



DANCO

COMMUNITIES

City of Eureka- Request for Proposal - Affordable Housing on City-
Owned Properties II - Site 4 - 5th & D Streets

5251 Ericson Way
Arcata, CA 95521
Phone: (707) 822 9000
CA Lic #: 500851 & 899392
hdelgrande@danco-group.com

5 April 2023

To whom it may concern:

The Danco Group of Companies' mission is to provide safe and affordable housing while improving our communities and satisfying our customers. Danco Communities, the developer entity of the Danco Group of Companies, is excited to submit this proposal in hopes of being chosen by the City of Eureka for the development of affordable multi-family housing on site 4 - 5th & D Streets. The Danco Group is a diversified group of companies in the real estate and construction industries and offers a one-stop shop for development, construction, and property management. We have over 35 years of successful business in these industries and offer a breath of knowledge and skill in developing affordable housing. We can be an effective partner with the City in accomplishing its goals of increasing the supply of affordable housing. We look forward to working with the City and drawing on our companies' strengths as an industry leader in multiple domains to be able to produce more housing faster and less expensively by collaboratively developing innovative means to speed up construction and cut costs.

The fact that the Danco Group offers development, construction and property management services is a strength to us and our development partners. Each of our core teams works closely together throughout the life of a project, creating an environment of collaboration. The project team for this job would consist of Chris Dart, Leader of Danco Communities, McKenzie Dibble, Project Manager & Hailey Del Grande, Grant Manager.

The Danco Group would be honored by the opportunity to work with the City of Eureka. We are passionate about bringing affordable housing to populations in need all over the western United States but most importantly in our own community. A more in-depth narrative on our qualifications is contained in the body of this proposal.

Please reach out directly with any questions regarding this proposal to Hailey Del Grande, Grant Manager by phone (707) 825-1580 or e-mail, hdelgrande@danco-group.com.

Respectfully Yours,

Daniel J. Johnson
President

www.danco-group.com

2. Developer's Qualifications & Capacity

DATA

The Danco Group

Firm Overview

Corporate Office: 5251 Ericson Way
Arcata, CA 95521

The Danco Group is a Humboldt County-based firm established by Dan Johnson in 1986 with the creation of Danco Builders. Danco Builders started out as a small construction company engaged in the building of homes and commercial buildings. Over time the business grew into a more comprehensive organization, complete with construction, real estate development, property management, affordable housing development, senior assisted living and dementia facilities, and other interests only peripherally related to construction.

Today, the Danco Group is comprised of seven different companies which represent all of our current business endeavors: Danco Builders, Danco Builders Northwest, Danco Communities, Danco Property Management, Danco Supportive Services (Momenta), Danco Hospitality, and Western Living Concepts. Within these companies we have a core team of seasoned construction, finance, assisted living, property management and administrative professionals and employ over 250 individuals at any given time.

Multi-Family, Senior, Supportive, Affordable Housing Experience

The Danco Group has over twenty one years in development experience in the Western United States including single family, commercial, and affordable housing. We truly are the foremost provider of all of these services on the North Coast. Danco Communities, the affordable housing development company within the Danco Group, was formed to tackle the high demand for quality affordable housing in our area. We have completed twenty one affordable housing developments with nine in construction.

Corporate Officers:

Dan Johnson, President
Kendra Johnson, Vice President
Chris Dart, Secretary

Danco Communities has brought to market over 1,000 affordable units to date. We have also maintained a role as property managers on the majority on the projects, managing over 886 affordable housing units. Affordable housing has become such a focus for Danco Communities due to the demand for it – only a small percentage of Californians can actually afford a median priced home. Danco specializes in the use of the Low Income Housing Tax Credits (LIHTC) and other state and federal resources including Community Development Block Grants (CDBG), HOME, IIG and USDA RD. The types of affordable housing projects developed by Danco fulfill local, state, and federal requirements that cities and counties need to meet to remain eligible for government funding.

Danco Communities has formed numerous partnerships over the years with private and public entities alike in order to obtain the funding and support that are necessary components in a successful affordable housing development. Those with whom we've partnered on affordable housing projects in the past include Community Revitalization Development Corporation (CRDC), Central Valley Coalition for Affordable Housing (CVCAH), Raymond James Tax Credit Funds, Alliant Capital, Boston Financial, Boston Capital, and numerous city and county governments, to name a few.

Because of Danco's experience and philosophy on affordable housing development, our company has been outstandingly supported on each project by local governments and cities.



Our philosophy lends itself to a paradigm that is unique to a development/construction company:

Above all we desire to fulfill our promise to create great affordable housing projects for our community and adapt each project to fit the specific needs and desires of those most affected by it. Danco believes that local jurisdictions and developers can build strong relationships based on common goals which result in projects that are succinct with the community's vision. We strive for great relationships with local governments in the communities we work with and that is a key component in Danco Communities' approach to development and one that has yielded overwhelmingly positive results. To this end, we welcome the opportunity to work with local governments to produce a unique and special community unique to the needs of each community. We have recently taken on the need for Special Needs and Homeless housing in California. We have developed 8 properties with supportive services including Cottages at Cypress, Lodge at Eureka, Monterey Gateway, Bayview Heights, River Bluff Cottages, Temescal Commons, Sage Commons, & The Plateau. The Orchard Commons apartments has 10 dedicated units for special needs will be finishing construction in November 2022.

Development planning, financial projection, debt, and equity projection are at the core of what constitute the development process. The Danco Group has been working to perfect our projection practices during the past twenty years through our endeavors in affordable housing and market rate developments. From their conception, each project has specific and unique differences, similarities, and circumstances.

With our can-do approach towards making our deals work, we have become experts at developing financial models which work for each special set of circumstances. We employ tools such as development proforma spreadsheets which enable us to accurately plan each deal phase by phase and which accurately depict project feasibility at all stages. We code our proformas to work within the parameters of each set of regulations set forth by public funding agencies so that we can work to ensure that each financial model is created in a way that is compliant with all regulations while maximizing the public and private funding available.

Creating winning financial models is a large part of getting a deal off the ground, but it is just the first step of the multi-phased development process. After Tax Credits are awarded to our projects, the next step, and oftentimes the most challenging, is securing investor partners and firm commitments from financing bodies and closing the deal.

The Danco Group has strong relationships with banking institutions and tax credit syndicators which have been built on years of trust and mutually beneficial outcomes in affordable housing endeavors. We have partnered with syndicators such as Alliant Capital, Boston Capital, Boston Financial, WNC, and Raymond James, to name a few. Through these partnership we have successfully secured millions of dollars in tax credits.

Once financing is secured, we are ready to move into the construction phase. Our construction background, combined with our development expertise gives us an advantage when it comes to construction monitoring. Because we have 36 years in the general contracting business and 25 years of experience in building affordable housing projects, we thoroughly understand the regulations and expectations of the Tax Credit Allocation Committee (TCAC) and other funding bodies. Because we have gone through the affordable housing construction process many times, not just as the developer, but the builder, we understand what is important to these agencies on the construction side first-hand.

This aids us in making sure that important project features and deadlines are understood and complied with by the chosen builder. We have an in-house team of affordable housing construction experts with whom to consult at any given time and will use this resource liberally.

Danco understands that the construction phase of any affordable housing project is the most crucial to complete on time so that all subsequent deadlines can be met. Because we are generally involved not only in construction, but also in the development and property management facets of affordable housing projects, we fully comprehend the importance of strictly adhering to

the project's construction schedule so that all funding awarded for the job is received. This being said, the Danco Group has an impeccable track record in constructing affordable housing projects and has never missed a deadline on any project.

Since affordable housing accounts for a great deal of the Danco Group's yearly revenue in developer fees and construction revenue, and occupies a large role in our strategic plan, we have honed our ability to comply with all regulations, requirements, and deadlines of many state funding programs including LIHTC. We have developed and constructed 22 affordable housing projects over the past sixteen years and have never missed a deadline or had any funding revoked based on non-compliance.

We will bring this expertise to this project so that all funding entities are completely satisfied. Because we are the developer and contractor on all of our projects, we can truly say that we have our "skin in the game" in regard to on-time construction completion and meeting affordable housing deadlines during all phases of development

Once construction is complete and a project is leased-up and placed in service we begin the asset management phase of the project. The primary objectives of LIHTC asset management are to preserve and optimize the investor's benefit stream (typically tax credits and passive losses) and protect the real property which generates these benefits. Our asset management department achieves these objectives through effective, ongoing monitoring and analysis of property performance and benefit delivery, including financial and operating statement.

Oreviews, regular site visits, and keeping strong lines of communication with the general partners, limited partner, and the property manager. We will begin this asset management period with the completion of the lease-up of the project and monitor through stabilization.

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This will include managing the permanent loan conversion process, assuring timely receipt of all completion and stabilization funding installments on the investor side, as well as preliminary reservation compliance, carryover allocation, final reservation packet, placed-in-service packet submission and any other compliance submissions which are required by TCAC.

After our projects have achieved stabilized operations, we continue their asset management during the entire 15-year compliance period.

This includes working closely with the property management company, general partners, and investor partners to ensure that the asset is maintained effectively, the units continuously filled with qualified tenants, and that the return on investment is maximized throughout the project's life.

We are exploring various possibilities for the future of our aging properties. There are a few different options that we are seeing in the marketplace. If the property needs rehabilitation, an application for additional Tax Credits can be submitted. Another option is to refinance any existing loans to generate enough capital to rehabilitate the properties. Other property owners are selling their portfolios to developers who will then take on the rehabilitation effort. And in some cases, nothing happens, and the property just keeps on going using its existing resources and reserves to do any required repairs.

Chris Dart is the leader of Danco Communities and is authorized to represent the developer in the negotiations with the City of Eureka.

