

APPLICATION CHECKLIST
AFFORDABLE HOUSING REQUEST FOR PROPOSALS
1318 FOURTH STREET AFFORDABLE HOUSING DEVELOPMENT
SANTA MONICA, CALIFORNIA

Provided: Yes/No or Not Applicable (N/A)									
	Abode Communities	Clifford Beers 1	Clifford Beers 2	Community Corp + Metro Pacific	EAH Housing - 120 Units	EAH Housing - 150 Units	Innovative Housing Opportunities	Step Up + Jamboree	Venice Community Housing + Natl CORE
I. Cover Letter - (Maximum of Two Pages)									
A. Executive Summary	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
B. Lead Contact Person - Contact Information	Yes (cover pg)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
II. Development Team Information									
A. Lead Developer Information									
Lead Developer Name	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Address	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Name of proposer's principals	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Form of legal entity	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Experience working in the region and Santa Monica specifically	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Business organization documents	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
B. Development Team Information									
Contact Information for Key Team Members	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Developer	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Service Providers	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Architects & Designers	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Resumes	Yes	Yes	Yes	Yes	Yes	Yes	Yes - see appendix	No - missing Jamboree	Yes
Organization Chart	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
III. Development and Services Concept									
A. Narrative Description of the Project Vision									
Income and affordability standards	Yes	Yes	Yes	Yes	Yes	Yes - unit count doesn't add to 150	Yes	AMI range only	Yes
Ground floor concept	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Basement plan (if applicable)	Yes	N/A	N/A	Yes	Yes	Yes	N/A	N/A	N/A
Summary of uses and floor areas	Yes	No	Yes	Yes	Yes	Yes - SF doesn't include 150 units	Yes	No	Yes
How development scope meets the RFP objectives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
B. Supportive Services									
On-site location	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Identification of the provider	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Conceptual service plan	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Funding strategy	Yes	Yes (section 5)	Yes (section 5)	Yes	Yes	Yes	Yes	Yes	Yes
Letter of intent from any proposed service providers	Yes (section 2)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
C. Development Plans									
Conceptual site plan	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Floor plan illustrating site & building configurations; # of residences and bedroom mix; target population; amenities & services; service-provider space; bicycle, pedestrian & vehicular circulation & access points	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Schedule of performance: DDA, entitlement, design, financing, commencing and completing construction, lease negotiations, marketing & final occupancy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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IV. Community Involvement Plan									
A. Plan & Approach for engaging residents, downtown stakeholders, target populations & other interested parties	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
B. Plan for addressing community feedback	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
V. Financing Strategy									
A. Funding Plan (broken down by use)									
Conceptual construction period sources & uses	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No - missing sources	Yes
Conceptual permanent period sources & uses	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
B. Development cost pro forma analysis:									
Direct, indirect & financing costs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Preliminary estimates of contractor costs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Estimated developer fee	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Any payments to related parties	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Costs to fulfill public benefits requirements	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prevailing wage assumption	Yes	Yes (contractor letter)	Yes	Yes	Yes	Yes	Yes	Yes (construction estimate)	Yes
Summary of assumptions applied in the analysis	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
C. Annotated operating pro forma:									
Stabilized income, expenses & debt service	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
55-year cash flow projection including:									
Payments to tax credit partners	Yes	N/A	Yes	Yes	Yes	Yes	Yes	No	Yes
Debt service payments on City assistance	N/A	Yes	Yes	N/A	N/A	N/A	Yes	N/A	N/A
Ground lease payments	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Summary of assumptions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
D. Underwriting (should be based on sources & uses)									
Construction loan underwriting assumptions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Permanent loan underwriting assumptions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
E. Responsibilities to be imposed on the City	Yes	Yes	Yes	N/A	N/A	N/A	N/A	Yes	Yes
F. Financial contingencies included in the proposal	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes
G. Proposed repayment structure for City assistance	N/A	Yes	Yes	N/A	N/A	N/A	Yes	N/A	N/A
H.									
Ground lease term, structure & payment schedule	Yes	Yes	Yes	Yes	Yes - assumes land donation	Yes - assumes land donation	Yes - assumes land donation	Yes	Yes
I. Financing timeline	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes - missing some funding sources	Yes
J. Services									
Identification of services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Budget for services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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Provided: Yes/No or Not Applicable (N/A)									
	Abode Communities	Clifford Beers 1	Clifford Beers 2	Community Corp + Metro Pacific	EAH Housing - 120 Units	EAH Housing - 150 Units	Innovative Housing Opportunities	Step Up + Jamboree	Venice Community Housing + Natl CORE
VI. Development Team's Financial Capacity & Experience									
A. Financial statements for at least three years. Can be an audit or a compilation. Must be prepared by an independent accounting firm in accordance with GAAP. Must end no later than 2017	Yes	Yes	Yes	Yes	Yes	Yes	No - only 2 years	No - only 2 years	Yes
B. Development Portfolio (highlight analogous projects)									
Current projects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pipeline projects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
C. Partnerships and financing for supportive services									
Current partnerships	Yes	Yes	Yes	Yes - missing financing piece	Yes	Yes	Yes	No	Yes
Partnerships in the pipeline	Yes	Yes	Yes	N/A	Yes	Yes	N/A	No	N/A
D. Demonstrated experience obtaining the identified funding sources for the proposed project	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
E. List of projects that have received 9% tax credits	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
F. Receipt and adminstration of federal housing subsidies (if applicable)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
G. Outstanding debt and repayment terms:									
Recourse debt	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Non-recourse debt	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
H. Non-Performing Loans									
Outstanding balance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Duration of delinquency	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
I. Defaulted loans or financial obligations during the past five years	N/A	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
J. Legal actions, including fair housing violations, during the past five years	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - ABODE COMMUNITIES

Applicant	Abode Communities
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Project Name	The Terraces at Fourth
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Partner	St. Joseph's (supportive services)
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Underwriting Assumptions	Proceeds	Interest	Term (mos)
Construction	\$ 49,083,174	4.82%	20
Permanent Loan	\$ 8,535,200	5.27%	420

LIHTC	
Assumes LIHTC Financing	Yes
Tax Credit Amount	4%

Unit Size	AMI	No. of Units	%
Studio	30%	48	45%
	50%	3	3%
1 BR	50%	10	9%
	60%	9	8%
	80%	3	3%
2 BR	30%	12	11%
	50%	8	7%
	60%	8	7%
	80%	5	5%
Manager	-	1	1%
		107	100%

Project Cost	
Total Development Cost	\$79,600,000
TDC Per Unit	\$743,925

Operating Budget	
Total Annual	\$698,600
Per Unit	\$6,529

Development Timeline	
Construction Start	Mar-22
Construction End	Oct-23
Marketing/Lease-Up Begins	Jul-23
100% Occupancy	Jan-24

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - ABODE COMMUNITIES

Developer / Team: *Summary of Developer Experience , highlighting specific experience in City of Santa Monica*

Abode Communities has been in operation for over 50 years, and has developed more than 45 residential and mixed-use communities including 3,000 rental homes. They have experience with a diverse range of public funding sources including LIHTC, tax-exempt bond financing, AHSC and Infill Infrastructure Grant programs, the LACDA, and various federal operating subsidy programs. Another 850 additional service-oriented affordable and supportive homes are in the pipeline to be completed throughout the region by the end of 2024. The proposed team has deep experience with designing, planning and operating affordable housing and commercial retail. Abode's design principals have completed housing projects in Santa Monica including Waverly Housing, Seychelles Housing and 2802 Pico affordable housing.

Supportive services partner St. Joseph Center has a 40+ year history serving people experiencing homelessness in West LA and providing comprehensive social services. St. Joseph's is the Coordinated Entry System lead for SPA 5 and has expertise in resident placement within the City. Commercial broker Cushman & Wakefield and construction manager AMJ Construction also have experience with projects in Santa Monica and a history of working throughout West LA (section 2.e of application).

Project Description: *Highlight the project's description, occupancy profile, ground floor plan, and how the project meets the RFP objectives .*

The proposed project intends to balance the RFP objectives to maximize affordable housing, provide nonprofit space, and meet the community needs for unique retail experiences. The project will include 107 units of affordable and supportive housing (including 60 PSH units) in a mixed-use concept that provides community connectivity. Unit types include studios, 1-BR and 2-BR, with units arranged in a 5-story u-shaped structure with views into a central courtyard, with setbacks to provide an appropriate scale to the location and surroundings. The inclusion of 2-BR units addresses the need for family-sized units identified in the Downtown Community Plan. 1 and 2-BR units will feature private balconies. Amenities include on-site supportive services, 2nd floor common area (2,130 square feet), secure bicycle storage, and laundry rooms and trash chutes on each floor. More than 10,000 sf of common open space will be provided in total.

The ground floor development program will include 8,600 square feet of commercial space for independent retailers (including an independent bookstore/cafe and boutique retail), and 3,500 square feet of flexible workshop nonprofit space for co-working, performance/rehearsal, and gallery space as well as programmed activities. The commercial plan was informed by discussions with local developers as well as Downtown Santa Monica, Inc. The commercial leases will be below-market to accommodate independent businesses. Outdoor patio space will be accessible on the ground floor to the public, as well as an interior atrium gathering space. Murals, a permanent art installation, and rotating displays of local art will be integrated throughout. The developer intends to achieve minimum LEED Gold rating for the project through use of sustainable construction materials including solar thermal roof systems.

