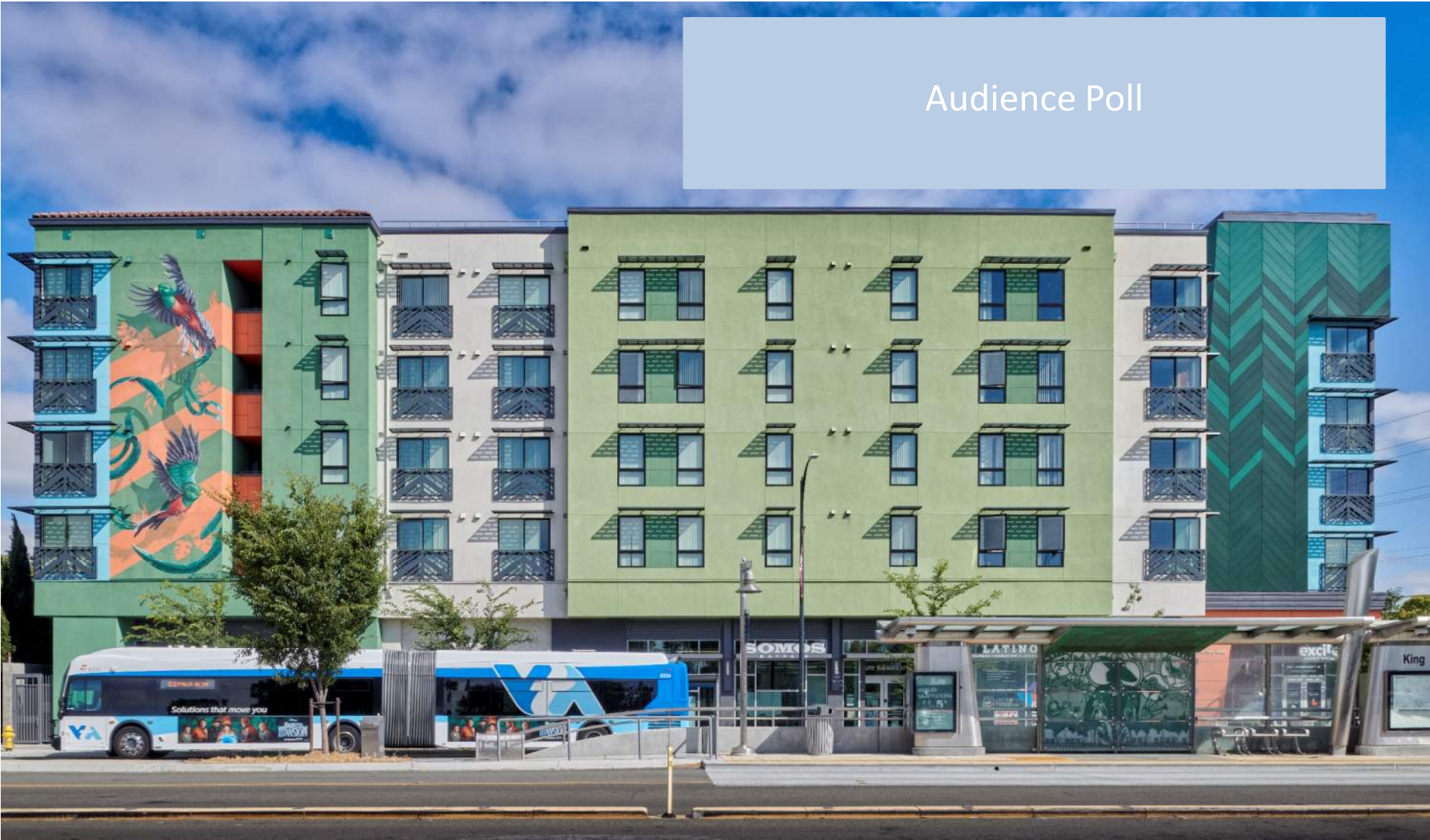
Maintaining properties in top financial and physical condition



Resident Services

Providing on-site services to help our residents thrive

Audience Poll



What is Affordable Housing?

Everyone deserves a safe, stable and affordable place to live.