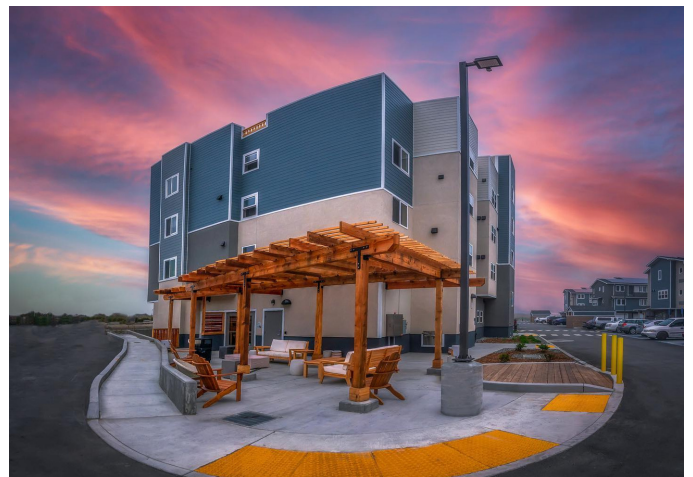
Please see the following pages for a list of some of our affordable housing projects completed to date.



Sorrel Place - Arcata, CA



Sage Commons - Santa Rosa, CA



Phyllis Rex Townhomes - Samoa, CA

Danco Communities

Inventory of Projects

2023-2024

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Feasibility

	<u>Units</u>	<u>Housing Type</u>	<u>City</u>
• Rogers Garage	50	Family	Arcata, CA
• Buttermilk	30	Non Targeted	Arcata, CA
• NAPA	120	Family	Napa, CA
• Sun Valley Housing	50	Farm Labor	Arcata, CA
• North Orchard	55	Farm Labor	Ukiah, CA
• Oakland Telegraph - Mid Rise	60	Family	Oakland, CA
• Sacramento Mid Rise	60	Family	Sacramento, CA

Land Acquisition

	<u>Units</u>	<u>Housing Type</u>	<u>City</u>
• Lassen - Fair Drive	50	PSH	Susanville, CA
• Lassen - Parkside	64	Family	Lakeport, CA
• Yuma	80	Family	Yuma, CA
• Payson	50	Family	Payson, AZ
• Crescent City Supportive Housing	30	Family	Crescent City, CA

Design/Entitlements/Financing

	<u>Units</u>	<u>Housing Type</u>	<u>City</u>
• Mount Shasta	25	Family	Mount Shasta, CA
• Clearlake Single Family	22	Family	Clearlake, CA
• Madrone Place	154	Family	San Jose, CA
• Ponderosa Village	80	Family	Santa Rosa, CA
• Meridian at Corona Station	132	Family	Petaluma, CA
• Alvarado Gardens	100	Family	San Pablo, CA
• Vendra Gardens	200	Family	Moorpark, CA
• Parlier	80	Family	Parlier, CA
• Blue Lake Affordable Housing	50	Mixed Use	Blue Lake, CA
• Placer	64	Family	Redding, CA
• 96 W. El Camino	79	Family	Mountain View, CA
• Amador	50	PSH	Sutter Creek, CA
• Cussick Apartments	80	Senior	Chico, CA
• La Pine	60	Family	La Pine, OR
• Canby Road	150	Family	Redding, CA
• MLK	100	Family	Portland, CA
• Inn at Coliseum	36	PSH	Oakland, CA
• Super 8 Homekey	126	PSH	Sacramento, CA

Construction

- Brentwood Crossing
- Acorn Valley Plaza
- Eureka 7th & Myrtle
- Mariposa Place
- Oak Valley Villas
- Central Sacramento Studios
- West Village Studios

Units

57
71
36
80
50
100
84

Housing Type

Farm Labor
Family
Senior
PSH
Family
PSH
PSH

City

Bakersfield, CA
Ukiah CA
Eureka, CA
San Jose, CA
Clearlake, CA
Sacramento, CA
Arcata, CA

Lease Up

- West Village Studios
- Central Sacramento Studios

Units

84
100

Housing Type

PSH
PSH

City

Arcata, CA
Sacramento, CA

Stabilization

- The Plateau
- Orchard Commons

Units

69
46

Housing Type

Hybrid
Family

City

Fort Bragg, CA
Santa Rosa, CA

Placed In Service

- Arcata Courtyards Phase I
- Arcata Courtyards Phase II
- Aster Place
- Bayview Heights
- Chico Courtyards
- Church Hill Townhomes
- Creamery Row Townhomes
- Cottages at Cypress
- Fortuna Family Apartments
- Fortuna Meadows Apartments
- Lodge at Eureka
- Monterey Gateway Apartments
- Orchard Commons
- Park Meadows
- Pasco Vineyards
- The Plateau
- Plaza Point
- Phyllis Rex Townhomes
- River Bluff Cottages
- Redwood Village
- Sage Commons
- Sorrel Place
- Summercreek Place
- Summercreek Village
- Temescal Place
- Vista Montana
- Willow Creek Family Apartments
- Yarrow Village

Units

64
36
40
51
77
35
18
25
24
40
50
75
46
43
46
69
29
80
26
20
54
44
40
64
22
80
24
25

Housing Type

Family
Family
Family
PSH
Family
Family
Family
Senior
Family
Senior
Senior & PSH
Senior & PSH
Family & PSH
Workforce
Workforce
Hybrid
Senior
Family & PSH
PSH
Family
PSH
Family
Senior
Family
PSH
Workforce
Family
Senior

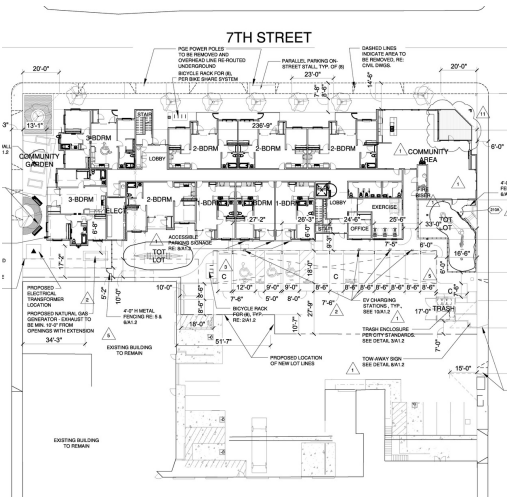
City

Arcata, CA
Arcata, CA
Eureka, CA
Eureka, CA
Chico, CA
Fortuna, CA
Arcata, CA
Fort Bragg, CA
Fortuna, CA
Fortuna, CA
Eureka, CA
Gilroy, CA
Santa Rosa, CA
Taylor, AZ
Pasco, WA
Fort Bragg, CA
Arcata, CA
Samoa, CA
Rio Dell, CA
Redway, CA
Santa Rosa, CA
Arcata, CA
Eureka, CA
Ukiah, CA
Oakland, CA
Las Cruces, NM
Willow Creek, CA
Fortuna, CA

Portfolio:

Sorrel Place

969 7th Street
Arcata, CA 95521



Description

A 4-story affordable multi-family housing project featuring 1-3 bedroom units. This family project consists of 16 1 bedroom units, 17 2 bedroom units and 11 three bedroom units. AMI's range from 30%-50% AMI.

Services on this project include cooking classes as well as exercise classes.

This project in particular had environmental challenges that were overcome due to old vapors. A vapor barrier was installed under the building.

Reference

City of Arcata
David Loya - Community Development Director
707-825-2045
dloya@cityofarcata.org

Design Description

Amenities include a community lounge area, kitchen, game room, playgrounds, patio area, & on-site laundry room. Right in the heart of downtown Arcata, this property is walking distance away from local shops & restaurants.

This 4 story building is a net zero project which also includes bus passes for the residents. The parking on this project is very minimal since it is a project funded with AHSC funds.

General Info

Property Management Company:

- Danco Property Management

Awarded:

- October 2019

Completion:

- February 2022

Development Cost:

- \$22,097,249

Funding Sources:

- AHSC, HOME, TCAC, City of Arcata

Portfolio:
**Phyllis Rex Samoa
Townhomes**

26 Samoa Coast Lane
Samoa, CA 95564



Description

10 buildings composed of 3-4 stories which includes a total of 80 units. These buildings include a range of 1-4 bedroom units with AMI levels ranging from 30%-50% AMI.

Services on this project include cooking classes as well as exercise classes.

This project in particular was in the coastal zone so there are tsunami measures in place such as lower level garages with holes for water to flow through.

Reference

City of Arcata

David Loya - Community Development Director
707-825-2045

dloya@cityofarcata.org

Design Description

Amenities include a community lounge area, kitchen, game room, playgrounds, patio area, & on-site laundry room. There is also an on-site facility for Open Door to offer services to clients.

This 4 story building is a net zero project which also includes bus passes for the residents. The parking on this project is very minimal since it is a project funded with AHSC funds.

General Info

Property Management Company:

- Danco Property Management

Awarded:

- July 2018

Completion:

- May 2021

Development Cost:

- \$30,036,135

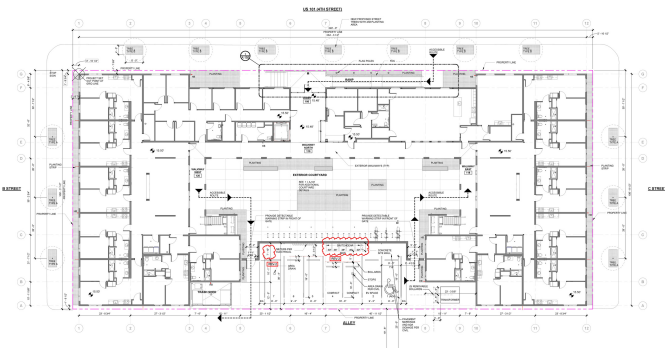
Funding Sources:

- IIG, TCAC, Local Gap Financing

Portfolio:

Bayview Heights

108 4th Street
Eureka, CA 95503



Description

A three-story building, Bayview Heights consists of 51 units which 50 are all permanent supportive housing. All 50 units are studios ranging from 30% AMI-40% AMI.