A subterranean parking garage will include 52 parking stalls and a secure bike room.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - ABODE COMMUNITIES

Supportive Services: *Identify provider and summarize services concept and funding strategy*

Abode Communities and St. Joseph's Center will be providing on-site supportive services, with the focus of resident services being provided on the 2nd level's 2,130 square foot resident center. Abode's signature resident services program ("Beyond Homes") will serve the entire resident population and include youth learning/leadership, job readiness and financial literacy, ESL classes, and case management services. Programs offered by the St. Joseph Center will be reserved for the 60 PSH households and focus on services targeted to homeless/chronically homeless including intensive case management, physical/mental health services, substance abuse, benefits education and individualized service plans.

Abode will reinvest property cash flow to provide Beyond Homes, and St. Joseph Center will receive funding from the LA County Dept of Health Services. Total annual services budget for PSH and Beyond Homes is \$395,373.

Financial Summary: *Summarize financing strategy, identify proposed operating subsidies, proposed Ground Lease structure and whether the project is requesting City funding*

Developer intends to apply for 4% LIHTC equity paired with tax-exempt multifamily bond financing for construction and permanent loans, and a combination of local and State "soft" financing including capital from LACDA, two capital funding programs administered by HCD (the AHSC and Infill Infrastructure Grant Program), and a grant from the FHLP AHP. Applying for 4% equity structure will provide greater flexibility and compatibility with the AHSC program. The AHSC program may provide further benefit to the City via a paired grant for Sustainable Transportation Infrastructure ("STI") projects worth \$6.5 million in the form of a grant to the City for planned infrastructure projects.

Project underwriting assumes operating subsidy for the 60 PSH units provided by the City's Continuum of Care (CoC) voucher.

The developer is not proposing any City assistance in the form of capital funding. The proposed Ground Lease with the City assumes a 65-year term, with a below-market lease value of \$12.5 million (\$415 per square foot), structured as a note accruing 3% simple interest annually. Ground lease payments could be made in three tiers: Annual above-the-line guaranteed payments of \$15,000, annual below-the-line payments of 15% residual receipts (after payment of deferred developer fee and partnership fees), or annual below-the-line payments from 25% of the commercial component's net cash flow. The commercial portion assumes base lease rate of \$3.50-\$4.00/sf/mo.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - ABODE COMMUNITIES

Sources & Uses: *Highlight sources and uses of potential funding*

	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>		<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Construction Sources				Uses			
Construction Loan	\$45,134,712	\$3,948,462		Land Cost/Acquisition	\$11,058,748	\$1,391,252	
Ground Lease Note	11,058,748	1,391,252		Hard Costs	46,238,524	3,559,811	
LA County Development Authority	7,000,000	0		Architect & Engineering	2,663,067	184,458	
FHLB Affordable Housing Program	1,500,000	0		Financing Costs	4,107,653	267,551	
LP Equity - Federal	2,121,314	146,934		Legal	113,162	7,838	
GP Equity	100	0		Reserves	1,013,158	0	
Deferred Costs	7,262,652	777		Permits & Fees	389,252	26,962	
Total Construction Sources	\$74,077,526	\$5,487,425	\$79,564,951	Developer Fee	7,326,535	0	
				Other Costs	1,167,426	49,553	
Permanent Sources				Total Uses	\$74,077,525	\$5,487,425	\$79,564,950
Permanent Loan	\$8,535,200	\$0					
Ground Lease Note	11,058,748	1,391,252					
LA County Development Authority	7,000,000	0					
AHSC	19,775,479	0					
Infill Infrastructure Grant	2,176,000	0					
FHLB Aff Housing Program	1,500,000	0					
LP Equity - Federal	18,586,304	4,096,172					
Deferred Developer Fee	619,261	0					
GP Equity	4,826,535	0					
Total Permanent Sources	\$74,077,527	\$5,487,424	\$79,564,951				

1318 Fourth Street RFP Responses
PROJECT SUMMARY SHEET - CLIFFORD BEERS HOUSING: OPTION #1

Applicant	Clifford Beers Housing
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Project Name	The Wave
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Partner	Wellnest (supportive services)
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Underwriting Assumptions	Proceeds	Interest	Term (mos)
Construction	\$ 26,500,000	LIBOR+150bp	12
Permanent Loan	\$ 26,500,000	10 Yr T+242bp	360

LIHTC	
Assumes LIHTC Financing	No
Tax Credit Amount	N/A

Unit Size	AMI	No. of Units	%
1 BR	30%	24	26%
	60%	1	1%
	80%	16	18%
2 BR	30%	13	14%
	60%	5	5%
	80%	7	8%
3 BR	30%	13	14%
	60%	2	2%
	80%	9	10%
Manager	-	1	1%
		91	100%

Project Cost	
Total Development Cost	\$42,082,566
TDC Per Unit	\$462,446

Operating Budget	
Total Annual	\$757,960
Per Unit	\$8,329

Development Timeline	
Construction Start	Apr-21
Construction End	Mar-22
Marketing/Lease-Up Begins	Apr-22
100% Occupancy	Jul-22

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - CLIFFORD BEERS HOUSING: OPTION #1

Developer / Team: *Summary of Developer Experience , highlighting specific experience in City of Santa Monica*

Clifford Beers (CBH) was formed in 2005 and has since built 10 affordable housing projects, 8 of which are PSH. CBH specializes in innovative housing typologies, and is currently working on a 54-unit shipping container project in South LA, as well as two PSH projects under construction in Long Beach and Sylmar. CBH has no prior experience developing in Santa Monica. Currently, CBH is under construction on 96 units total, and 234 additional units are in the predevelopment pipeline. Included in the application is an organizational chart indicating that CBH will create a partnership for the development and long-term operation of this project, to include CBH as sole member and managing GP of the LP along with a TBD Investor Limited Partner.

The project is to be designed by Michael Maltzan Architects, which designed the first prefabricated PSH building in LA. CBH is also partnering with Wellnest LA to provide supportive services for the 50 PSH units as well as any other residents who desire services. Wellnest has 90+ years of experience with providing mental health services with an expertise for Transitional Age Youth (TAY), which will make up a significant portion of the PSH units.

Project Description: *Highlight the project's description, occupancy profile, ground floor plan, and how the project meets the RFP objectives .*

The proposed development intends to accomplish the City's goals quickly and cost effectively via 3 strategies: retrofitting the existing garage to be used as a podium for the project, using prefabricated modular construction, and not utilizing LIHTC (CBH's Option 2 utilizes LIHTC). Using these methods the project will result in 91 affordable and PSH units at a cost of \$391,000/unit and will be completed in 3 years. Of the 91 units, 50 PSH units will be set aside for formerly/chronically homeless households. The unit mix includes 1, 2 and 3-bedroom units. The target population for the PSH units will be TAY (18-25 years old), families experiencing homelessness and TAY families who qualify as frequent users of DHS. The remaining 40 units will be set aside for households making 60-80% AMI.

The residential units will be placed around internal courtyards and terraces, and residents will also have access to a green roof for recreation.

The commercial component consists of 9,000+ square feet of ground floor space for local businesses, artists and neighborhood-serving retail. A letter of interest from a cafe is attached. An additional 5,000 square feet will be dedicated to amenities and supportive service space for residents. The retail and parking will be incorporated into the lower levels of the existing structure with infill construction; the two levels of parking will be maintained on the rear portion of the structure using the existing parking layout, and 2 levels of parking will be demolished. CBH will then repurpose the bottom two floors of parking structure into retail spaces, community and resident spaces as well as supportive service offices which will minimize financial contribution from the City and reducing impact to neighboring businesses/traffic.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - CLIFFORD BEERS HOUSING: OPTION #1

Supportive Services: *Identify provider and summarize services concept and funding strategy*

Wellnest will provide supportive services on site to the residents of the 50 PSH units, in addition to non-PSH units as needed, in approximately 2,900 square feet of space including offices and conference rooms. Wellnest receives funding for services from the Department of Mental Health and DHS (letter from DHS included), for up to \$360,000 per year. Two case managers and two resident advocates will have offices at the project. Some of the services provided will include: case management, mental health counseling, physical health care, money management, legal assistance, employment services, life skills training, child-related services, substance abuse and prevention counseling, and linkage to additional services as needed.

Financial Summary: *Summarize financing strategy, identify proposed operating subsidies, proposed Ground Lease structure and whether the project is requesting City funding*

Developer will not be financing the project with LIHTC in order to cut time/costs. Approximately 2/3 of the project's cost (\$26.5M) will be funded by a permanent loan rather than capital public subsidy, which is possible because 40 of the units will generate rents from households at 60-80% of AMI. The next largest funding source is the County's Affordable Housing Trust Fund providing approx. \$7M during construction, which will be rolled over to permanent financing. All public funds will be applied to the residential component while the permanent loan will cover parts of the residential plus the commercial component.