- A home is considered affordable if the household pays approximately 30% of their income toward rent and utilities.
- Our region's housing costs have outpaced local incomes, creating a deep need for affordable housing
- The housing crisis is a complex problem. Building new, affordable housing is a critical component of the solution.
- RCD residents pay rent that is far below market rate allowing them to live in stable, affordable housing



Who lives in Affordable Housing?

Most residents are employed, but their wages still qualify them as very-low or low-income.

The Wage and Housing Gap

Occupation	Median Annual Wage	% of AMI for a 1-Person Household (percentages are even lower for larger HHs)	% of monthly income needed to afford a "fair market rent" 1-br apartment
Dishwashers	\$29,162	35%	74%
Retail Salespersons	\$31,782	38%	68%
Security Guards	\$36,670	44%	59%
Receptionists	\$37,107	44%	58%
Preschool Teachers	\$42,245	51%	51%
Medical Assistants	\$46,134	55%	47%

Income levels data from California Department of Housing and Community Development, March 2021: <https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml>.

Income limits may be higher than exact percentage of median in high housing cost areas like the East Bay.

Who lives in Affordable Housing?

Most residents are employed, but their wages still qualify them as very-low or low-income.

Who Qualifies for Affordable Housing?				
Range of income levels used to determine eligibility for affordable housing, and the rent that's actually affordable to them				
Income Level (% of Area Median Income or AMI)				
	Extremely Low (30% AMI)	Very Low (50% AMI)	Low (80% AMI)	Median (100% AMI)
Income limits for a one-person household	\$ 27,450	\$ 45,700	\$ 73,100	\$ 83,450
Affordable monthly rent at 30% of income	\$ 686	\$ 1,143	\$ 1,828	\$ 2,086
Income limits for a four-person household	\$ 39,150	\$ 65,250	\$ 104,400	\$ 119,200
Affordable monthly rent at 30% of income	\$ 979	\$ 1,631	\$ 2,610	\$ 2,980

Based on HUD 2020 Fair Market Rent of \$1,808 for a one-bedroom apartment in Alameda or Contra Costa counties.

(<https://www.huduser.gov/portal/datasets/fmr.html>)

Note that actual rents are often much higher, especially for newly built apartments.

Wage information from California Economic Development Department for 1st Quarter 2020 (www.labormarketinfo.edd.ca.gov)

How does someone get into Affordable Housing?

Each development and the apartments within them have different restrictions

- We work closely with local partners to market our new buildings
- Most apartments are filled through a lottery system

Call 2-1-1

2-1-1 is a toll-free phone number that provides free and confidential information and referrals on housing and health and social services. Call 2-1-1 to connect with a specialist for personalized assistance or learn more online at <https://www.211bayarea.org>



Sango Court
355 Sango Court
Milpitas, CA
Applications Now Being Accepted

Sango Court provides 101 affordable apartments in Milpitas next to BART and bus lines with nearby retail and commercial. There are 23 studio, 40 one-bedroom, 27 two-bedroom, and 12 three-bedroom apartments.

Online applications accepted:
April 10, 2023, at 10:00am
until
April 24, 2023, at 12:00 pm (PDT)
Apply at:
sango.rcdhousing.org
For additional assistance:
(408) 508-3132; TTY: (415) 345-4470

Sango Court is an equal opportunity housing provider, admitting applications in accordance with local, State, and Federal Fair Housing laws

John Stewart Company BRE 00654505

This announcement is for 50 of the 101 apartments that are available via application and lottery.

Amenities: on-site property management and resident services, laundry, bicycle parking, community room with kitchen, landscaped courtyard, playground area and a smoke-free community. Pet-friendly community with limit of one pet per household.

Eligibility is income-restricted, as are rents, in accordance with the Low-Income Housing Tax Credit program as well as other funding requirements. Maximum income restrictions range from:

- \$29,500 for a one-person household to
- \$125,400 for a seven-person household.

See pre-application materials on the website for more detailed information.

The other 51 units are:

- Forty-four (44) units are set aside for chronically homeless households referred through the County of Santa Clara Coordinated Entry System (CES). To get on the County's list, contact 211.
- Seven (7) units are referred through the Veterans Administration (VA) referral list.

Housing Choice Vouchers (Section 8) are accepted.



Example of flyer for a new development

How do we build Affordable Housing?