Services on this project include case management and resident service coordination.

This project in particular is a challenge in itself being 100% PSH. We have extra security measures, services, and intense management on-site.

Reference

City of Eureka

Kristen Goetz - Principal Planner

(707) 441 4166

kgoetz@ci.eureka.ca.gov

Design Description

Amenities include a community lounge area, kitchen, game room, roof top patio area, & on-site laundry room. Right in the heart of downtown Eureka, this property is walking distance away from local shops & restaurants.

This community also has community gardens that the residents have added personal touches to. The community gardens are a vital part of our PSH properties.

General Info

Property Management Company:

- Danco Property Management

Awarded:

- July 2018

Completion:

- May 2021

Development Cost:

- \$30,036,135

Funding Sources:

- IIG, TCAC, NPLH, City of Eureka



Dan Johnson

President & CEO

Dan has over 35 years of professional experience in the construction industry. During the past 35 years as President/Founder of Danco Builders (a general contracting firm), Danco Property Management (a real estate management company), Danco Communities (a project development company), and other management entities, Dan has over-seen multiple multimillion dollar projects. He has specialized in the areas of computerized cost control, cost estimating, cost review, value engineering, constructability review, scheduling and project management. His business and accounting skills, combined with his design and construction knowledge, enable him to analyze various project economic issues, such as life cycle costs, benefit-to-cost ratios, rate of return on investment and building economics.

Licenses & Certifications

- General Contractor's License
 - California, Oregon, & Arizona
- Concrete Subcontractor's License
- Engineering Subcontractor's License
- Suretrack, Project Scheduling Completion
- CalDRE Broker's License
 - No. 01898103

Education & Related Training

- Shasta Community College, Redding, CA
- Sacramento Builders Exchange
- Construction Management: Change Order
- Construction Management: Proof & Damages
- Critical Path Seminar
- Northern California Builders Exchange
- Construction Technology
- American Business Training
- Masters Business Administration Program
- American Institute of Construction Management
- School of Continuing Education
- Construction Field Superintendent
- People Management Course
- Hecht & Associates Business Professional Course

Under Construction:

- Brentwood Crossing, Bakersfield, CA | \$1.7 M
- Mariposa Place, San Jose, CA | \$39.7 M
- 7th & Myrtle, Eureka, CA | \$7.2 M
- Oak Valley Villas, Clearlake, CA | \$19.6 M
- Central Sacramento Studios, Sacramento, CA | \$8.7 M
- Vendra Gardens, Moorpark, CA | \$68 M
- Alvarado Gardens, San Pablo, CA | \$17 M
- Acorn Valley Plaza, Ukiah, CA | \$23 M

Recent Projects Completed:

- West Village Studios, Arcata, CA | \$8 M
- Orchard Commons, Santa Rosa, CA | \$15 M
- The Plateau, Fort Bragg, CA | \$3 M
- Sage Commons, Santa Rosa, CA | \$22.4 M
- Sorrel Place, Arcata, CA | \$22 M
- Phyllis Rex Samoa Townhomes, Samoa, CA | \$30 M
- Bayview Heights, Eureka, CA | \$16 M
- Monterey Gateway, Gilroy, CA | \$12.5 M



Chris Dart

President of Danco Communities

Chris's extensive experience and knowledge in the development and construction industry spans over thirty years with the Danco Group. With beginnings in the construction field under operations, Chris successfully worked his way through the ranks to his current position as President. He pioneered the affordable housing endeavors of Danco Communities and continues to be the visionary principal of the development department at Danco. He is involved in land acquisitions, design development, entitlements and financing strategies and has built a vast knowledge in obtaining various forms of local, state and federal government funding for his projects. Danco Communities specializes in developing affordable housing projects by obtaining funding from organizations such as TCAC, USDA RD, HOME and CDBG.

Education & Related Training

- LEED Accredited Professional
- LEIP Program Advanced Study Program for Business Leaders
- The Aji Network: Business Professionals Course
- California State University, Humboldt

Under Construction:

- Brentwood Crossing, Bakersfield, CA | \$1.7 M
- Mariposa Place, San Jose, CA | \$39.7 M
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- Oak Valley Villas, Clearlake, CA | \$19.6 M
- Central Sacramento Studios, Sacramento, CA | \$8.7 M
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- Phyllis Rex Samoa Townhomes, Samoa, CA | \$30 M
- Bayview Heights, Eureka, CA | \$16 M
- Monterey Gateway, Gilroy, CA | \$12.5 M



Hailey Del Grande

Grants Manager

Hailey Del Grande began her career at The Danco Group in April of 2018 on our treasury management team. She quickly transitioned into the Danco Communities development assistant and worked her way up to becoming one of our most knowledgeable & organized development project managers, overseeing a handful of projects, each with their own deadlines & obstacles. In 2022, Hailey transitioned into her new role as a “Grants Manager” and secured over \$261 million dollars in grant revenue by the end of the fiscal year, while still overseeing a few development projects in our pipeline. Hailey does not take this accomplishment for granted, she sees the challenges that come into play when securing financial capital, for example, high competition in the industry due to the economic climate. However, because of her industry knowledge, impeccable organizational skills, and utilizing their key networks she has made, Hailey is able to set practices in place to create multiple funding strategies in case one does not work out. She is an asset to the development team and the organization overall.

Education & Related Training

- California State University, Humboldt
 - Bachelors of Science, Business Administration - Accounting
- College of the Redwoods
 - Associates in Science - Business Administration

Grant Revenue Secured 2022:

- Homekey Financing - \$30,003,639
- 4% Tax Credits - \$154,804,470
- 9% Tax Credits - \$41,657,662
- Other Soft Financing \$34,474,377

Development Project Oversight:

- Ponderosa Village – Santa Rosa, CA
- Madison Square Studios – Sacramento, CA
- Parkside Apartments, Lakeport, CA

Under Construction:

- Acorn Valley Plaza, CA | \$23 M
- Brentwood Crossing, Bakersfield, CA | \$32M
- Central Sacramento Studios, Sacramento, CA | \$31 M
- Oak Valley Villas, Clearlake, CA | \$35 M

Recent Projects Completed:

- West Village Studios, Arcata, CA | \$8 M
- Bayview Heights, Eureka, CA | \$21 M
- Monterey Gateway, Gilroy, CA | \$35 M
- Orchard Commons, Santa Rosa, CA | \$26 M
- Phyllis Rex Samoa Townhomes, Samoa, CA | \$30 M
- Sage Commons, Santa Rosa, CA | \$27 M
- Sorrel Place, Arcata, CA | \$22 M
- The Plateau, Fort Bragg, CA | \$30 M



Jayden Johnson

Project Manager

Jayden Johnson graduated from Arizona State University with a Bachelor of Arts degree in Business Leadership with an emphasis in Project Management. Although Jayden has held many roles within the organization, she recently joined the development team full-time in the summer of 2022. Now as a Development Project Manager, Jayden works hand in hand with our development team and external partners to ensure funding and tax credit applications are submitted before project start-up. Although these applications tend to be quite tedious, with extensive research that goes into putting our projects together, Jayden understands the value in using her key networks to hold & fulfil on her commitments to successfully manager all her projects in our development pipeline.

Education & Related Training

- Arizona State University
 - Bachelors of Arts, Business Leadership - Project Management
- College of the Redwoods
 - Associates in Science - Business Management
 - Associates in Arts - Communication

Development Project Oversight:

- Amador - Sutter Creek, CA
- Canby Road - Redding, CA
- Cussick Apartments - Chico, CA
- Lassen - Susanville, CA
- Payson - Payson, AZ
- Ponderosa Village - Santa Rosa, CA
- Yuma - Yuma, AZ

Under Construction:

- 7th & Myrtle, Eureka, CA | \$15 M
- Brentwood Crossing, Bakersfield, CA | \$32M
- Central Sacramento Studios, Sacramento, CA | \$31 M
- Mariposa Place, San Jose, CA | \$63 M
- Oak Valley Villas, Clearlake, CA | \$35 M

Recent Projects Completed:

- West Village Studios, Arcata, CA | \$8 M
- Bayview Heights, Eureka, CA | \$21 M
- Monterey Gateway, Gilroy, CA | \$35 M
- Orchard Commons, Santa Rosa, CA | \$26 M
- Phyllis Rex Samoa Townhomes, Samoa, CA | \$30 M
- Sage Commons, Santa Rosa, CA | \$27 M
- Sorrel Place, Arcata, CA | \$22 M
- The Plateau, Fort Bragg, CA | \$30 M



McKenzie Dibble

Project Manager

McKenzie Dibble started her career in the development industry with the Danco Group. During her time on the team, McKenzie has submitted numerous funding applications with varying public agencies, all of which were competitive and many of which were approved for funding. Through these endeavors McKenzie has secured over \$190 million dollars in public and publicly backed financing. Not only is McKenzie thoroughly versed in many state and federally sourced funding application processes, but also in post award compliance with the rigorous regulations of these funding agencies. She has gained expertise in navigating timelines declared by funding agencies and is able to keep each project moving ahead and fully funded during all phases of development.