The developer is requesting \$5.1M (\$56,000/unit) from the City's Redevelopment Replacement Housing Trust Fund. This would be in the form of a residual receipts note for a 55-year term at 1% interest. The developer is also proposing that the funds the City has set aside for demolishing the parking structure (\$3.459M) be contributed to the project since the project will be re-purposing the garage. The assistance is proposed to be structured as a non-interest bearing residual receipts note.

Proposed ground lease term of 99 years with a \$10,000 per year payment to the City (no escalations).

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - CLIFFORD BEERS HOUSING: OPTION #1

Sources & Uses: *Highlight sources and uses of potential funding*

Sources	<u>Construction</u>	<u>Permanent</u>
Loan	\$26,500,000	\$26,500,000
LA County AHTF	7,000,000	7,000,000
City's Redevelopment Replacement HTF	5,123,566	5,123,566
City: Reprogrammed garage demo funds	3,459,000	3,459,000
Total Sources	\$42,082,566	\$42,082,566

Uses	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Land Cost/Acquisition			
Hard Costs; On-Site	13,093,062	4,450,134	
Hard Costs; Modular	11,502,500		
Hard Cost Contingency	1,773,750	445,013	
Soft Costs	4,025,610		
Soft Costs Contingency	402,561		
Financing Costs	751,433	539,491	
Developer Fee	1,309,306	445,013	
Transition Reserve	990,290		
Affordability Reserve	2,475,726		
Total Uses	\$36,324,238	\$5,879,651	\$42,203,889

Note: On Page 195 of the application, the proposed Project's uses are set at \$42,082,566. The uses actually total \$42,203,889. Thus, the sources are \$121,323 less than the uses.

1318 Fourth Street RFP Responses **PROJECT SUMMARY SHEET - CLIFFORD BEERS HOUSING: OPTION #2**

Applicant	Clifford Beers Housing
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Project Name	Reve
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Partner	Wellnest (supportive services)
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Underwriting Assumptions	Proceeds	Interest	Term (mos)
Construction	\$ 27,434,489	4.86%	18
Permanent Loan	-	-	-

LIHTC	
Assumes LIHTC Financing	Yes
Tax Credit Amount	9%
Anticipated Application Date	Jun-21

Unit Size	AMI	No. of Units	%
1 BR	30%	41	45%
2 BR	30%	6	7%
	50%	9	10%
	60%	5	5%
	80%	5	5%
3 BR	30%	3	3%
	50%	9	10%
	60%	5	5%
	80%	6	7%
Manager	-	2	2%
		91	100%

Project Cost	
Total Development Cost	\$44,536,302
TDC Per Unit	\$489,410

Operating Budget	
Total Annual	\$599,546
Per Unit	\$6,588

Development Timeline	
Construction Start	Jun-22
Construction End	May-23
Marketing/Lease-Up Begins	Feb-23
100% Occupancy	Oct-23

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - CLIFFORD BEERS HOUSING: OPTION #2

Developer / Team: *Summary of Developer Experience , highlighting specific experience in City of Santa Monica*

Clifford Beers (CBH) was formed in 2005 and has since built 10 affordable housing projects, 8 of which are PSH. CBH specializes in innovative housing typologies, and is currently working on a 54-unit shipping container project in South LA, as well as two PSH projects under construction in Long Beach and Sylmar. CBH has no prior experience developing in Santa Monica. Currently, CBH is under construction on 96 units total, and 234 additional units are in the predevelopment pipeline. Included in the application is an organizational chart indicating that CBH will create a partnership for the development and long-term operation of this project, to include CBH as sole member and managing GP of the LP along with a TBD Investor Limited Partner.

The project is to be designed by Michael Maltzan Architects, which designed the first prefabricated PSH building in LA. CBH is also partnering with Wellnest LA to provide supportive services for the 50 PSH units as well as any other residents who desire services. Wellnest has 90+ years of experience with providing mental health services with an expertise for Transitional Age Youth (TAY), which will make up a significant portion of the PSH units.

Project Description: *Highlight the project's description, occupancy profile, ground floor plan, and how the project meets the RFP objectives .*

The proposed development utilizes modular construction to limit on-site construction and save costs, and implements green building practices through the reuse of the existing concrete parking garage, solar PV systems, and integrating water reuse systems. The project will result in 91 affordable units, including 50 PSH units set aside for formerly/chronically homeless households. The unit mix includes 1, 2 and 3-bedroom units. The target population for the PSH units will be TAY (18-25 years old), families experiencing homelessness and TAY families who qualify as frequent users of DHS. The remaining 40 units will be set aside for households making 60-80% AMI.

The residential units will be placed around internal courtyards and terraces, and residents will also have access to a green roof for recreation.

The commercial component consists of 9,050 square feet of space for local businesses, artists and neighborhood-serving retail, to be incorporated into the existing lower levels of the parking garage. Retail spaces will front 4th street. Resident supportive service spaces will be incorporated into the upper level of the existing structure. Two levels of parking will be maintained at the rear of the structure similar to the existing parking layout, and 2 levels of parking will be demolished. The team has an LOI from a cafe and envisions a mix of food, clothing and local artistry for the remaining commercial spaces. Supportive service spaces will total 2,900 square feet.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - CLIFFORD BEERS HOUSING: OPTION #2

Supportive Services: *Identify provider and summarize services concept and funding strategy*

Wellnest will provide supportive services on site to the residents of the 50 PSH units, in addition to non-PSH units as needed. Wellnest receives funding for services from the Department of Mental Health and DHS (letter from DHS included). Two case managers and two resident advocates will have offices at the project. Some of the services provided will include: case management, mental health counseling, physical health care, money management, legal assistance, employment services, life skills training, child-related services, substance abuse and prevention counseling, and linkage to additional services as needed.

Financial Summary: *Summarize financing strategy, identify proposed operating subsidies, proposed Ground Lease structure and whether the project is requesting City funding*

The developer proposes 9% LIHTC leveraged with HCD's AHSC funds, LACDA Affordable Housing Trust Fund, and Santa Monica Trust Fund. For construction financing the developer will utilize the funding from the City's Trust Fund, along with LACDA funding, a portion of the LIHTC investor equity and a conventional loan. Permanent financing will be provided along with the remaining LIHTC equity, the CDA permanent conversion holdback, and an AHSC loan. Repayment of the City SMTF loan is proposed on a residual receipts basis over 55 years with 3% interest.

Pro forma assumes 12 Continuum of Care PBV's from the Santa Monica Housing Authority, and the remaining 38 PSH units will be self-subsidized from a capitalized operating rental subsidy. The unit mix and cash flow projections for these units assume SSI incomes.

The development team is requesting participation from the City as they apply for the AHSC program, which requires coordination with the local city and county for transit system augmentation. They are also requesting that, if necessary, the City will fund up to \$250,000 in environmental remediation costs outside the proposed budget. For the ground lease terms, the development team is proposing a \$10,000 deposit to the City at the signing of an ENA, a \$20,000 deposit at the signing of a DDA, and annual payments of \$10,000 (1% interest, 99 year term) starting at construction completion.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - CLIFFORD BEERS HOUSING: OPTION #2

Sources & Uses: *Highlight sources and uses of potential funding*

Sources	<u>Construction</u>	<u>Permanent</u>
Construction Loan	\$27,434,489	\$0
LACDA	6,950,000	7,000,000
SMTF	1,100,000	1,100,000
AHSC	0	12,388,262
GP Capital	100	100
LP Capital	3,600,000	24,000,000
Deferred Costs During Construction	5,403,773	0
Deferred Developer Fee	47,941	47,941
Total Sources	\$44,536,303	\$44,536,303

Uses	<u>Total</u>
Land Cost/Acquisition	\$30,000
Hard Costs	32,908,771
Soft Costs	9,397,531
Developer Fee	2,200,000
Total Uses	\$44,536,302

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - COMMUNITY CORP OF SANTA MONICA

Applicant	Community Corp of Santa Monica
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Project Name	1318 Fourth Street
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Partner	Metropolitan Pacific Real Estate Group, The People Concern (supportive services)
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Underwriting Assumptions	Proceeds	Interest	Term (mos)
Construction	\$ 45,941,949	5.30%	20
Permanent Loan	\$ 3,958,923	5.00%	360

LIHTC	
Assumes LIHTC Financing	Yes
Tax Credit Amount	4%
Anticipated Application Date	Aug-21

Unit Size	AMI	No. of Units	%
1 BR	30%	50	42%
	60%	5	4%
2 BR	30%	4	3%
	40%	5	4%
	50%	8	7%
	60%	16	13%
	80%	2	2%
3 BR	30%	4	3%
	50%	7	6%
	60%	19	16%
Manager	-		0%
		120	100%

Project Cost	
Total Development Cost	\$55,998,904
TDC Per Unit	\$466,658

Operating Budget	
Total Annual	\$1,004,605
Per Unit	\$8,372

Development Timeline	
Construction Start	Jun-21
Construction End	May-23
Marketing/Lease-Up Begins	May-22
100% Occupancy	May-23

1318 Fourth Street RFP Responses
PROJECT SUMMARY SHEET - COMMUNITY CORP OF SANTA MONICA

Developer / Team: *Summary of Developer Experience , highlighting specific experience in City of Santa Monica*

Community Corp of Santa Monica (CC) has been working in Santa Monica for 37 years providing affordable housing and implementing supportive services in nearly 1,800 units across 90 properties. CC manages all of its properties giving them extensive experience in maintenance and resident services, and CC's Resident Services Department integrates services to enrich residents' lives including computer courses, homework assistance and exercise classes on site, as well as linking residents to community resources. CC employs 35 resident managers who live on-site at all larger developments. They currently have multiple projects under development in Santa Monica including Greenway Meadows, Las Flores, Pacific Landing, 1819 Pico, Vista Ballona, the Oceans and Little Berkeley.