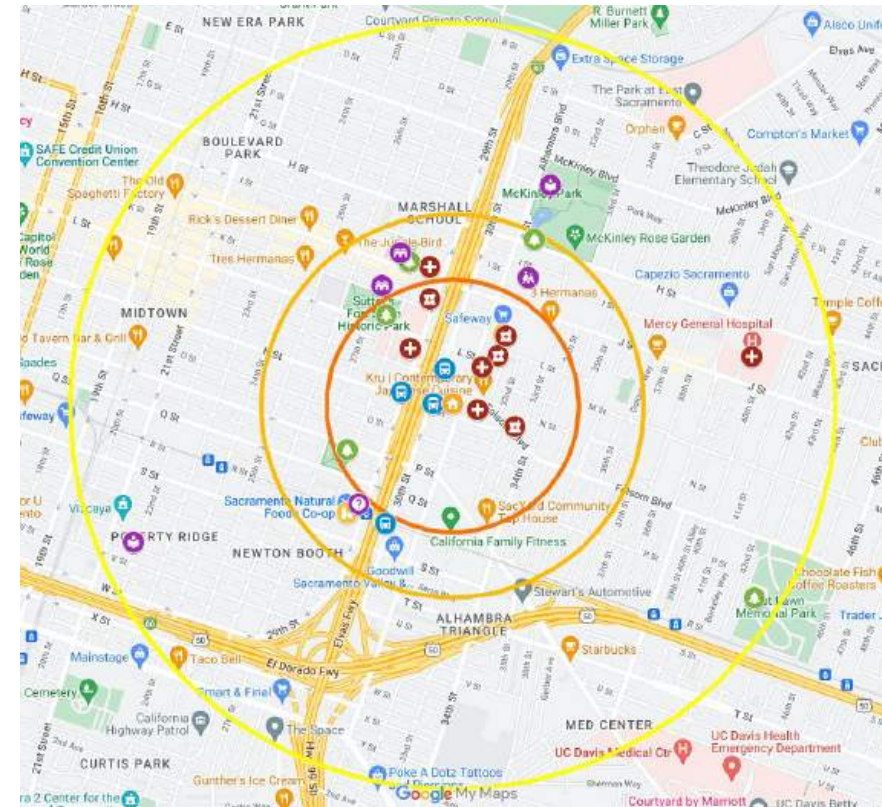
- Developing Affordable Housing follows a similar path as market rate development:
 - Site Selection
 - Feasibility Analysis and Due Diligence
 - Financing
 - Construction
 - Lease up and operations
- **However, there is a key difference:** financing for Affordable Housing is very different than for market rate developments which impacts all other components of development



Maudelle Miller Shirek Community in Berkeley will create 87 affordable homes near transit

Site Selection

- **Opportunity:** site selection
 - Relationship referrals and partnerships
 - Request for proposal
- **Opportunity:** entitlements can be streamlined/expedited under state legislation
- **Challenge:** financing constraints on site selection
 - Site amenities
 - Transit requirements
 - High resource maps
 - Long term holds
 - Unpredictable timeline



For new prospective developments, we map nearby amenities to see how the site will score on future funding applications

Design and Construction



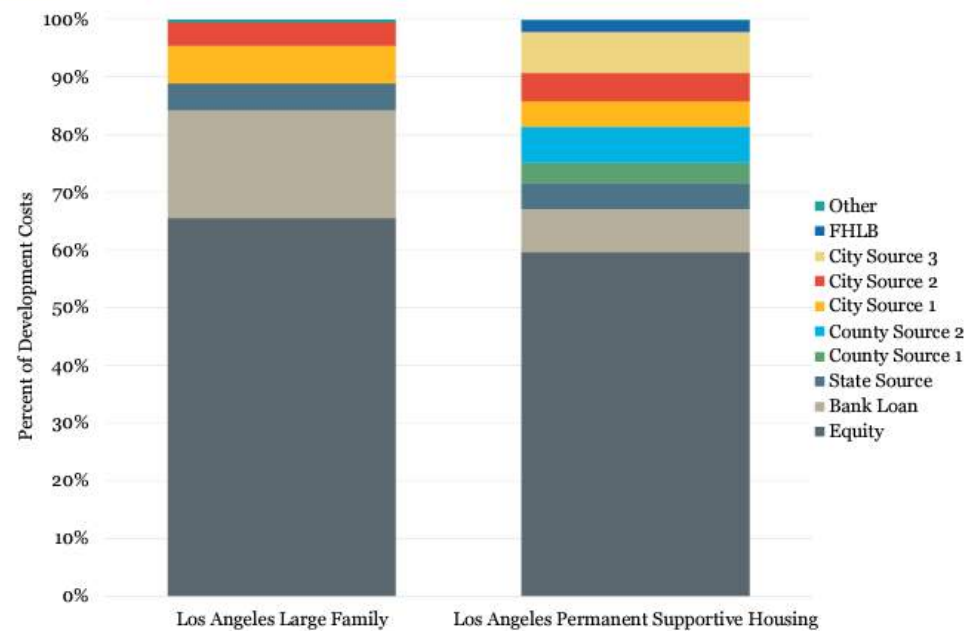
- Long term owner perspective
 - Durability
 - Operating efficiency
- Financing requirements
 - Construction requirements
 - Sustainability and accessibility goals
- Target population needs
 - Family
 - Senior
 - Permanent Supportive Housing