Education & Related Training

- University of California, Santa Barbara & Universitat de Barcelona
 - Bachelor of Arts, International Relations & Spanish
- College of the Redwoods
 - Real Estate Principles
 - Real Estate Practice
 - Real Estate Finance
- REALTOR, CalDRE License
 - No. 01983881

Under Construction:

- Brentwood Crossing, Bakersfield, CA | \$1.7 M
- Mariposa Place, San Jose, CA | \$39.7 M
- 7th & Myrtle, Eureka, CA | \$7.2 M
- Oak Valley Villas, Clearlake, CA | \$19.6 M
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Recent Projects Completed:

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- The Plateau, Fort Bragg, CA | \$3 M
- Sage Commons, Santa Rosa, CA | \$22.4 M
- Sorrel Place, Arcata, CA | \$22 M
- Phyllis Rex Samoa Townhomes, Samoa, CA | \$30 M
- Bayview Heights, Eureka, CA | \$16 M
- Monterey Gateway, Gilroy, CA | \$12.5 M



Michele Kerrigan

Asset Manager

Michele Kerrigan graduated from Humboldt State University with a Bachelor of Science degree in Computer Information Systems. Shortly after, she worked as a report writer for the engineering & environmental service firm, Winzler & Kelly. In 2012, Michele started her career with The Danco Group as the IT manager for the entire organization, being responsible for implementation & maintenance of all technology & systems within the organization. As the organization grew, Michele quickly transitioned into VP of Innovation Information Technology with an IT manager who reported directly to her. In 2020, Michele transitioned into the Asset Manager for all entities at The Danco Group. Michelle is responsible for maintaining the profitability of the company's assets through rigorous budget scrutiny, loan optimization, and investor compliance. She oversees maintaining all partnership and financial documentation for each project. She works closely with each department in the organization to ensure that cost overruns and inaccuracies in financials are being appropriately handled and prevented.

Education & Related Training

- **Humboldt State University**
 - B.S. Computer Information Technology
- **Microsoft Office**
- **Microsoft Dynamics SL**
- **Spitfire Project Management**
- **Logicity**
- **M-Files**
- **SQL**
- **VMWare**
- **XMedius**

DANCO

Affordable Entity Oversight:

- Arcata 7th Street
- Arcata Humboldt Associates I
- Arcata Humboldt Associates II
- Arcata O Street
- Arcata Plaza Point
- Eureka 4th Street
- Eureka Aster Place
- Eureka Humboldt Associates
- Eureka 8th Street
- Fort Bragg Cypress
- Fortuna Family Associates
- Fortuna Meadows Associates
- Fortuna Yarrow Village
- Gilroy Monterey
- Oakland Telegraph
- Redway Humboldt Associates
- Rio Del Rigby
- Rohner Village
- Santa Rosa College Avenue
- Samoa Vance Avenue
- Ukiah Summercreek Associates
- Willow Creek Family Associates

References

Boston Capital

(Tax Credit Syndicator)

Lauren Towne | ph. (617) 624-8900

ltowne@bostoncapital.com

One Boston Place, Boston, MA 02108

Boston Financial Investment Management

(Tax Credit Syndicator)

Bob Pezzini | ph. (617) 488-3343

Bob.Pezzini@bfim.com

101 Arch Street, Boston, MA 02110

Century Housing

Nick Friend | ph. (415) 816-2462

nfriend@century.org

100 Corporate Point #7610, Culver City, CA 90230

Citibank

Bryan Barker | ph. (415) 627-6467

bryan.barker@citi.com

One Sansome Street, 27th Floor, San Francisco, CA 94104

Coast Central Credit Union

Phil Sullivan | ph. (707) 445-8801

pasullivan@coastccu.org

402 F Street, Eureka, CA 95501

Community Revitalization & Development Corporation

(Non-Profit Partner)

Dave Rutledge | ph. (530) 241-6960

crdc@shasta.com

635 Parkview Avenue, Redding, CA 96001

References

Pacific Western Bank

Dan Bronfman | ph. (310) 779-7729
dbronfman@pacwestbancorp.com
275 North Brea Boulevard, Brea, CA 92821

Raymond James Tax Credit Investment (Tax Credit Syndicator)

Kevin Kilbane | ph. (216) 509-1342
kevin.kilbane@raymondjames.com
880 Carillon Parkway, St. Petersburg, FL 33716

Red Stone Equity Partners (Tax Credit Syndicator)

Matt Grosz | ph. (858) 752-2066
matt.grosz@redstoneequity.com
5800 Armada Drive, Suite 235, Carlsbad, CA 92008

Redwood Capital Bank

Dan Haskins | ph. (707) 444-9825
dhaskins@redwoodcapitalbank.com
402 G Street, Eureka, CA 95501

The Pacific Companies (Partner)

Caleb Roope | ph. (208) 461-0022
calebr@tpchousing.com
430 E State Street, Suite 100, Eagle, ID, 83616

Umpqua Bank

Songmi Sweet | ph. (707) 269-3144
songmisweet@umpquabank.com
501 H Street, Eureka, CA, 95501

Credit Report Authorization form



CREDIT REPORT AUTHORIZATION FORM

By my signature below I, _____(print name), authorize the City of Eureka to obtain a Consumer Credit Report on me.

This authorization is valid for purposes of verifying information given pursuant to employment, leasing, rental, business negotiations, or any other lawful purpose covered under the Fair Credit Reporting Act (FCRA).

By my signature below, I hereby authorize all corporations, former employers, credit agencies, educational institutions, law enforcement agencies, city, state, county and federal courts and agencies, military services and persons to release all information they may have about me including criminal and driving history. This authorization shall be valid in original or copy form.

Social Security Number: _____

Current Street Address: _____

City: _____ State: _____

Signature: _____ Date: _____

3. Understanding & Conceptual Site Plans

DAVID

Redding Canby Apartments

Redding, CA



Summary of Understanding Vision of City

At Danco Communities, we are committed to developing affordable multi-family rental and permanent supportive housing to meet the needs of low-income individuals and families in our communities. Our approach to development is driven by our commitment to quality, sustainability, and community engagement.

We will work closely with the City to ensure we are creating a development which the City and surrounding community is proud of as well as the project is meeting their needs and concerns.

Our proposal will feature a combination of affordable housing, community space and two commercial areas. The affordable housing units will include a mix of unit types and affordability levels to serve a wide range of residents.

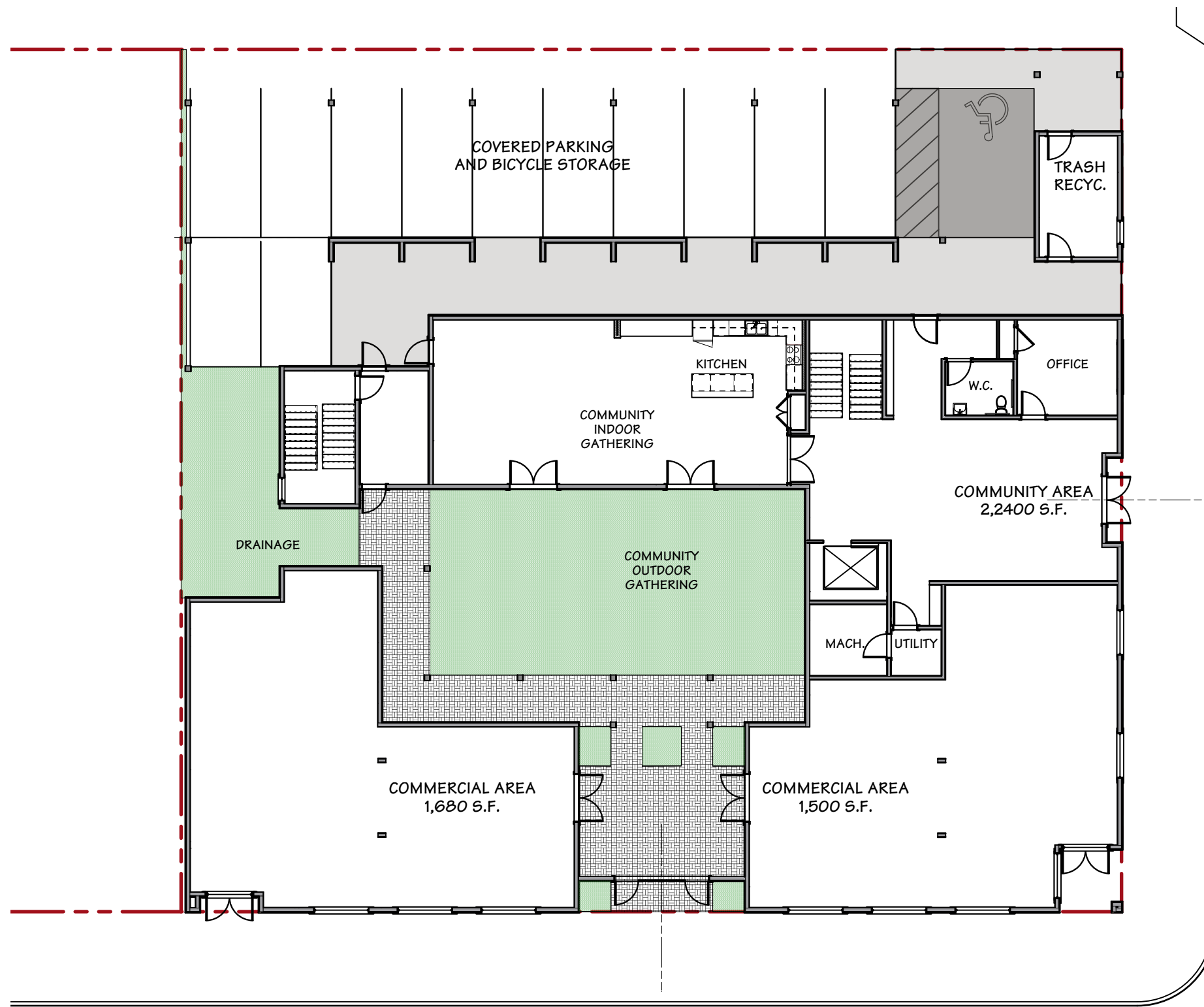
The units included in this development include AMI ranges from 30-60% AMI with bedroom types ranging from 1-3 bedrooms.