Metropolitan Pacific has developed 11 commercial projects in downtown Santa Monica including the Mayfair Theater building, the Criterion building, the Wilforth building and the Anthropologie Building at Third Street. Along with Community Corp, Metro Pacific has extensive experience in planning, entitling, financing and development of mixed-use real estate projects across the Santa Monica.

The People Concern is a leading supportive services provider in Southern California and Santa Monica and one of the largest homeless service providers in LA County. They were formed in 2016 in a merge of two social services agencies: Santa Monica's Ocean Park Community Center (OPCC, founded in 1963) and DTLA Lamp Community (founded in 1985).

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - COMMUNITY CORP OF SANTA MONICA

Project Description: *Highlight the project's description, occupancy profile, ground floor plan, and how the project meets the RFP objectives .*

The proposed project is a mixed-use affordable housing and entertainment/retail development featuring a live music venue. The housing component of the project includes 120 units of affordable housing (50 units of PSH and 70 units for large families). A mixture of 1, 2 and 3 bedroom units will address housing needs for a range of household sizes. Ample community space will provide residents with opportunities for recreation, including play areas for children and courtyards. Supportive services and programming will be located on the 2nd floor of the development. The building is massed in order to complement the design and scale of the surrounding community, and sustainable building features will help the development achieve a Zero Net Carbon goal. The developer also anticipates achieving LEED Platinum.

The ground-floor commercial portion of the project, consisting of approximately 19,600 square feet, will include a concert venue/bowling alley and restaurant space ("Brooklyn Bowl", executed Letter of Intent included) as the anchor tenant alongside other community serving retail and restaurant uses. Special design features will ensure project residents are buffered from any noise from the commercial portion. A portion of the concert venue, bowling alley and restaurant kitchen (approx. 36,500 square feet of space total) will be located on two levels below grade. The ground floor and basement commercial uses will total approximately 57,500 square feet. The development will activate this stretch of 4th street with greater pedestrian and commercial activity and draw visitors from within and outside the community with the entertainment complex. The commercial component is also intended to financially support the affordable housing component of the project thereby minimizing the City's investment.

The basement level will also include vehicle and bicycle parking for residents in addition to a portion of the commercial uses.

Supportive Services: *Identify provider and summarize services concept and funding strategy*

Located on the 2nd floor of the project, resident services as provided by CC will be made available for all households, and special case management and services targeted to homeless individuals will be provided by The People Concern (TPC) for the PSH households. Some collaboration and joint participation will exist between the service areas as appropriate.

TPC will provide a range of social services programming including intake and assessment, linkages to health/mental health/substance use disorder services, monitoring and follow-up, benefits assistance, legal issues, life skills education, and crisis management among other services. TPC will partner with DHS as appropriate to offer substance use services on-site.

Services are budgeted for approximately \$270,000 per year and will be funded under TPC's Master Agreement with the LA County DHS; per the letter of intent included in the submission, DHS has committed to provide funding for this program. Community Corp's resident services for the 70 affordable households will be funded through project cash flow and are estimated to cost approximately \$106,000 per year.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - COMMUNITY CORP OF SANTA MONICA

Financial Summary: *Summarize financing strategy, identify proposed operating subsidies, proposed Ground Lease structure and whether the project is requesting City funding*

Developer intends to apply for 4% LIHTC equity paired with tax-exempt multifamily bonds, as well as the AHSC Program and other state and local funding sources. The equity investor will contribute a portion of the LIHTC equity during construction and the balance at permanent loan conversion. The pro forma assumes that the land cost allocated to the residential component will be \$1 per year for a 99-year ground lease. No capital funds are being requested from the City at this time. Letter of support from Citi Community Capital is attached.

The developer intends to apply for project-based vouchers from the City of Santa Monica for the 50 PSH units. In the event these are not available, the developer plans to try and apply for FHSP subsidies from DHS (they have indicated they are currently oversubscribed). Residual receipts will be divided 50% to government lenders (AHSC, IIG, LACDA) and 50% share split between CC and the City.

Sources of capital for the commercial development construction will be equity provided by Metro Pacific combined with a traditional construction loan (anticipate same construction lender as residential portion). Construction loan term expected to be 3 years at floating rate of LIBOR + 4.0%. Total development costs for commercial portion are \$24,220,311. Developer anticipates that the 52,200 square feet of rentable commercial area will generate approximately \$2.2 million in annual net revenue. The ground lease payments to the City for the commercial portion are estimated at \$125,000 per year

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - COMMUNITY CORP OF SANTA MONICA

Sources & Uses: *Highlight sources and uses of potential funding*

	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>		<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Construction Sources				Uses			
Construction Loan	\$45,941,949	\$13,312,952		Holding/Entitlements	\$15,000	\$595,938	
Equity Contribution	0	10,907,359		Hard Costs	46,123,984	12,566,238	
City Land (donation/lease)	1			Soft Costs	7,304,651	5,235,491	
Infill Infrastructure Grant Program (II)	1,425,531			Leasing	0	4,230,571	
Investor Equity	3,131,423			Reserves	311,443		
LACDC	5,500,000			Financing Costs	4,580,268	1,592,072	
Deferred Developer Fee	2,025,000			Total Uses	<u>\$58,335,346</u>	<u>\$24,220,310</u>	<u>\$82,555,656</u>
Capitalized Reserves	311,443						
Total Construction Sources	<u>\$58,335,347</u>	<u>\$24,220,311</u>	<u>\$82,555,658</u>				
Permanent Sources							
Permanent Loan	\$3,958,923						
Tranche B Loan	6,574,740						
City Land (donation/lease)	1						
AHSC	20,000,000						
Infill Infrastructure Grant Program (II)	1,425,531						
Investor Equity	20,876,153						
LACDC	5,500,000						
Total Permanent Sources	<u>\$58,335,348</u>	<u>\$24,220,311</u>	<u>\$82,555,659</u>				

Notes: There appear to be typos in the Commercial component's permanent sources & uses statement. Also, as stated in the proposal, a portion of the equity contribution will be paid down. However, the exact amount of the pay down is not identified.

1318 Fourth Street RFP Responses **PROJECT SUMMARY SHEET - EAH: OPTION #1**

Applicant	EAH Housing
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Project Name	1318 Fourth Street (120 Units)
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Partner	The People Concern (supportive services)
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Underwriting Assumptions	Proceeds	Interest	Term (mos)
Construction	\$ 58,591,959	4.54%	24
Permanent Loan	\$ 18,339,562	4.78%	420

LIHTC	
Assumes LIHTC Financing	Yes
Tax Credit Amount	4%
Anticipated Application Date	Aug-22

Unit Size	AMI	No. of Units	%
Studio	30%	17	14%
	60%	15	13%
1 BR	30%	13	11%
	60%	14	12%
2 BR	30%	10	8%
	60%	19	16%
3 BR	30%	10	8%
	60%	21	18%
Manager	-	1	1%
		120	100%

Project Cost	
Total Development Cost	\$73,786,526
TDC Per Unit	\$614,888

Operating Budget	
Total Annual	\$1,261,798
Per Unit	\$10,515

Development Timeline	
Construction Start	May-22
Construction End	Mar-24
Marketing/Lease-Up Begins	Nov-23
100% Occupancy	May-24

1318 Fourth Street RFP Responses
PROJECT SUMMARY SHEET - EAH: OPTION #1

Developer / Team: *Summary of Developer Experience , highlighting specific experience in City of Santa Monica*

Founded in 1968, EAH has developed nearly 100 affordable housing projects and currently manages 8,900 units in 17 counties and 55 municipalities across California and Hawaii, serving over 20,000 residents. EAH opened their first Southern California office in Santa Monica and is working with the City to develop a new-construction supportive housing project (The Laurel) as well as a senior affordable development beginning construction in March 2020 (Magnolia Villas). EAH recently signed a new management contract with HACLA to manage 74 of its properties. Prior to joining EAH, team lead Steven Spielberg secured Trust Fund loans and worked with current City staff to rehabilitate the 36 supportive units and ground floor space at Step Up on Second at 1328 Second Street, and developed 34 supportive units at Step Up on Colorado on 520 Colorado Ave.

EAH has experience developing and managing projects with formerly homeless tenants and is partnering with The People Concern (TPC) as supportive services provider, an organization which has extensive experience in the City. EAH operates six interim housing facilities and supports over 1,750 people in permanent housing units. TPC was formed in 2016 in a merge of two social services agencies: Santa Monica's Ocean Park Community Center (OPCC, founded in 1963) and DTLA Lamp Community (founded in 1985).