Financing

Affordable Housing financing is very complicated! It's like a multi-layered layer cake:

- Local sources (city and county)
 - Examples in the Bay Area: Measure A1 in Santa Clara County, Measure A1 in Alameda County, Impact fees in City of Fremont
- State sources (HCD)
 - Affordable Housing and Sustainable Communities (AHSC)
 - Multi-Family Housing Program (MHP)
 - No Place Like Home (NPLH)
- Low Income Housing Tax Credits (LIHTC) and LIHTC Investors
- Conventional loans (Wells Fargo, Bank of America, Chase)

Figure 5. Capital Stack Composition for Two 9% New Construction Developments in Los Angeles Awarded in 2019



Source: Data scraped from applications posted online. State and federal tax credits have been combined into one category to represent total tax credit equity.

Turner Center Report, "The Complexity of Financing Low-Income Housing Tax Credit Housing in the United States"

About Lowney Architecture



Offices in
California + Hawaii



20+
Completed
Multifamily
Projects



20 Years in
Business



50 Person
Collective
Team



Grocery
Hospitality
Industrial
Mixed-use
Multifamily
Restaurant
Retail



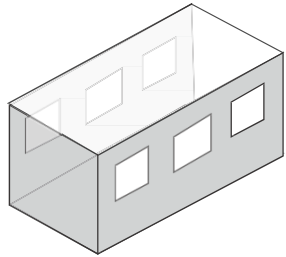
Affordable Housing Expertise

AFFORDABLE HOUSING CLIENTS

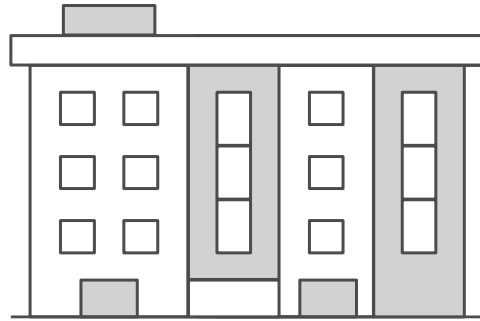


Affordable vs Market Rate

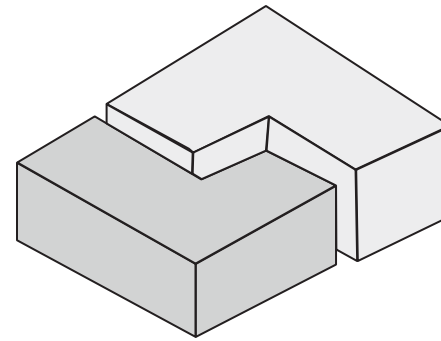
Differences in design



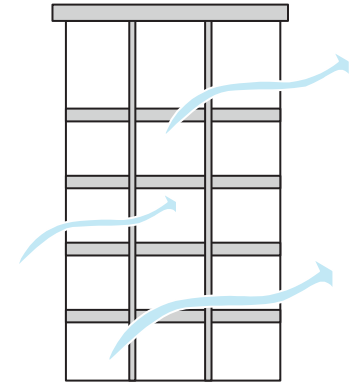
DENSITY
Units, parking



MATERIALITY
Exterior, interior



AESTHETICS
Massing, composition



PERFORMANCE
Acoustics, sustainability

Density

Major Design Differences in Affordable Housing Projects



Lowney Project: The Intersection, Emeryville, CA

1 INCREASED BUILDING SIZE

- CTCAC minimum unit sizes are larger
- Additional required spaces for CTCAC Funding
- CTCAC requires 50% 2 & 3 bed units for Family Buildings