Our mission statement includes improving the communities we live in and most importantly in our own community. We are passionate about affordable housing and see this relationship as private public partnership. We want to ensure the design of this project will satisfy the community while also making an impact on the Cities housing needs.

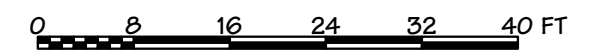
See attached conceptual plans.

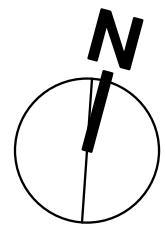
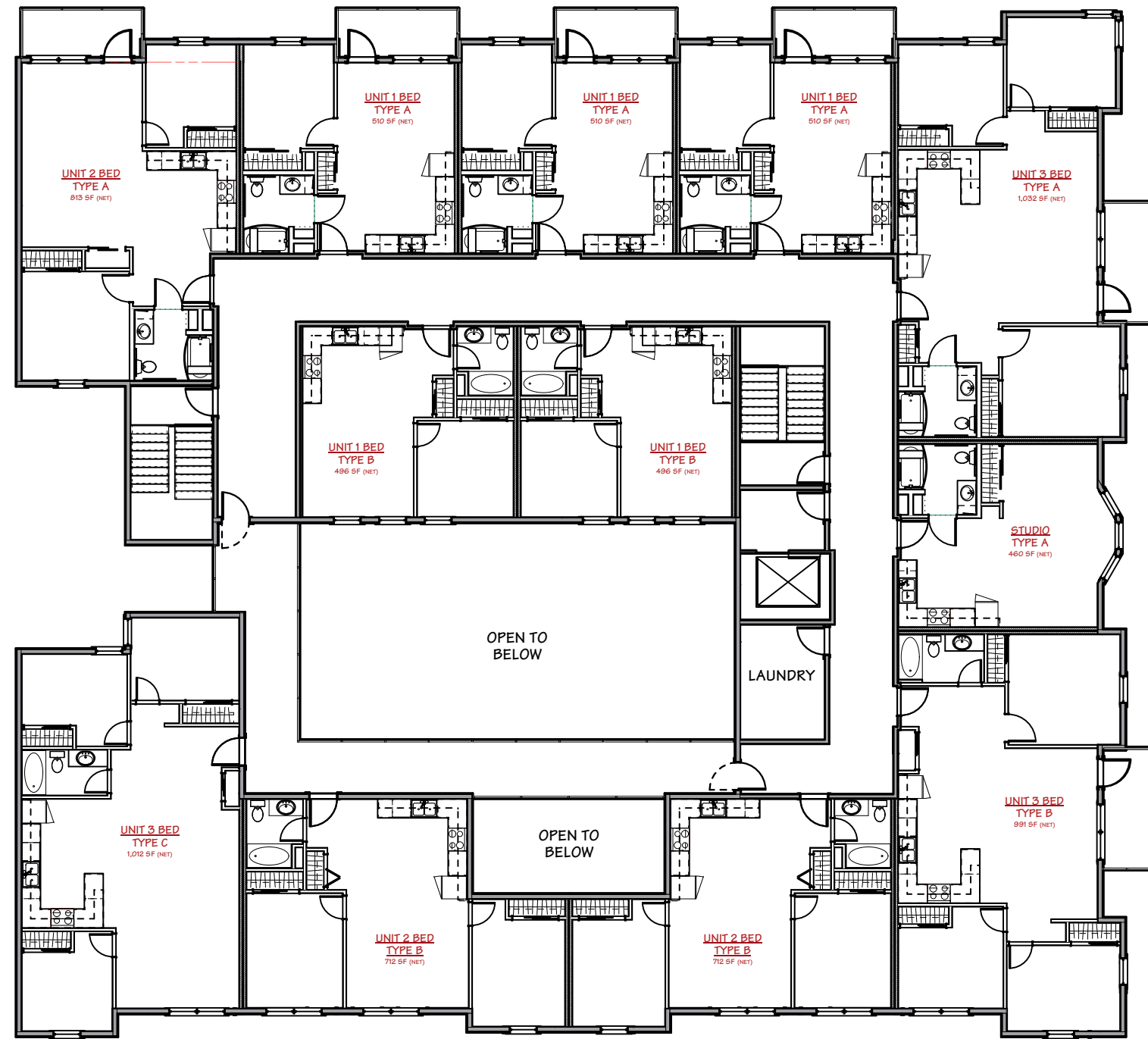
We would like to see the City has as much involvement in the project as they would like. We want to see this project be a win not only for us but for the community as a whole.

A land lease of the property would be best for the project but we are always open to creating new innovative ways to win.