Collectively, the development team has decades of experience working in Santa Monica. The retail consultant, Allen Lynch, has been based in Santa Monica for 27 years and has completed over 8 million square feet of projects in Santa Monica and elsewhere. The architecture firm (Van Tilburg, Banvard & Soderbergh) is also based in Santa Monica and has experience in affordable housing and mixed use projects.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - EAH: OPTION #1

Project Description: *Highlight the project's description, occupancy profile, ground floor plan, and how the project meets the RFP objectives .*

The proposed project is a mixed-use development which will include 50 PSH units for individuals/families experiencing homelessness as well as 69 units for low-income households and 1 manager's unit (120 units total). The building will be a Type III, 5 story wood frame over Type I concrete. The building's design incorporates a stepped form to break down the massing and balcony screens create variation on the facade. A mix of unit types will serve a wide range of residents and households. Supportive services will be provided to all residents, and the building will include a community room for services programming and socializing as well as offices. The residential units and community space together will total 102,970 square feet. The units are arranged around a central courtyard. Other amenities include a 2nd floor gym and activity/community room, roof terrace, children's playground and shared laundry rooms on each floor.

For the ground floor commercial portion of the project, the developer anticipates offering a below-market lease to a local nonprofit (1,630 square feet) as well as a grocery store (19,600 square feet), which the developer states is much needed for the neighborhood. The developer is proposing that the below-market lease offices be used by TPC, the project's supportive services provider, but plans to reach out to other area nonprofits upon award of the RFP. Below the retail will be ample subterranean parking for the grocery store and additional on-grade parking will be provided (75 stalls total). There will also be parking spaces for 212 bicycles.

The unit count maximized current zoning; however, the developer notes that with the passage of AB 1763 there's potential for increased height and up to 72 additional units for a total of 192 units. These calculations are tied to the total square feet of building area being proposed.

Supportive Services: *Identify provider and summarize services concept and funding strategy*

To create a stable community, all residents will be supported with services; the unique needs of the PSH households will be addressed by intensive case management services by TPC (The People Concern - letter of intent included), who will also help to connect them with outside services as needed. EAH Supportive Services staff will act as liaison to TPC to ensure seamless coordination. EAH Resident Services will be providing the remainder of supportive services to the non PSH-units, paid for out of the project's operating expenses. EAH services will include physical and mental health services, education programming, civic engagement, and healthy eating. TPC's services for the PSH units will include personal case management, benefits counseling, mental health counseling, health care, substance use services, money management, and legal assistance.

TPC's services will be funded under their Supportive Housing Services Master Agreement with the DHS. For the 50 PSH units, the DHS would provide \$270,000/year, which is sufficient funding for all staff and operational costs. The total supportive services budget for all units, including PSH and low-income units, is \$336,521/year (funded through DHS funding and cash flow).

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - EAH: OPTION #1

Financial Summary: Summarize financing strategy, identify proposed operating subsidies, proposed Ground Lease structure and whether the project is requesting City funding

Along with tax-exempt multifamily bonds and 4% LIHTC, the developer is assuming the following funding sources: LACDA NOFA for County Trust Funds, AHSC, and IIG funds. EAH has experience receiving funding commitments from LACDA and AHSC for past projects. The developer is not requesting any capital from the City. If awarded the project, EAH would consider requesting pre-development funds from the City, but this is not a contingency of the proposal (EAH has the ability to secure pre-development financing from multiple lenders).

The pro forma is assuming PBV's for the 50 PSH units, ideally from the Santa Monica Housing Authority. They're also assuming commercial income of \$24 per square foot annually for the grocery space and \$12 per square foot for the non-profit office space.

The ground lease terms proposed are a 99 year ground lease with annual payment of \$1, Note: the application states \$1 payment but cash flow statement shows a \$100 annual payment.

Sources & Uses: Highlight sources and uses of potential funding

	<u>Total</u>		<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Construction Sources		Uses			
Tax Exempt Construction	\$58,591,959	Hard Costs	\$39,150,709	\$11,446,977	\$50,597,686
LACDA	7,000,000	Architect & Engineering	1,574,573	350,177	1,924,750
LP Capital	3,411,534	Construction Interest + Fees	2,871,948	638,706	3,510,654
Deferred Costs	4,783,033	Permanent Financing		555,274	555,274
Total Construction Sources	\$73,786,526	Legal	49,084	10,916	60,000
		LIHTC Fees	156,200		156,200
Permanent Sources		Permits & Fees	1,751,813		1,751,813
Permanent Loan	\$18,544,349	Other Soft Costs	1,728,574	1,819	1,730,393
LACDA	7,000,000	Hard Cost Contingency	3,384,334	752,659	4,136,993
AHSC	20,000,000	Soft Cost Contingency	416,847	92,705	509,552
IIG	1,000,000	Reserves	1,152,647		1,152,647
LP Capital	22,743,558	Developer Costs	7,198,619		7,198,619
Deferred Fee	2,361,506	Total Uses	\$59,435,348	\$13,849,233	\$73,284,581
GP Equity	2,137,113				
Total Permanent Sources	\$73,786,526				

Notes: The actual sum of the Total costs is \$501,945 less than the Total costs identified by the Developer. The differences are: \$40,000 in Legal costs and \$461,947 in Other Soft Costs. Also, the Permanent Financing, Reserves and Developer Costs are not allocated between the Residential and Commercial components.

1318 Fourth Street RFP Responses **PROJECT SUMMARY SHEET - EAH: OPTION #2**

Applicant	EAH Housing
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Project Name	1318 Fourth Street (150 Units)
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Partner	The People Concern (supportive services)
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Underwriting Assumptions	Proceeds	Interest	Term (mos)
Construction	\$ 62,632,207	4.54%	24
Permanent Loan	\$ 18,339,562	4.78%	420

LIHTC	
Assumes LIHTC Financing	Yes
Tax Credit Amount	4%
Anticipated Application Date	Aug-22

Unit Size	AMI	No. of Units	%
Studio	30%	21	14%
	60%	42	28%
1 BR	30%	21	14%
	60%	42	28%
2 BR	30%	8	5%
	60%	15	10%
Manager	-	1	1%
		150	100%

Project Cost	
Total Development Cost	\$78,909,128
TDC Per Unit	\$526,061

Operating Budget	
Total Annual	\$1,261,798
Per Unit	\$8,412

*Same budget as 120 unit project -- clarification is required

Development Timeline	
Construction Start	May-22
Construction End	Mar-24
Marketing/Lease-Up Begins	Nov-23
100% Occupancy	May-24

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - EAH: OPTION #2

Developer / Team: *Summary of Developer Experience , highlighting specific experience in City of Santa Monica*

Founded in 1968, EAH has developed nearly 100 affordable housing projects and currently manages 8,900 units in 17 counties and 55 municipalities across California and Hawaii, serving over 20,000 residents. EAH opened their first Southern California office in Santa Monica and is working with the City to develop a new-construction supportive housing project (The Laurel) as well as a senior affordable development beginning construction in March 2020 (Magnolia Villas). EAH recently signed a new management contract with HACLA to manage 74 of its properties. Prior to joining EAH, team lead Steven Spielberg secured Trust Fund loans and worked with current City staff to rehabilitate the 36 supportive units and ground floor space at Step Up on Second at 1328 Second Street, and developed 34 supportive units at Step Up on Colorado on 520 Colorado Ave.

EAH has experience developing and managing projects with formerly homeless tenants and is partnering with The People Concern (TPC) as supportive services provider, an organization which has extensive experience in the City. EAH operates six interim housing facilities and supports over 1,750 people in permanent housing units. TPC was formed in 2016 in a merge of two social services agencies: Santa Monica's Ocean Park Community Center (OPCC, founded in 1963) and DTLA Lamp Community (founded in 1985).

Collectively, the development team has decades of experience working in Santa Monica. The retail consultant, Allen Lynch, has been based in Santa Monica for 27 years and has completed over 8 million square feet of projects in Santa Monica and elsewhere. The architecture firm (Van Tilburg, Banvard & Soderbergh) is also based in Santa Monica and has experience in affordable housing and mixed use projects.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - EAH: OPTION #2

Project Description: *Highlight the project's description, occupancy profile, ground floor plan, and how the project meets the RFP objectives .*

The proposed project is a mixed-use development which will include 50 PSH units for individuals/families experiencing homelessness as well as 99 units for low-income households and 1 manager's unit (150 units total). The building will be a Type III, 5 story wood frame over Type I concrete. The building's design incorporates a stepped form to break down the massing and balcony screens create variation on the facade. A mix of unit types will serve a wide range of residents and households. Supportive services will be provided to all residents, and the building will include a community room for services programming and socializing as well as offices. The residential units and community space together will total 100,283 square feet (slightly less than EAH's 120-unit project proposal, likely due to elimination of 3-BR units). The units are arranged around a central courtyard. Other amenities include a 2nd floor gym and activity/community room, roof terrace, children's playground and shared laundry rooms on each floor.

For the ground floor commercial portion of the project, the developer anticipates offering a below-market lease to a local nonprofit (1,630 square feet) as well as a grocery store (19,600 square feet), which the developer states is much needed for the neighborhood. The developer is proposing that the below-market lease offices be used by TPC, the project's supportive services provider, but plans to reach out to other area nonprofits upon award of the RFP. Below the retail will be ample subterranean parking for the grocery store and additional on-grade parking will be provided (75 stalls total). There will also be parking spaces for 212 bicycles.