2 INCREASED ACCESSIBILITY

- Publicly funded projects must meet CBC Chapter 11B: 5% units accessible
- CTCAC funded projects require 10% accessible units

3 DECREASED PARKING

- Density bonus law reduces parking requirements
- 100% Affordable Housing projects require no parking

4 MIXED INCOME: DENSITY BONUS APPLIED, BUT NOT PUBLICLY FUNDED

- Mixed projects have highest density
- Adds affordable, small-sized units without competitive funding

Materiality

From the Outside to Inside



Lowney Project: Bella Creek, Rohnert Park

EXTERIOR

- Simpler materials
- No panelized systems or rainscreens
- Stucco on drain mat or cementitious panels on furring strips
- Easily maintained facade



INTERIOR

- Simple finishes, particularly in bathrooms and kitchens
- Higher durability

Aesthetics

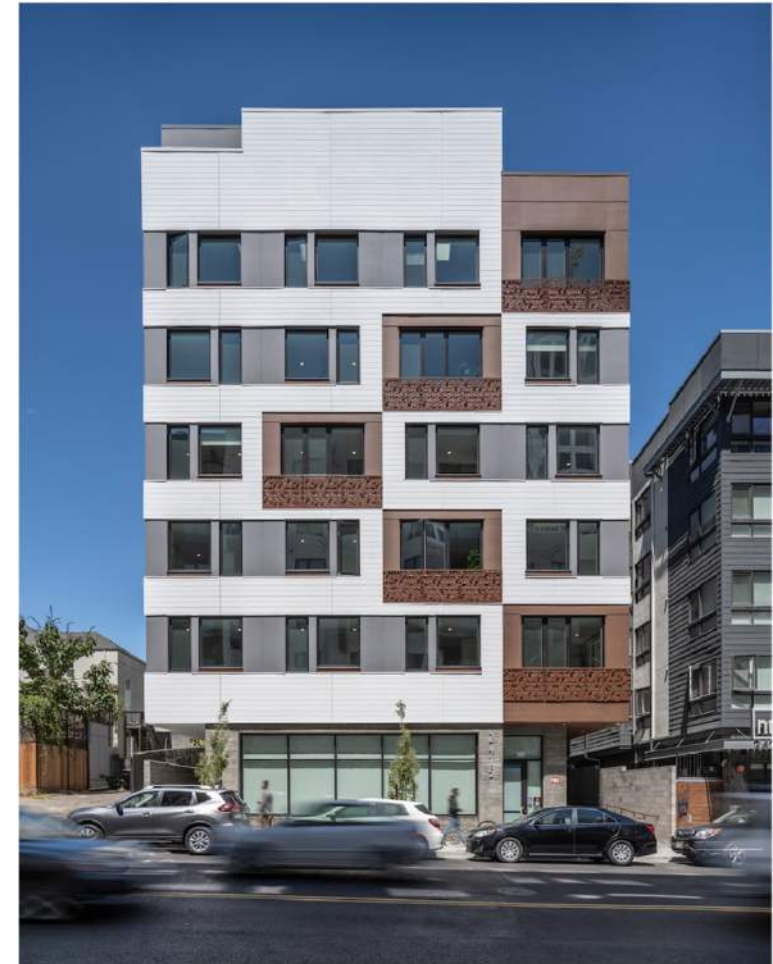
Massing and Fenestrations

MASSING

- Minimizing massing shifts
- Lots of straight walls
- Juxtaposed with city's requirements

FENESTRATION

- Smaller/reduced fenestration
- Smaller windows that are accessible
- No balconies



Lowney Project: Electric Lofts, Oakland, CA

Performance

Acoustic and Energy Requirements



Source: Soundproofingcompany.com

ACOUSTICS

- Affordable projects meet minimum code requirements; looking for cost effective solutions
- Market-rate projects go beyond minimum



GREEN CERTIFICATION

- Green Point Rated Gold makes affordable housing more competitive for CTCAC
- Market rate housing minimizes long-term energy savings

How can Wood Construction be Beneficial for Affordable Housing?