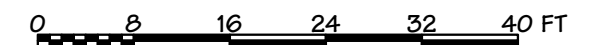


MAIN FLOOR LAYOUT STUDY





FOURTH FLOOR LAYOUT STUDY





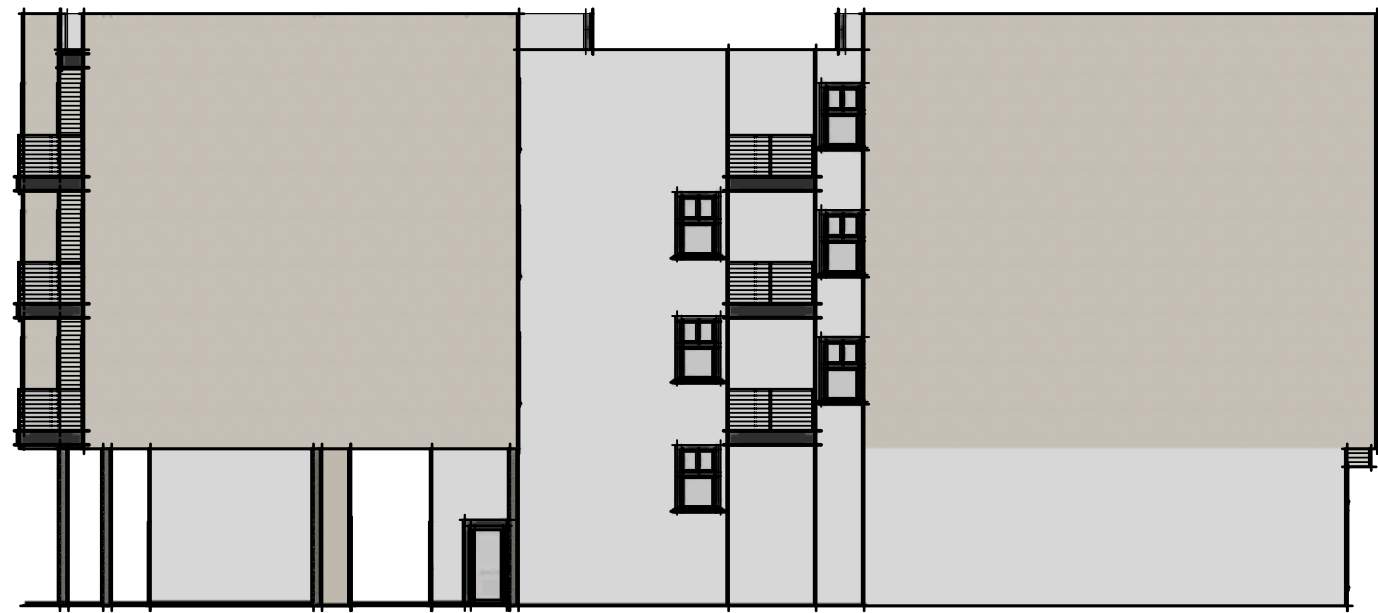
D STREET / EAST ELEVATION STUDY



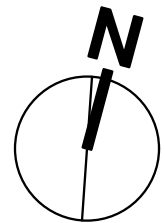
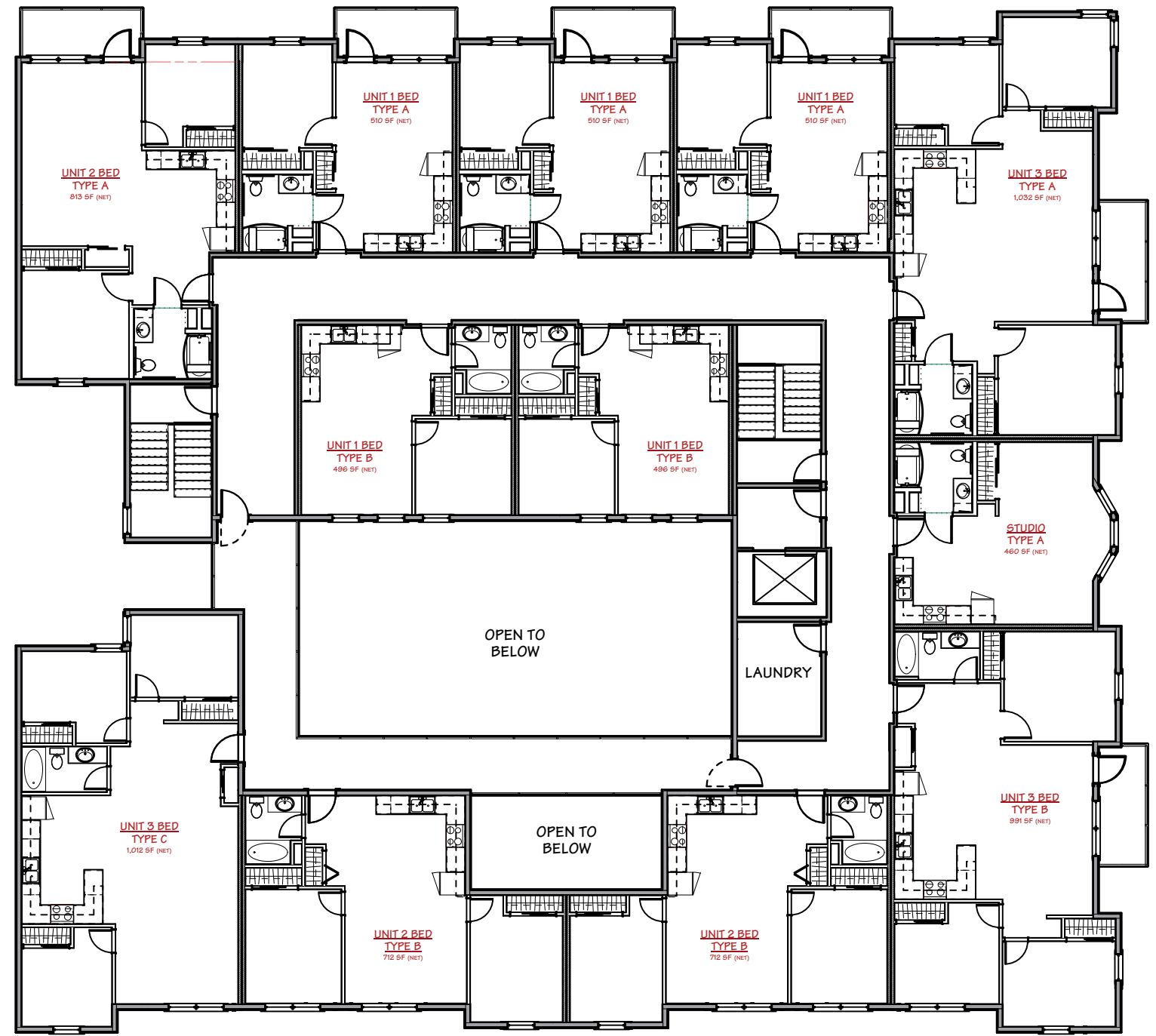
CHARLIE MOON WAY / NORTH ELEVATION STUDY



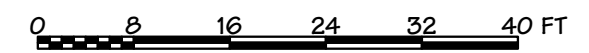
4TH STREET / SOUTH ELEVATION STUDY

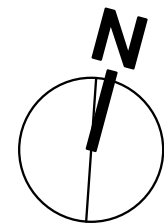
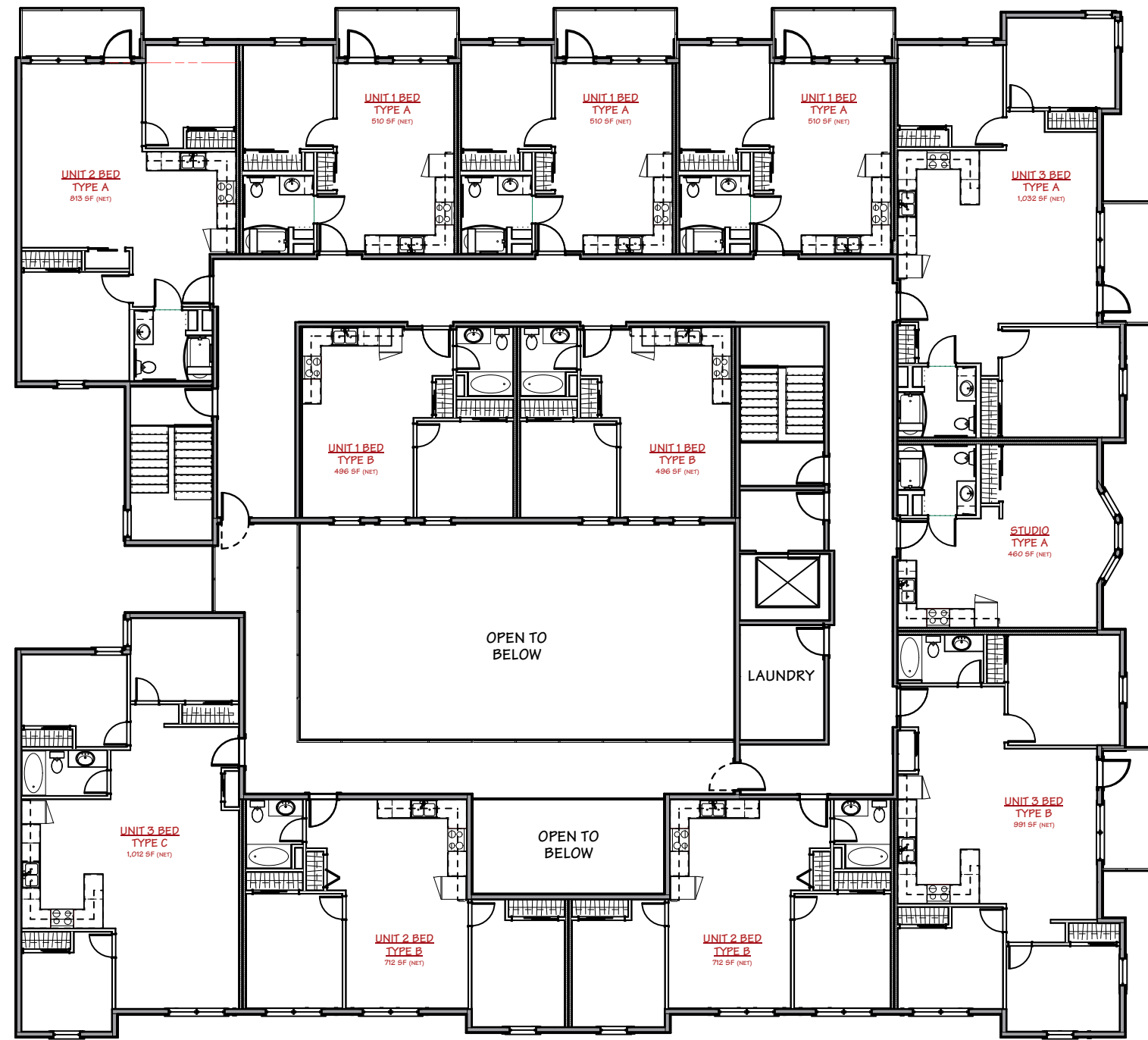


WEST ELEVATION STUDY

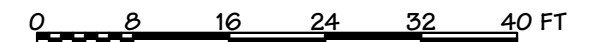


SECOND FLOOR LAYOUT STUDY





THIRD FLOOR LAYOUT STUDY



DANCO

Eureka Family RFP Proforma

A Large Family Project in
Eureka , Humboldt, California

Project Summary
Eureka Family RFP
Eureka
California
Large Family
36 Units

Sources and Uses	
Sources	
Perm Debt 1	\$ 1,397,027
Perm Debt 2	\$ -
Tax Credit Equity	\$ 18,096,750
State Tax Credits	\$ -
HCD Funding Source	\$ -
Solar Tax Credit Equity	\$ 166,226
City of Eureka Land Contribution	\$ 350,000
Developer Note	\$ 1
Cash Need	\$ -
Total Sources	\$ 20,010,004
Uses	
Land Cost / Acquisition	\$ 350,000
Rehabilitation	\$ -
New Construction	\$ 11,879,368
Architectural Fees	\$ 1,236,571
Construction Interest & Fees	\$ 1,617,145
Permanent Financing	\$ 15,000
Legal Fees	\$ 115,000
Reserves	\$ 106,532
Soft Contingency Costs	\$ 184,736
Other Proejct Costs	\$ 2,305,652
Development Costs	\$ 2,200,000
Total Uses	\$ 20,010,004

Financing Terms	
Debt	
NOI	\$ 107,558
Construction Loan	
Construction Interest Rate	7.47%
Perm Loan 1	
Interest Rate	6.11%
Amortization	40
Total Debt Service	\$ 93,528
Total Coverage	1.15
Total Combined Coverage	1.15

Equity	
Price	0.87
Pay-In	
Closing Amount	10%
Construction Completion Amount	10%
Stabilization	79%
8609	1%
8609	0%

Construction Loan	
\$	15,530,644.28

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High Segregation & Poverty

Notes

Threshold Basis Limit

Humboldt

Beds	Limit Amount	Units #	Total
0	\$ 352,022.00	3	\$ 1,056,066.00
1	\$ 405,878.00	15	\$ 6,088,170.00
2	\$ 489,600.00	9	\$ 4,406,400.00
3	\$ 626,688.00	9	\$ 5,640,192.00
4	\$ 698,170.00	0	\$ -
5	\$ 698,170.00	0	\$ -
Totals		36	\$ 17,190,828.00

Developer Note \$1.00
Tie Breaker 9% 7.0683%

State Credits	No
----------------------	-----------

Total Eligible Basis	\$ 18,962,482	Total Eligible Basis	\$ -
Voluntary Exclusions	\$ 1,081,201		\$ -
Energy Credit Reduction	\$ -		
Requested Eligible Basis	\$ 17,881,281		\$ -
DDA or QCT - 30% Boost	130%		100%
Total Adjusted Eligible Basis	\$ 23,245,665		\$ -
Credit Reduction Subtraction	\$ -		\$ -
New Basis	\$ 23,245,665		\$ -
APR	9.00%		30%
Years	\$ 10		1
Total Tax Credits	\$ 20,921,099	\$ 2,092,110.00	\$ -
Percentage of Ownership	100.00%		100.00%
Price For Credits	0.865		0.89
Total Federal Equity	\$ 18,096,750	\$ 1,809,675.03	\$ -
Total Equity including Energy Credits	\$ 18,262,976	\$ 1,826,297.58	\$ -