The unit count maximized current zoning; however, the developer notes that w/ the passing of AB 1763 there's potential for increased height and up to 93 additional units for a total of 243 units. These calculations are tied to the total square feet of building area being proposed.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - EAH: OPTION #2

Supportive Services: *Identify provider and summarize services concept and funding strategy*

To create a stable community, all residents will be supported with services; the unique needs of the PSH households will be addressed by intensive case management services by TPC (The People Concern - letter of intent included), who will also help to connect them with outside services as needed. EAH Supportive Services staff will act as liaison to TPC to ensure seamless coordination. EAH Resident Services will be providing the remainder of supportive services to the non PSH-units, paid for out of the project's operating expenses. EAH services will include physical and mental health services, education programming, civic engagement, and healthy eating. TPC's services for the PSH units will include personal case management, benefits counseling, mental health counseling, health care, substance use services, money management, and legal assistance.

TPC's services will be funded under their Supportive Housing Services Master Agreement with the DHS. For the 50 PSH units, the DHS would provide \$270,000/year, which is sufficient funding for all staff and operational costs. The total supportive services budget for all units, including PSH and low-income units, is \$336,521/year (funded through DHS funding and cash flow). This is the same budget as was applied in the 120 unit project - clarification from the developer is required.

Financial Summary: *Summarize financing strategy, identify proposed operating subsidies, proposed Ground Lease structure and whether the project is requesting City funding*

Along with tax-exempt multifamily bonds and 4% LIHTC, the developer is assuming the following funding sources: LACDA NOFA for County Trust Funds, AHSC, and IIG funds. EAH has experience receiving funding commitments from LACDA and AHSC for past projects. The developer is not requesting any capital from the City. If awarded the project, EAH would consider requesting pre-development funds from the City, but this is not a contingency of the proposal (EAH has the ability to secure pre-development financing from multiple lenders).

Note that the operating budget in this application appears to be the same as the operating budget for the 120 unit scenario -- total operating expenses are the same at \$1,261,798. Clarification from the developer is required.

The pro forma is assuming PBV's for the 50 PSH units, ideally from the Santa Monica Housing Authority. They're also assuming commercial income of \$24 per square foot annually for the grocery space and \$12 per square foot for the non-profit office space.

The ground lease terms proposed are a 99 year ground lease with annual payment of \$1, Note: the application states \$1 payment but cash flow statement shows a \$100 annual payment.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - EAH: OPTION #2

Sources & Uses: <i>Highlight sources and uses of potential funding</i>					
	<u>Total</u>		<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Construction Sources		Uses			
Tax Exempt Construction	\$62,632,207	Hard Costs	\$42,570,474	\$11,575,967	\$54,146,441
LACDA	7,000,000	Architect & Engineering	1,566,935	357,815	1,924,750
LP Capital	3,703,672	Construction Interest + Fees	3,049,521	696,369	3,745,890
Deferred Costs	5,573,250	Permanent Financing		577,459	577,459
Total Construction Sources	<u>\$78,909,129</u>	Legal	48,846	11,154	60,000
		LIHTC Fees	168,500		168,500
Permanent Sources		Permits & Fees	2,101,146		2,101,146
Permanent Loan	\$18,339,562	Other Soft Costs	1,720,188	1,859	1,722,047
LACDA	7,000,000	Hard Cost Contingency	3,604,243	823,042	4,427,285
AHSC	20,000,000	Soft Cost Contingency	440,023	100,481	540,504
IIG	4,063,366	Reserves	1,169,757		1,169,757
LP Capital	24,691,146	Developer Costs	7,815,055		7,815,055
Deferred Fee	2,029,021	Total Uses	<u>\$64,254,688</u>	<u>\$14,144,146</u>	<u>\$78,398,834</u>
GP Equity	2,786,034				
Total Permanent Sources	<u>\$78,909,129</u>				
Notes: The actual sum of the Total costs is \$510,294 less than the Total costs identified by the Developer. The differences are: \$40,000 in Legal costs and \$470,293 in Other Soft Costs. Also, the Permanent Financing, Reserves and Developer Costs are not allocated between the Residential and Commercial components.					

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - INNOVATIVE HOUSING OPPORTUNITIES

Applicant	Innovative Housing Opportunities
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Project Name	The Inspire
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Partner	Skid Row Housing Trust & St. Joseph's (supportive service providers)
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Underwriting Assumptions	Proceeds	Interest	Term (mos)
Construction	\$ 40,984,591	5.60%	24
Permanent Loan	\$ 3,390,521	6.00%	180

LIHTC	
Assumes LIHTC Financing	Yes
Tax Credit Amount	Either 4% or 9%
Anticipated Application Date	Early 2022

Unit Size	AMI	No. of Units	%
1 BR	30%	54	49%
	50%	24	22%
	60%	17	15%
2 BR	30%	6	5%
	50%	6	5%
	60%	2	2%
Manager	-	2	2%
		111	100%

Project Cost	
Total Development Cost	\$70,833,856
TDC per unit	\$638,143

Operating Budget	
Total Annual	\$682,000
Per Unit	\$6,144

Development Timeline	
Construction Start	Late 2022
Construction End	Early 2023
Marketing/Lease-Up Begins	Summer 2023
100% Occupancy	Fall 2023

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - INNOVATIVE HOUSING OPPORTUNITIES

Developer / Team: *Summary of Developer Experience , highlighting specific experience in City of Santa Monica*

Formed in 1976, Innovative Housing Organization (IHO) has a portfolio of suburban and urban infill projects that provide high quality housing to low income families. Residents include seniors, families, veterans, formerly homeless, those living with mental illness or developmentally disabled populations, as well as other special needs populations. IHO is currently partnering on two HHH winning developments breaking ground in 2019 and later. They are currently in construction on senior development El Verano in Anaheim, and family development Rockwood apartments also in Anaheim, as well as projects in Irvine and throughout Southern California. There are no projects listed in Santa Monica.

IHO has previously worked with the two service providers proposed for this project: Skid Row Housing Trust and St. Joseph's Center. Skid Row Housing Trust has experience providing permanent supportive housing and serving a variety of special needs populations with client-centered support services, and has completed more than 30 projects with almost 2,000 units. St. Joseph's Center, based in Venice, was founded in 1976 and reaches more than 10,000 men, women and children annually.

The project Engineer, IDS Group, has provided on-call structural and other projects to the City including parking structure #3, Fairview Library Renovation, Santa Monica Airport Gate #7, and Public Works Warehouse Improvement Project.

Project Description: *Highlight the project's description, occupancy profile, ground floor plan, and how the project meets the RFP objectives .*

The Inspire is designed to be a community catalyst featuring a performing arts space and activating retail along with 111 units of affordable housing, including 60 PSH units and 49 workforce units (along with 2 manager's units) in a mix of one-bedroom and 2-bedroom unit types. The project will house a variety of resident types along with small families, which may include veterans, developmentally disabled, homeless and at-risk individuals, chronically homeless and transitional age youth (TAY). Sustainability design features include energy efficient windows, solar shading, solar panels, energy star appliances and a GHG-free mechanical system.

The 15,000 square feet of ground floor commercial space will include a 6,300 square foot performing arts theater, a mix of retail and commercial spaces, classrooms, and bike storage. The ground floor design will feature a sculptural canopy extending out from the youth arts center, with LED lighting displays and branded for the retail space. The West LA County based non-profits Pico Youth Services and Safe Place for Youth will utilize the performing arts spaces for their programs servicing low income and homeless youth. 15 surface parking spaces will be provided.

The residential units will center on a courtyard for use by residents, and a podium-level community room will be accessible from this space as well. A laundry room and lounge, along with office for supportive services will be centrally located on each floor above, all totalling 5,911 square feet.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - INNOVATIVE HOUSING OPPORTUNITIES

Supportive Services: *Identify provider and summarize services concept and funding strategy*

The team includes two services partners: St. Joseph's Center and Skid Row Housing Trust. Both organizations have extensive experience providing supportive services in PSH and affordable housing communities, and have been long-time contractors of the LA County DHS and Department of Mental Health. Funding for non-PSH resident services are provided by project operation/cashflow, grants from financial institutions/corporations, and resident services reserves. The services provided will be ascertained after the final resident mix is determined but could include independent living skills, mental health counseling, legal advocacy, money management, job training and others. Individualized case management will be provided onsite and at St. Joseph's Center as appropriate.

Supportive Services budget (pg. 119) estimates \$337,287 per year for all expenses, and the development team anticipates \$340,200 in funding from DHS.

Financial Summary: *Summarize financing strategy, identify proposed operating subsidies, proposed Ground Lease structure and whether the project is requesting City funding*

The developer presents two financing scenarios using 4% LIHTC and tax-exempt multifamily bonds. One scenario assumes AHSC funding and the second scenario replaces those funds with MHP financing from HCD. AHSC would provide funding for infrastructure improvements while MHP would provide a higher loan amount per unit. In both cases, other funding sources would include tax-exempt multifamily bonds, LIHTC equity, LACDA residual receipts loan of \$7 million (55 year term, 3% interest), City AHTF residual receipts loan of \$10 million (55 year term, 3% interest), IIG funds of \$3.8 million (55 year term, 0% interest), and FHLB Affordable Housing Program funds (15 year term, 0% interest).