LABOR + MATERIALS

- Ease of access to skilled labor
- Modifying wood is simpler
- Wood is readily available



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- Flexibility with the various trades involved



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COSTS

- Availability of workforce and materials
- Exterior rigid insulation not required

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PERFORMANCE

- Environmentally friendly
- Improved acoustics
- Modularization

COSTS

- Availability of workforce and materials
- Exterior rigid insulation not required

Case Study – Rick Judd Commons



62 affordable apartments in Concord for families and some formerly homeless households

Acquired site in 2019 and started construction in 2022

- Secured site through a broker and then assembled second adjacent site to increase size
- One of our first developments entitled through SB35
- City funding came with a lot of design involvement by the city
- Ultimately, 8 different public funding sources needed

Case Study – Rick Judd Commons

Development budget (sources)

Perm Loan Wells Fargo 10 yr T + 2.87%	780,000
City of Concord	7,800,000
AHSC	10,074,816
AHSC HRI	2,450,000
IIG	4,212,680
NPLH	3,582,085
Contra Costa County HOPWA and HOME	2,200,000
Deferred Developer Fee	0
GP equity -	118,008
HCD Accelerator	33,602,436
TOTAL SOURCES	64,820,025

- Hard construction costs = \$45.3m
- Affordable Housing has some unique uses, mostly associated with the financing requirements.

Case Study – Rick Judd Commons

Rent and income targeting

% of Area Median Income	Number of Units	Income Limits	Rent by Unit Type
30%	13	1 person: \$30,000 2 persons: \$34,290 3 persons: \$38,580	1-BD \$803 2-BD \$964 3-BD \$1,114
50%	40	1 person: \$50,000 2 persons: \$57,150 3 persons: \$64,300	1-BD \$1,339 2-BD \$1,607 3-BD \$1,856
60%	8	1 person: \$60,000 2 persons: \$68,580 3 persons: \$77,160	1-BD \$1,607 2-BD \$1,929 3-BD \$2,228