Solar Credits

Energy Work	\$ 640,560.71
Energy Credit Percentage	30%
Total Energy Credit Equity	\$ 166,225.50
Reduction of Eligible Basis	\$ 96,084.11

IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET

	TOTAL PROJECT COSTS	COST	Tax Credit Equity	Perm Debt 1	Perm Debt 2 c	State Tax Credits	HCD Funding Source	Solar Tax Credit Equity	City of Eureka Land Contribution	Developer Note	SUBTOTAL	70% PVC for New Const/Rehab	30% PVC for Acquisition	Check
Total Permanent Financing Costs	\$15,000	15,000	15,000	-	-	-	-	-	-	-	15,000			\$0
Subtotals Forward	\$14,320,929	14,320,929	12,407,676	1,397,027	-	-	-	166,226	350,000	-	14,320,929	13,496,091	-	\$0
LEGAL FEES														
Lender Legal Paid by Applicant	\$65,000	65,000	65,000	-	-	-	-	-	-	-	65,000	65,000	-	\$0
Borrowers Attorney	\$50,000	50,000	50,000	-	-	-	-	-	-	-	50,000	50,000	-	\$0
Total Attorney Costs	\$115,000	115,000	115,000	-	-	-	-	-	-	-	115,000	115,000	-	\$0
RESERVES														
Rent Reserves	\$30,000	30,000	30,000	-	-	-	-	-	-	-	30,000			\$0
Capitalized Rent Reserves	\$0	-	-	-	-	-	-	-	-	-	-			\$0
Required Capitalized Replacement Reserve	\$0	-	-	-	-	-	-	-	-	-	-			\$0
3-Month Operating Reserve	\$76,532	76,532	76,532	-	-	-	-	-	-	-	76,532			\$0
COSR	\$0	-	-	-	-	-	-	-	-	-	-			\$0
Total Reserve Costs	\$106,532	106,532	106,532	-	-	-	-	-	-	-	106,532			\$0
CONTINGENCY COSTS														
Construction Hard Cost Contingency	\$777,155	777,155	777,155	-	-	-	-	-	-	-	777,155	777,155	-	\$0
Soft Cost Contingency	\$184,736	184,736	184,736	-	-	-	-	-	-	-	184,736	184,736	-	\$0
Total Contingency Costs	\$961,891	961,891	961,891	-	-	-	-	-	-	-	961,891	961,891	-	\$0
OTHER PROJECT COSTS														
TCAC App/Allocation/Monitoring Fees	\$89,812	89,812	89,812	-	-	-	-	-	-	-	89,812			\$0
Environmental Audit	\$7,000	7,000	7,000	-	-	-	-	-	-	-	7,000	7,000	-	\$0
Local Development Impact Fees	\$1,080,000	1,080,000	1,080,000	-	-	-	-	-	-	-	1,080,000	1,080,000	-	\$0
Permit Processing Fees	\$1,000,000	1,000,000	1,000,000	-	-	-	-	-	-	-	1,000,000	1,000,000	-	\$0
Capital Fees	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Marketing	\$26,340	26,340	26,340	-	-	-	-	-	-	-	26,340			\$0
Furnishings	\$40,000	40,000	40,000	-	-	-	-	-	-	-	40,000	40,000	-	\$0
Market Study	\$10,000	10,000	10,000	-	-	-	-	-	-	-	10,000	10,000	-	\$0
Accounting/Reimbursable	\$45,000	45,000	45,000	-	-	-	-	-	-	-	45,000	45,000	-	\$0
Appraisal Costs	\$7,500	7,500	7,500	-	-	-	-	-	-	-	7,500	7,500	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Total Other Costs	\$2,305,652	2,305,652	2,305,652	-	-	-	-	-	-	-	2,305,652	2,189,500	-	\$0
SUBTOTAL PROJECT COST	\$17,810,004	\$17,810,004	15,896,751	1,397,027	-	-	-	166,226	350,000	-	17,810,004	16,762,482	-	\$0
DEVELOPER COSTS														
Developer Costs	\$2,200,000	2,200,000	2,199,999	-	-	-	-	-	-	1	2,200,000	2,200,000	-	\$0
Consultant/Processing Agent	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Broker Fees Paid to a Related Party	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Construction Oversight by Developer	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Total Developer Costs	\$2,200,000	2,200,000	2,199,999	-	-	-	-	-	-	1	2,200,000	2,200,000	-	\$0
TOTAL PROJECT COST	\$20,010,004	20,010,004	18,096,750	1,397,027	-	-	-	166,226	350,000	1	20,010,004	18,962,482	-	\$0

Note: Syndication Costs shall NOT be included as a project cost. Calculate Maximum Developer Fee using the eligible basis subtotals.

DOUBLE CHECK AGAINST PERMANENT FINANCING TOTALS:

Over/Under

\$ 18,096,750.27	\$ 1,397,027.42	\$ -	\$ -	\$ -	\$ 166,225.50	\$ 350,000.00	\$ 1.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Bridge Loan Expense During Construction:	\$0
Total Eligible Basis:	\$18,962,482

Rents	4% or 9%?	9%
-------	-----------	----

Target avg rent	50%
-----------------	-----

Unit Type	AMI Rent	# of Units	Sq Footage		Rent Each Unit	Gross Rent	UA Each	Net Rent	Annual Net Rent	Rental Assistance		Total Annual Rent Differential	Income Averaging			Target
			Each	Total Sq Footage						Contract Rent Each	RA Contract Rent Tot		Average	Target	Over/(Under)	
Studio		3		1272		\$ 1,773		\$1,743	20,916			-\$ (20,916)	\$591.00	\$ 682.00	\$ (91.00)	86.66%
	30%	1	424	424	409	\$409	10	\$399	4,788	\$ -	\$ -	\$ -				
	35%	0	424	0	477	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	40%	0	424	0	546	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	45%	0	424	0	614	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	50%	2	424	848	682	\$1,364	10	\$1,344	16,128	\$ -	\$ -	\$ -				
	55%	0	424	0	750	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	60%	0	424	0	819	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	70%	0	424	0	955	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	80%	0	424	0	1092	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	Market	0	424	0	1364	\$0	0	\$0	0	\$ -	\$ -	\$ -				
One Bedroom		15		9780		\$ 10,525		\$10,375	124,500			-\$ (124,500)	\$701.67	\$731.00	-\$29.33	95.99%
	30%	2	652	1304	438	\$876	10	\$856	10,272	\$ -	\$ -	\$ -				
	35%	0	652	0	511	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	40%	2	652	1304	585	\$1,170	10	\$1,150	13,800	\$ -	\$ -	\$ -				
	45%	0	652	0	658	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	50%	8	652	5216	731	\$5,848	10	\$5,768	69,216	\$ -	\$ -	\$ -				
	55%	0	652	0	804	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	60%	3	652	1956	877	\$2,631	10	\$2,601	31,212	\$ -	\$ -	\$ -				
	70%	0	652	0	1023	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	80%	0	652	0	1170	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	Market	0	652	0	1462	\$0	0	\$0	0	\$ -	\$ -	\$ -				
Two Bedroom		9		6606		\$ 7,719		\$7,629	91,548			-\$ (91,548)	\$857.67	\$877.00	\$ (19.33)	97.80%
	30%	1	734	734	526	\$526	10	\$516	6,192	\$ -	\$ -	\$ -				
	35%	0	734	0	614	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	40%	1	734	734	702	\$702	10	\$692	8,304	\$ -	\$ -	\$ -				
	45%	0	734	0	789	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	50%	5	734	3670	877	\$4,385	10	\$4,335	52,020	\$ -	\$ -	\$ -				
	55%	0	734	0	965	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	60%	2	734	1468	1053	\$2,106	10	\$2,086	25,032	\$ -	\$ -	\$ -				
	70%	0	734	0	1228	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	80%	0	734	0	1404	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	Market	0	734	0	1754	\$0	10	\$0	0	\$ -	\$ -	\$ -				
3 Bedroom		9		11466		\$ 7,697		\$7,617	91,404			-\$ (91,404)	\$962.13	\$1,013.00	\$ (50.88)	94.98%
	30%	1	1274	1274	607	\$607	10	\$597	7,164	\$ -	\$ -	\$ -				
	35%	0	1274	0	709	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	40%	1	1274	1274	810	\$810	10	\$800	9,600	\$ -	\$ -	\$ -				
	45%	0	1274	0	911	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	50%	5	1274	6370	1013	\$5,065	10	\$5,015	60,180	\$ -	\$ -	\$ -				
	55%	0	1274	0	1114	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	60%	1	1274	1274	1215	\$1,215	10	\$1,205	14,460	\$ -	\$ -	\$ -				
	70%	0	1274	0	1418	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	80%	0	1274	0	1621	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	Market	1	1274	1274	2026	\$0	0	\$0	0	\$ -	\$ -	\$ -				
4 Bedroom		0		0		\$0.00		\$0	0			-\$ -	\$0.00	\$1,130.00	\$0.00	0.00%
	30%	0	1486	0	678	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	35%	0	1486	0	791	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	40%	0	1486	0	904	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	45%	0	1486	0	1017	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	50%	0	1486	0	1130	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	55%	0	1486	0	1243	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	60%	0	1486	0	1356	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	70%	0	1486	0	1582	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	80%	0	1486	0	1808	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	Market	0	1486	0	2260	\$0	0	\$0	0	\$ -	\$ -	\$ -				
5 Bedroom		0		0		\$0.00		\$0	0			-\$ -	\$0.00	\$1,246.00	\$0.00	0.00%
	30%	0	1500	0	748	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	35%	0	1500	0	872	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	40%	0	1500	0	997	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	45%	0	1500	0	1122	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	50%	0	1500	0	1246	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	55%	0	1500	0	1371	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	60%	0	1500	0	1496	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	70%	0	1500	0	1745	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	80%	0	1500	0	1995	\$0	10	\$0	0	\$ -	\$ -	\$ -				
	Market	0	1500	0	2492	\$0	0	\$0	0	\$ -	\$ -	\$ -				
Community Room		1		3500								-\$ -				