The developer anticipates that the request of \$10 million in City funding represents a worst case scenario if construction costs continue to rise, and the team will look at all options to reduce the City's contribution.

The developer is requesting Section 8 PBV's from the Santa Monica Housing Authority for PSH households; alternatively, the County of LA DHS may be a source for operating subsidy.

The ground lease is structured as a 99-year lease and presented as a land donation with an annual lease payment obligation of \$1.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - INNOVATIVE HOUSING OPPORTUNITIES

Sources & Uses: Highlight sources and uses of potential funding							
	Residential	Commercial	Total		Residential	Commercial	Total
SCENARIO 1 (AHSC):							
Construction Sources				Uses			
Tax Exempt Multifamily Bond	\$35,090,695	\$5,893,896		Land Cost/Acquisition	\$1	\$0	
Santa Monica Ground Lease Value	1			Hard Costs	49,805,807	3,794,193	
IIG	3,863,000			Indirect	2,600,271	301,215	
LA County NOFA	7,000,000			Permits and Fees	1,440,373	211,612	
Santa Monica Trust Fund	8,000,000			Construction Financing	2,159,636	317,282	
Deferred Costs	1,026,770			Permanent Financing	265,311	38,978	
Deferred Developer Fee	7,014,408			Bond Fees	221,671	32,567	
GP Equity	100			Legal	152,583	22,417	
Equity (including historic credit)	2,944,986			Taxes and Insurance	191,819	28,181	
Total Construction Sources	\$64,939,960	\$5,893,896	\$70,833,856	Title and Recording	47,955	7,045	
				Lease Up and Reserves	711,000	61,532	
				Developer Fee/Acctg	7,343,534	1,078,874	
				Total Uses	\$64,939,961	\$5,893,896	\$70,833,857
Permanent Sources							
Tax Exempt Multifamily Bond	\$3,390,521						
Santa Monica Ground Lease Value	1						
IIG	3,863,000						
AHSC	19,263,825						
Santa Monica Trust Fund	10,126,436						
LA County NOFA	7,000,000						
AHP-FHLB	1,690,000						
Deferred Developer Fee	162,323						
GP Equity	5,704,508						
Equity	13,739,347	5,893,896					
Total Permanent Sources	\$64,939,961	\$5,893,896	\$70,833,857				

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - INNOVATIVE HOUSING OPPORTUNITIES

Sources & Uses: Highlight sources and uses of potential funding							
SCENARIO 2 (MHP):	Residential	Commercial	Total		Residential	Commercial	Total
Construction Sources				Uses			
Tax Exempt Multifamily Bond	\$35,099,361	\$5,893,791		Land Cost/Acquisition	\$1	\$0	
Santa Monica Ground Lease Value	1			Hard Costs	49,805,807	3,794,193	
IIG	3,863,000			Indirect	2,600,284	301,217	
LA County NOFA	7,000,000			Permits and Fees	1,440,373	211,612	
Santa Monica Trust Fund	8,000,000			Construction Financing	2,138,165	314,128	
Deferred Costs	1,031,447			Permanent Financing	262,707	38,596	
Deferred Developer Fee	7,014,445			Bond Fees	221,687	32,569	
GP Equity	100			Legal	174,381	25,619	
Equity (incl historic credit)	2,933,830			Taxes and Insurance	191,819	28,181	
Total Construction Sources	\$64,942,184	\$5,893,791	\$70,835,975	Title and Recording	47,955	7,045	
				Lease Up and Reserves	715,439	61,752	
				Developer Fee/Acctg	7,343,566	1,078,879	
Permanent Sources				Total Uses	\$64,942,184	\$5,893,791	\$70,835,975
Tax Exempt Multifamily Bond	\$3,350,704						
Santa Monica Ground Lease Value	1						
IIG	3,863,000						
AHSC	18,992,640						
Santa Monica Trust Fund	10,533,436						
LA County NOFA	7,000,000						
AHP-FHLB	1,690,000						
Deferred Developer Fee	142,780						
GP Equity	5,704,545						
Equity	13,665,079	5,893,791					
Total Permanent Sources	\$64,942,185	\$5,893,791	\$70,835,976				

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - JAMBOREE HOUSING CORPORATION

Applicant	Jamboree Housing Corporation
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Project Name	HOME
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Partner	Step Up on Second, Inc.
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Underwriting Assumptions	Proceeds	Interest	Term (mos)
Construction	\$ 51,000,000	4.00%	24
Permanent Loan	\$ 8,776,000	4.75%	204

LIHTC	
Assumes LIHTC Financing	Yes
Tax Credit Amount	9%
Anticipated Application Date	Jul-21

Unit Size	AMI	No. of Units	%
Studio	PSH	50	50%
2 BR			0%
		25	25%
			0%
			0%
3 BR			0%
		25	25%
			0%
			0%
Manager	-	1	1%
*Application states AMI range of 20% - 60% with no breakdown		101	100%

Project Cost	
Total Development Cost	\$57,960,321
TDC Per Unit	\$573,865

Operating Budget	
Total Annual	\$901,332
Per Unit	\$8,924

Development Timeline	
Construction Start	Mar-22
Construction End	Jul-23
Marketing/Lease-Up Begins	Apr-23
100% Occupancy	Nov-23

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - JAMBOREE HOUSING CORPORATION

Developer / Team: *Summary of Developer Experience , highlighting specific experience in City of Santa Monica*

The development team consists of Jamboree Housing Corporation (JHC), Step Up on Second Inc., and KFA Architecture. JHC and Step Up will form a partnership with entities owned by each company serving as Co-General Partners. They anticipate a Tax Credit equity investor will be admitted as a Limited Partner at closing.

Established in 1990, JHC has vast experience in affordable housing in California with almost 10,000 units in the states, but this will be JHC's first Santa Monica project. JHC currently has \$974 million in permanent supportive housing and affordable projects in the pipeline, including housing for families, seniors and formerly homeless individuals, as well as an overall \$3.2 billion asset portfolio in more than 86 California communities. JHC is also a certified CHDO at the State and County level as well as various California Cities. They have previously developed 4 projects in partnership with a County funded supportive services provider.

Founded in 1984, Step Up is a leading PSH developer in Santa Monica and has 9 special needs projects throughout Los Angeles County (5 in Santa Monica) containing 264 PSH units, with 11 more projects currently in development. All of Step Up's projects include on-site managers, life-skills coordinators and connections to mental health service providers for support services. KFA Architecture has many projects in Santa Monica, and has designed over 4,000 units of affordable housing in 57 projects for affordable housing developers in Los Angeles County. Previously, JHC and KFA have partnered on the Puerto del Sol project in Long Beach, and Step Up and KFA previously worked together on Step Up on Colorado -- a 32 unit homeless project in Santa Monica.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - JAMBOREE HOUSING CORPORATION

Project Description: *Highlight the project's description, occupancy profile, ground floor plan, and how the project meets the RFP objectives .*

The project is comprised of 100 units of affordable housing comprised of 50 PSH units for special needs homeless/at-risk of homelessness residents and 50 affordable family housing units. One additional manager's unit brings the total unit count up to 101. A variety of unit types, from studio units to 3-bedroom units, will allow the project to serve a range of family sizes in addition to individuals. The project features a variety of outdoor gathering places open to residents including porches and play areas facing the neighborhood, to emphasize both active play areas and tranquil spaces that all residents will share. Other project amenities meant to enhance the special needs housing component of the project include a teaching kitchen, community room, herb garden, outdoor meditation space, library/computer area, and bike repair space. Amenities targeted towards the project's low income families include a daycare space, family play area, children's library/study area, and container garden.

Neighborhood-serving retail on the ground floor will complement the housing component; the developer is proposing a mix of local restaurants with outdoor seating, a wellness store with community meditation classes, and additional retail to encourage community interaction. Site plans also show office space on the ground floor.

The application was missing detailed unit mix information, so only have AMI range stating the studio units will house the PSH tenants and the 2- and 3-bedroom units will serve the for low-income families. The AMI range for project of 20% - 60%.

Supportive Services: *Identify provider and summarize services concept and funding strategy*

Step Up will provide supportive services for all project units, and a ratio of 1:20 Step Up staff to tenants will be implemented at the property with a minimum of 4 fulltime staff available at all times. Step Up currently parnters with DHS to fund on-site supportive services in the majority of Step Up's PSH projects. Step Up currently has a commitment from DHS for services funding for this project (letter of intent included), and may consider additional funding through DMH.

The anticipated supportive services budget is \$329,526/year. Per the DHS funding commitment letter, the County intends to provide funding of up to \$324,000 per year; however, note that the DHS letter describes the project as having 60 PSH units and determined the funding accordingly -- the project as currently planned actually has 50 PSH units.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - JAMBOREE HOUSING CORPORATION

Financial Summary: Summarize financing strategy, identify proposed operating subsidies, proposed Ground Lease structure and whether the project is requesting City funding

The project will be funded with a combination of conventional loans, No Place Like Home and NOFA funds (LACDA), AHSC funds, and 9% LIHTC (anticipated application July 2021). The developer is not requesting any capital funding from the City or additional assistance other than the leasehold interest in the land. Note: the developer anticipated in their application applying for NOFA Round 25 funds from LACDA but this NOFA round has since passed.