Project Overview

LOCATION

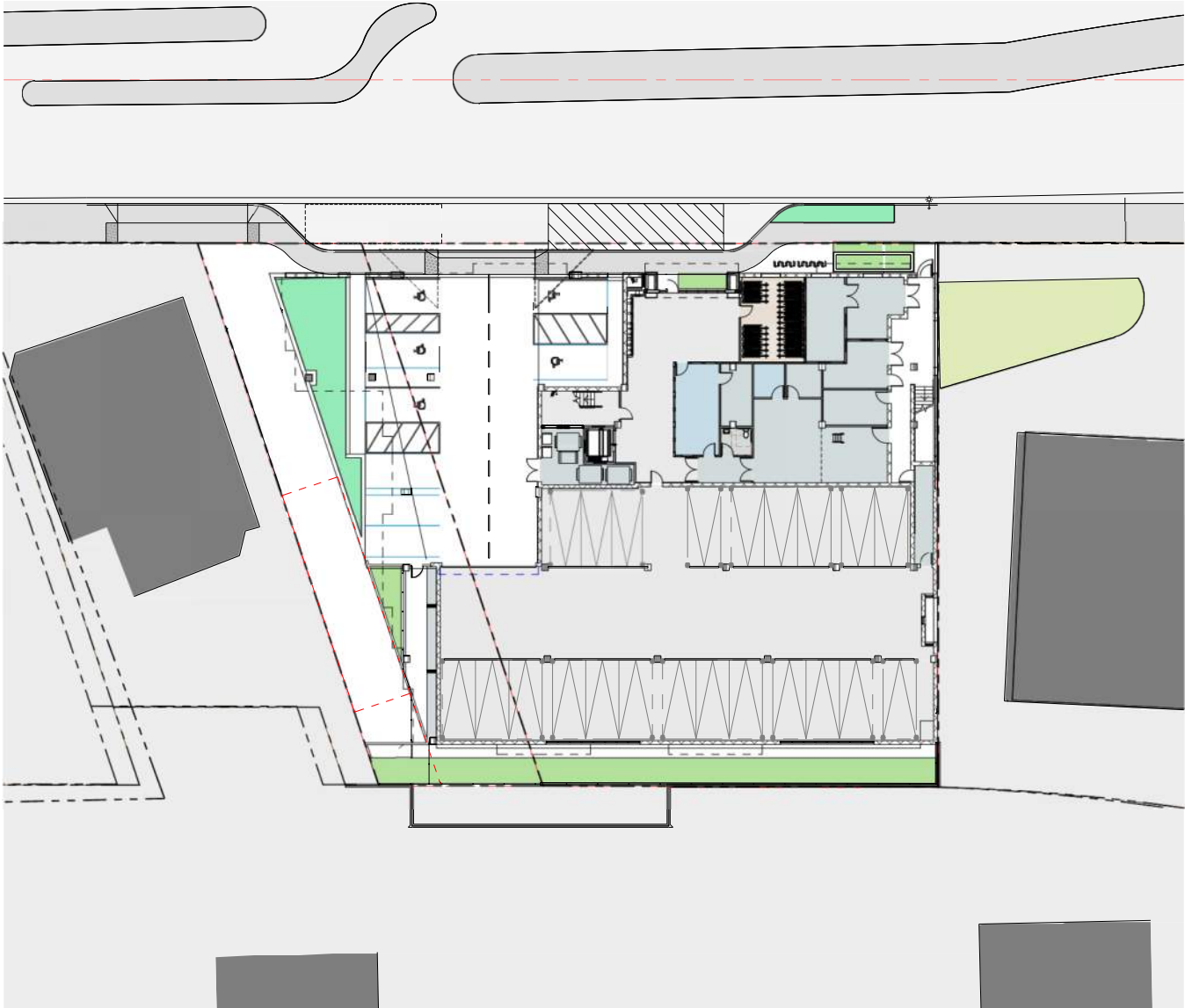
- 1313 Galindo, Concord, CA

UNIT TYPES

Unit Type	Count
1 Bedroom A	36
1 Bedroom A ACS	3
1 Bedroom B1	1
2 Bedroom B1	3
2 Bedroom B2	4
2 Bedroom B3	2
2 Bedroom B4	2
2 Bedroom B4 ACS	1
2 Bedroom B5	4
2 Bedroom B ACS	1
3 Bedroom C	3
3 Bedroom C ACS	1
Manager 2 Bedroom	1
Total Units:	62