Totals 36 32624 328,368 0 -328,368 -\$27,364.00

\$ (6,567,360)

	Total	Unit
NOI		
INCOME		
POTENTIAL GROSS RENT	\$ 328,368	\$ 9,121
Rental Assistance	\$ -	\$ -
Secondary Income: Laundry, Cable	\$ 8,640	\$ 240
Rental Vacancy & Collection Loss	\$ (16,850)	5.00%
Rental Vacancy & Collection Loss on Rental Assistance	\$ -	10.00%
EFFECTIVE GROSS INCOME	\$ 320,158	

EXPENSES	Type	Elevator
Operating Expenses	\$ 183,600	\$5,100 Large Family Yes
Administrative	\$ 15,110	
Management	\$ 19,209	Fee as % of income \$0
Utilities	\$ 59,964	
Payroll & Payroll Taxes	\$ 26,034	
Insurance	\$ 7,564	
Maintenance	\$ 51,201	
Other Operating Expenses (specify):	\$ 4,517	
Social Services - FTE	\$ 20,000	\$556
Replacement Reserves	\$ 9,000	\$250
TOTAL EXPENSES	\$ 212,600	

Net Operating Income \$ 107,558

4. Schedule, Budget, & Management Plan

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Schedule

- Site Survey: 8/1/2023 (dependent on award timing)
- Environmental Review: 8/1/2023
- Schematic Design Meetings: 8/1/2023-11/1/2023
- Schematic Design Finalized: 11/1/2023
- Project Site Control (ENA): 8/1/2023 (depending on award)
- Soft Financing Applications: 10/1/2023-7/1/2024 (depending on entitlements)
- Construction Drawings: 9/1/2024
- Tax Credit Application: February 2025
- Plan Check/Permits: July 2025
- Awarding of Contracts: July 2025
- Construction Period: July 2025-December 2026
- Occupancy Ready: January 2027
- Occupancy Full: February 2027
- Project Closeout: March 2027-July 2027

IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET

	TOTAL PROJECT COSTS	COST	Tax Credit Equity	Perm Debt 1	Perm Debt 2 c	State Tax Credits	HCD Funding Source	Solar Tax Credit Equity	City of Eureka Land Contribution	Developer Note	SUBTOTAL	70% PVC for New Const/Rehab	30% PVC for Acquisition	Check
Total Permanent Financing Costs	\$15,000	15,000	15,000	-	-	-	-	-	-	-	15,000			\$0
Subtotals Forward	\$14,320,929	14,320,929	12,407,676	1,397,027	-	-	-	166,226	350,000	-	14,320,929	13,496,091	-	\$0
LEGAL FEES														
Lender Legal Paid by Applicant	\$65,000	65,000	65,000	-	-	-	-	-	-	-	65,000	65,000	-	\$0
Borrowers Attorney	\$50,000	50,000	50,000	-	-	-	-	-	-	-	50,000	50,000	-	\$0
Total Attorney Costs	\$115,000	115,000	115,000	-	-	-	-	-	-	-	115,000	115,000	-	\$0
RESERVES														
Rent Reserves	\$30,000	30,000	30,000	-	-	-	-	-	-	-	30,000			\$0
Capitalized Rent Reserves	\$0	-	-	-	-	-	-	-	-	-	-			\$0
Required Capitalized Replacement Reserve	\$0	-	-	-	-	-	-	-	-	-	-			\$0
3-Month Operating Reserve	\$76,532	76,532	76,532	-	-	-	-	-	-	-	76,532			\$0
COSR	\$0	-	-	-	-	-	-	-	-	-	-			\$0
Total Reserve Costs	\$106,532	106,532	106,532	-	-	-	-	-	-	-	106,532			\$0
CONTINGENCY COSTS														
Construction Hard Cost Contingency	\$777,155	777,155	777,155	-	-	-	-	-	-	-	777,155	777,155	-	\$0
Soft Cost Contingency	\$184,736	184,736	184,736	-	-	-	-	-	-	-	184,736	184,736	-	\$0
Total Contingency Costs	\$961,891	961,891	961,891	-	-	-	-	-	-	-	961,891	961,891	-	\$0
OTHER PROJECT COSTS														
TCAC App/Allocation/Monitoring Fees	\$89,812	89,812	89,812	-	-	-	-	-	-	-	89,812			\$0
Environmental Audit	\$7,000	7,000	7,000	-	-	-	-	-	-	-	7,000	7,000	-	\$0
Local Development Impact Fees	\$1,080,000	1,080,000	1,080,000	-	-	-	-	-	-	-	1,080,000	1,080,000	-	\$0
Permit Processing Fees	\$1,000,000	1,000,000	1,000,000	-	-	-	-	-	-	-	1,000,000	1,000,000	-	\$0
Capital Fees	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Marketing	\$26,340	26,340	26,340	-	-	-	-	-	-	-	26,340			\$0
Furnishings	\$40,000	40,000	40,000	-	-	-	-	-	-	-	40,000	40,000	-	\$0
Market Study	\$10,000	10,000	10,000	-	-	-	-	-	-	-	10,000	10,000	-	\$0
Accounting/Reimbursable	\$45,000	45,000	45,000	-	-	-	-	-	-	-	45,000	45,000	-	\$0
Appraisal Costs	\$7,500	7,500	7,500	-	-	-	-	-	-	-	7,500	7,500	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Total Other Costs	\$2,305,652	2,305,652	2,305,652	-	-	-	-	-	-	-	2,305,652	2,189,500	-	\$0
SUBTOTAL PROJECT COST	\$17,810,004	\$17,810,004	15,896,751	1,397,027	-	-	-	166,226	350,000	-	17,810,004	16,762,482	-	\$0
DEVELOPER COSTS														
Developer Costs	\$2,200,000	2,200,000	2,199,999	-	-	-	-	-	-	1	2,200,000	2,200,000	-	\$0
Consultant/Processing Agent	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Broker Fees Paid to a Related Party	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Construction Oversight by Developer	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Other: (Specify)	\$0	-	-	-	-	-	-	-	-	-	-	-	-	\$0
Total Developer Costs	\$2,200,000	2,200,000	2,199,999	-	-	-	-	-	-	1	2,200,000	2,200,000	-	\$0
TOTAL PROJECT COST	\$20,010,004	20,010,004	18,096,750	1,397,027	-	-	-	166,226	350,000	1	20,010,004	18,962,482	-	\$0

Note: Syndication Costs shall NOT be included as a project cost. Calculate Maximum Developer Fee using the eligible basis subtotals.

DOUBLE CHECK AGAINST PERMANENT FINANCING TOTALS:

Over/Under

\$ 18,096,750.27	\$ 1,397,027.42	\$ -	\$ -	\$ -	\$ 166,225.50	\$ 350,000.00	\$ 1.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Bridge Loan Expense During Construction:	\$0
Total Eligible Basis:	\$18,962,482

Management Plan

The fact that the Danco Group offers development, construction and property management services is a strength to us and our development partners. Each of our core teams works closely together throughout the life of a project, creating an environment of collaboration.

The management of an affordable housing development and construction requires careful planning, coordination, and execution to ensure that the project is completed on time, within budget, and to the required quality standards.

One important aspect of managing affordable housing development and construction is identifying the right stakeholders to involve in the project. Danco covers 3 of these stakeholders which allows cooperation and coordination to happen a lot easier.

Another critical aspect is ensuring that the project is designed to meet the needs of the target population. This includes identifying factors such as affordability, accessibility, and sustainability. The project will be designed in a way that provides a high quality of life for residents while also being sustainable and meeting the needs of the City to improve the Community as a whole.

To ensure that the project is completed on time and within budget, effective project management is essential. This includes developing a detailed project plan, establishing clear roles and responsibilities, and setting realistic timelines and budgets. Regular monitoring and evaluation of the project's progress is also important to ensure that any issues are identified and addressed in a timely manner. As we have an in-house construction team, it allows us to manage and oversee the construction progress and schedule very closely.

In conclusion, the management of an affordable housing development and construction requires careful planning, coordination, and execution to ensure that the project is completed successfully. By involving the right stakeholders, designing a project that meets the needs of the community, and implementing effective project management practices, we can help to ensure that the affordable housing development is successful.

5. Other Requirements

DANA CO

5251 Ericson Way
Arcata, CA 95521
Phone: (707) 822 9000
CA Lic #: 500851 & 899392
hdelgrande@danco-group.com

June 1, 2023

To whom it may concern:

On behalf of Danco Communities we accept and acknowledge accept the following:

- Danco Communities will comply with city policy.
- Danco Communities has no conflicts of interest which may prevent performance of work on this project.
- Danco Communities will operating under a legitimate business license.
- If selected, Danco Communities will provide insurance and indemnification required by the City of Eureka.

Please reach out directly with any questions regarding this proposal to Hailey Del Grande, Grant Manager by phone (707) 825-1580 or e-mail, hdelgrande@danco-group.com.

Respectfully Yours,

Daniel J. Johnson
President

DANCO

COMMUNITIES

5251 Ericson Way

Arcata, CA 95521

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Fax: (707) 822 9596

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