The developer has a preliminary commitment from the LA County DHS for PBV's for the project's PSH units, and Step Up has previously been successful in acquiring DHS PBV's for their other Santa Monica project (Step Up on Colorado).

The developer is proposing a 58-year ground lease to comply with a 55-year Regulatory Agreement period plus 3 years to allow for the construction period. Payments would be made annually with 85% of available cash flow from residual receipts following repayment of other subordinate lenders.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - JAMBOREE HOUSING CORPORATION

Sources & Uses: Highlight sources and uses of potential funding							
	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>		<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Sources				Uses			
Net Investor Equity (Federal)	\$15,041,496			Land Cost/Acquisition	\$10,283,482	\$716,518	
Permanent Loan	5,038,912	3,737,088		Hard Costs	26,456,594	1,843,406	
NPLH - 49 units	11,284,651			GC, Profit & Overhead	3,703,923	258,077	
AHSC	4,655,000			GC Bond/Insurance/LOC	462,990	32,260	
LACDA	6,860,000			Hard Cost Contingency	2,381,093	165,907	
City Land Note	11,000,000			Construction Interest	1,498,455	104,407	
Deferred Developer Fee	304,842	38,333		Construction Loan Fees	357,585	24,915	
Total Sources	\$54,184,901	\$3,775,421	\$57,960,322	Permanent Loan Fees	89,932	6,266	
				Accounting & Audit	23,372	1,628	
				Appraisal/Market Study	23,372	1,628	
				Architecture	1,682,752	117,248	
				Engineering	233,715	16,285	
				Consultants	303,830	21,170	
				Environmental	233,715	16,285	
				Financial Advisor/Consulta	18,697	1,303	
				Furnishings	371,140	25,860	
				Impact Fees	1,168,577	81,423	
				Lease-Up & Marketing	112,183	7,817	
				Legal	135,555	9,445	
				Operating & DS Reserve	325,293	22,665	
				Other (Admin)	14,023	977	
				Other (Security)	16,828	1,172	
				NPLH Rent Reserve	444,059	30,941	
				Permit Fees	612,470	42,675	
				Property Taxes + Insuranc	364,596	25,404	
				Soft Cost Contingency	626,741	43,669	
				TC Fees	155,187	10,813	
				Title & Recording	28,046	1,954	
				Developer Fee	2,056,696	143,304	
				Total Uses	\$54,184,901	\$3,775,422	\$57,960,323

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - VENICE COMMUNITY HOUSING CORPORATION

Applicant	Venice Community Housing Corporation
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Project Name	HOLM
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Partner	National CORE
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Underwriting Assumptions	Proceeds	Interest	Term (mos)
Construction	\$ 45,989,723	3.69%	24
Permanent Loan	\$ 14,112,149	3.79%	420

LIHTC	
Assumes LIHTC Financing	Yes
Tax Credit Amount	4%

Unit Size	AMI	No. of Units	%
Studio	30%	50	37%
1 BR	30%	8	6%
	50%	11	8%
	60%	11	8%
	80%	15	11%
2 BR	30%	8	6%
	50%	11	8%
	60%	9	7%
	80%	11	8%
Manager	-	1	1%
		135	100%

Project Cost	
Total Development Cost	\$67,921,841
TDC Per Unit	\$503,125

Operating Budget	
Total Annual	\$858,903
Per Unit	\$6,362

Development Timeline	
Construction Start	Mar-21
Construction End	Aug-23
Marketing/Lease-Up Begins	Aug-23
100% Occupancy	Dec-24

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - VENICE COMMUNITY HOUSING CORPORATION

Developer / Team: *Summary of Developer Experience , highlighting specific experience in City of Santa Monica*

Founded in 1988, Venice Community Housing Corporation (VCHC) has extensive experience providing affordable housing and supportive services to low-income and chronically homeless populations in the Venice, Mar Vista and Del Rey neighborhoods. Their portfolio includes 236 units of affordable housing (including 77 PSH units). For their supportive housing portfolio, VCHC has an in-house intensive case management team providing a range of services to residents. In 2018, VCHC secured CDBG funding with Santa Monica to renovate Navy Blue apartments, a 14-unit PSH development. VCHC recently secured approval from the Costal Commission for the first 100% PSH development in Venice. VCHC is partnering with National CORE, a leader in sustainable and affordable developments for over 25 years. National CORE's portfolio includes over 9,000 units in 4 states, with 6,700 units in Southern California. They are the developer, owner, operator and service provider for all of their properties. VCHC and National CORE will form a LLC for the development and management of this project.

The architecture firm, KoningEizenberg, has worked in the City for decades and completed over a dozen projects in the community including two schools, the Pico Branch Library, and other mixed use projects.

Project Description: *Highlight the project's description, occupancy profile, ground floor plan, and how the project meets the RFP objectives .*

HOLM will be an innovative affordable supportive housing community and public park, consisting of both PSH and workforce housing for a total of 135 units, including 1 manager's unit and 50 studio PSH units. A variety of unit types from studios to two-bedroom units will serve a range of individuals and families. According to the LA County Park Needs Assessment, downtown Santa Monica has a high parks need and this property provides an opportunity to address that. The HOLM pocket park and pedestrian paseo (5,300 square feet), as well as publically accessible rooftop gardens, will provide recreation for both residents and visitors. In addition to an 8,620 square foot public roof deck, there will also be a private courtyard on the 2nd floor used exclusively for resident recreation and meetings.

The ground floor will consist of neighborhood-serving commercial uses totalling approximately 30,000 square feet, including a local bookstore, a bowling alley, and shared-use community room to engage neighbors and visitors. The development team plans to engage neighbors and the public to refine the ground floor program and uses. The application does not mention whether any parking is provided.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - VENICE COMMUNITY HOUSING CORPORATION

Supportive Services: *Identify provider and summarize services concept and funding strategy*

VCHC will be the lead service provider coordinating an array of services from the project's 932 square foot ground-floor community room as well as 4 private offices used to facilitate counseling sessions and case management.

Two full-time service coordinators will work in the building providing case management services and activity planning for all tenants; the developer anticipates that annual cash flow will support this component of the service plan. As an approved ICMS provider in LA County's Housing for Health program, VCHC has also secured a commitment letter to fund 66 PSH tenants for up to \$356,400/year. CVHC also has experience raising private funds for the purpose of providing supportive services. In addition to the in-house services provided, VCHC will form a partnership w/ other service providers which may include Santa Monica organizations Chrysalis, CLARE-Matrix, Upward Bound House, Westside Food Bank and Westside Family Health Center (letters of support from these organizations are included in the application).

Financial Summary: *Summarize financing strategy, identify proposed operating subsidies, proposed Ground Lease structure and whether the project is requesting City funding*

The developer anticipates financing the project with tax-exempt multifamily bonds and 4% LIHTC's. They are also planning to leverage funding from No Place Like Home and Affordable Housing Trust Fund (LACDA), and the Affordable Housing Program (FHLB). They also anticipate receiving 66 flexible housing subsidy pool vouchers from the County of LA DHS. They do not plan to request any of the City's Affordable Housing Trust Funds. The proposal appears to state that the commercial space will be funded using the permanent loan and Tax Credit equity. This requires developer clarification since LIHTC's cannot be used for commercial development.

The commercial rents are assumed at a NNN lease for \$5.25 per square foot for the bowling alley and a discounted lease rate of \$4.00 per square foot for the bookstore. The net income will be split evenly between the development team and the City.

The development team is proposing a long term ground lease for a minimum 90 year term, with the ground lease value to be determined by appraisal. Residual receipts will be split pro rata between the public funding sources based on total funds allocated. The team will collaborate on the terms of the annual lease payment to the City and will be flexible to the City's needs.

1318 Fourth Street RFP Responses

PROJECT SUMMARY SHEET - VENICE COMMUNITY HOUSING CORPORATION

Sources & Uses: *Highlight sources and uses of potential funding*

Construction Sources	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>	Uses	
Construction Loan	\$37,738,190	\$8,342,029		Land Cost/Acquisition	\$21,000
NPLH - LACDA	14,840,000			Hard Costs	49,599,218
AHTF - LACDA	2,540,554			Permits & Fees	2,447,173
LP Equity - Federal	2,324,902			Architecture & Engineering	2,355,073
Deferred Developer Costs	2,133,423	2,743		Reports/Studies	32,500
Total Construction Sources	\$59,577,069	\$8,344,772	\$67,921,841	Financing Costs	3,681,087
Permanent Sources				Legal	75,000
Permanent loan	\$14,112,149	\$5,581,000		Construction-related	440,500
NPLH - LACDA	14,840,000			Reserves	396,886
AHP - FHLB	1,340,000			Developer Fee	8,412,235
Santa Monica Local Dev Impact Fees	1,186,884			Related Development Costs	461,170
AHTF - LACDA	2,540,554			Total Uses	\$67,921,842
LP Equity - Federal	20,485,247	2,763,772			
GP Equity - Developer Fee	5,072,235				
Total Permanent Sources	\$59,577,069	\$8,344,772	\$67,921,841		