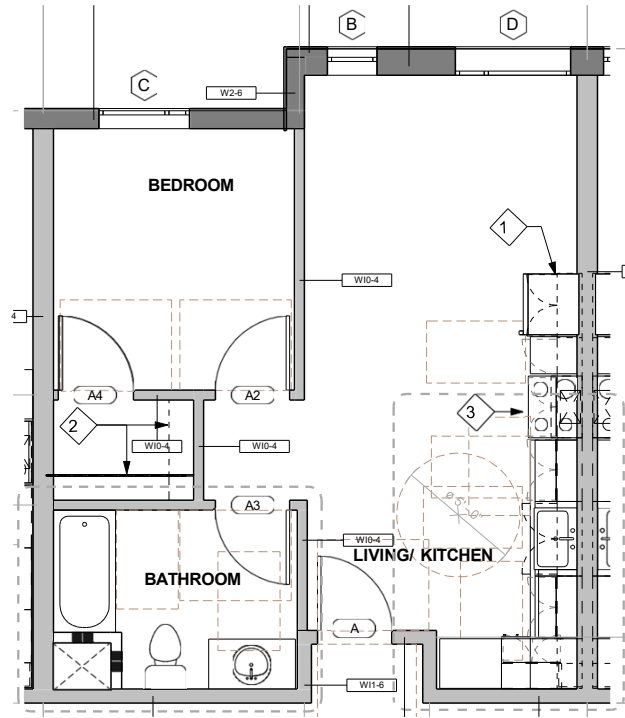


Site Plan

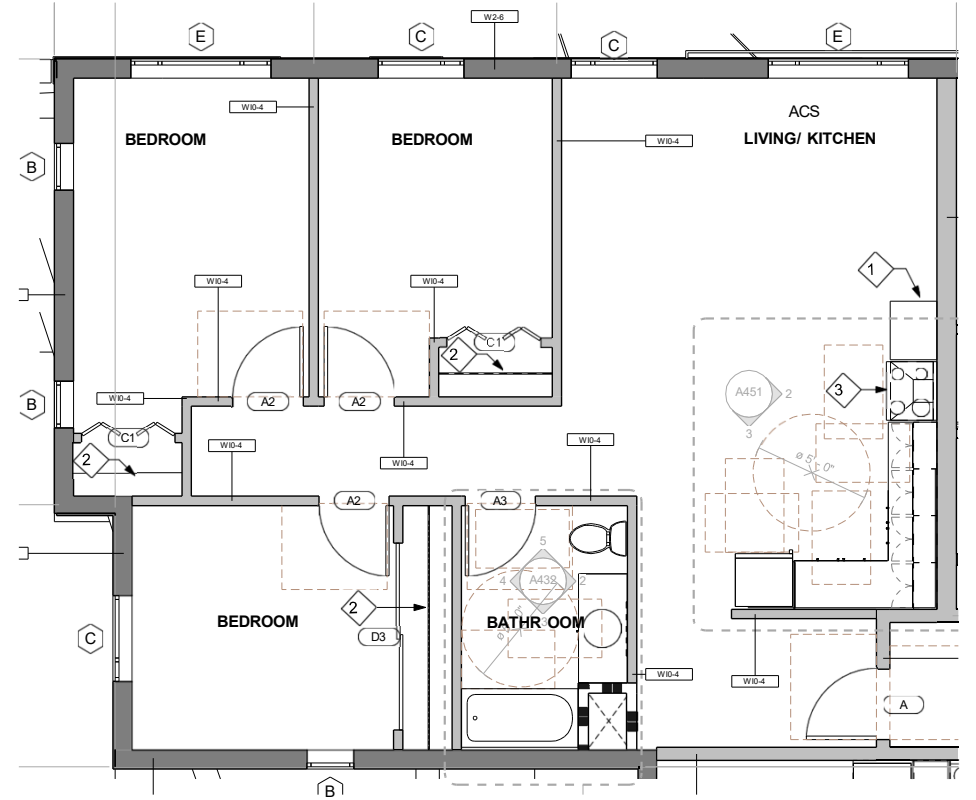


Unit Features

- Minimize unit differences
- Durable casework
- Fiberglass shower surrounds
- No carpets
- Full height pantry cabinets
- Accessible windows

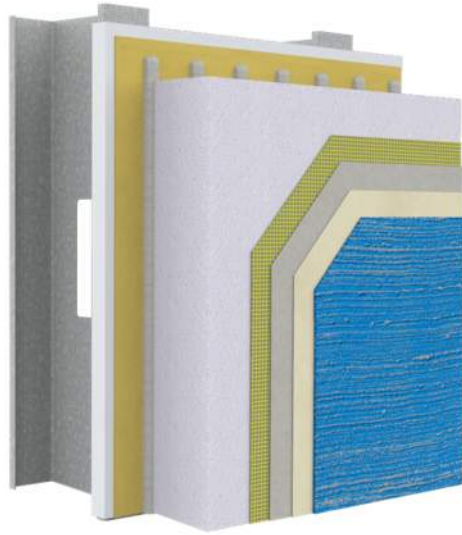


1 Bedroom Unit



3 Bedroom ADA Unit

Sustainability Features



Source: StoCorp.com

Exterior Insulation Facade
System (EIFS)



Perforated shading devices
on facade



CMU



Lessons Learned

Strategic material and finish selection.

Reduce construction costs where possible, through choice of materials and finishes, while maintaining long-term durability.

Early integration of sustainability checklists.

Go through your selected Sustainability checklists early; on-board a Green Point consultant during DD.

Comprehending competitive funding.

Understand the requirements of competitive funding sources. Review applications and checklists with ownership early on.

Fusing density bonus law.

Understand and apply the Density Bonus Law. Work with Market Rate developers to understand how adding affordable units can benefit their project.



*This concludes The American Institute of
Architects Continuing Education Systems Course*

Thank you!



Carolyn Bookhart

Director of Housing Development
Email: CBookhart@rcdhousing.org



Paige Smith, AIA LEED BD+C

Senior Project Manager
Email: Paige@lowneyarch.com

Questions?

Questions? Ask us anything.



Chelsea Drenick, SE
Regional Director | CA-North, NV, UT

(303) 588-1300

chelsea.drenick@woodworks.org



Take our survey!

