

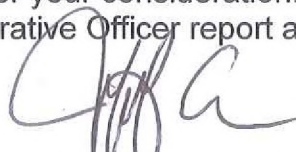
0220-00540-0889

**TRANSMITTAL**

TO The City Council	DATE SEP 08 2010	COUNCIL FILE NO. 08-2698
FROM The Mayor	COUNCIL DISTRICT 5	

**DEVELOPMENT OF AFFORDABLE SENIOR RESIDENTIAL HOUSING AND REPLACEMENT OF PUBLIC PARKING ON CITY-OWNED PARKING LOT NO. 689 – REQUEST TO EXECUTE EXCLUSIVE RIGHT TO NEGOTIATE AND JOINT DEVELOPMENT AGREEMENT WITH MERCY HOUSING OF CALIFORNIA**

Transmitted for your consideration. See the City Administrative Officer report attached.

  
MAYOR

MAS:JHC:06110010

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: August 6, 2010

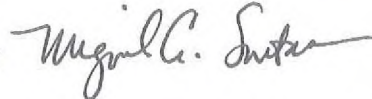
CAO File No. 0220-00540-0889

Council File No. 08-2698

Council District: 5

To: The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: Report from the Board of Transportation Commissioners, dated November 13, 2009

Subject: **DEVELOPMENT OF AFFORDABLE SENIOR RESIDENTIAL HOUSING AND REPLACEMENT OF PUBLIC PARKING ON CITY-OWNED PARKING LOT NO. 689 – REQUEST TO EXECUTE EXCLUSIVE RIGHT TO NEGOTIATE AND JOINT DEVELOPMENT AGREEMENT WITH MERCY HOUSING OF CALIFORNIA**

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### SUMMARY

The Board of Transportation Commissioners (BTC), on behalf of the Department of Transportation (DOT) and the Los Angeles Housing Department (LAHD), requests authority to execute an Exclusive Right to Negotiate and Joint Development Agreement with Mercy Housing of California (MCH) and approval of a proposal from MCH to develop affordable senior residential housing and replacement public parking on City-owned Parking Lot Number 689, located at 8866 West Pico Boulevard in Council District 5.

A Motion adopted by the Mayor and City Council on December 2, 2008 directed DOT and LAHD to issue a request for proposals (RFP) for the lease and development of Lot 689, a metered surface parking lot with 39 parking spaces (C.F. 08-2698). LAHD and DOT released the RFP, evaluated the responses, and recommended the MCH proposal to the BTC on October 1, 2009. The BTC adopted LAHD and DOT's recommendation on November 12, 2009.

The Joint Development Agreement between the DOT General Manager and the selected developer would include a minimum requirement to replace all 39 public parking spaces and entail a long-term ground lease of Lot 689 at a discounted annual rent, subject to Council approval and City Attorney review and approval as to form.

We have reviewed the BTC report and provide the following comments:

- Consistent with City procedure on a prior LAHD and DOT joint development (Highland Park Transit Village, C.F. 09-0451), a discussion period limit should be set for the Exclusive Right to Negotiate (ERN) in order to draft the Joint Development Agreement (JDA) and initiate the project in a timely manner;

- The specifics of a JDA have not been outlined as the negotiation period has not begun. Therefore, DOT and LAHD should return to the Council and Mayor with a final JDA upon completion of the ERN;
- The terms of the JDA should address, but not be limited to the following:
  - The responsible party and requirements for maintenance of the public parking portion of the development;
  - That compensation from the developer for the long-term ground lease, combined with any revenue generated from the public parking portion of the development, should equal or exceed the ongoing maintenance requirements of the public parking facility for the duration of the lease;
  - That any funds transferred to the City as part of the final agreement will be deposited into the Special Parking Revenue Fund (SPRF);
  - That the City will receive compensation sufficient to offset the loss of meter revenue for the duration of construction;
  - Requirements for the provision of alternate parking solutions during construction of the development;
  - The resolution of any non-compliance issues and/or outstanding bills from the selected developer's other developments under LAHD oversight, should any persist once the ERN period has begun; and,
  - A Project Schedule and Project Budget to be reviewed with the final JDA.

## RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Approve the joint selection of a proposal from Mercy Housing of California (MCH) by the Board of Transportation Commissioners on behalf of the Department of Transportation (DOT) and Los Angeles Housing Department (LAHD) to develop, manage, and maintain an affordable senior residential housing complex and replace 39 public parking spaces, to be constructed on City-owned Public Parking Lot Number 689, located at 8866 West Pico Boulevard;
2. Authorize the General Manager of DOT, with LAHD, to execute an Exclusive Right to Negotiate (ERN) with the selected developer, Mercy Housing of California, for the development of affordable senior residential housing and replacement public parking on City-owned Lot 689, subject to City Attorney review and approval as to form;
3. Set the terms of the Exclusive Right to Negotiate (ERN) at 180 days with an option to extend for an additional 90 days; and,

4. Instruct DOT and LAHD to report back to the Council and Mayor with a draft of a Joint Development Agreement prior to the expiration of the ERN.

#### **FISCAL IMPACT STATEMENT**

Approval of these recommendations will not impact the General Fund. The impact to the Special Parking Revenue Fund is yet to be determined.

*MAS:JHC:06110010*

Attachment

CITY OF LOS ANGELES  
INTER-DEPARTMENTAL CORRESPONDENCE

November 13, 2009

To: The Honorable Antonio R. Villaraigosa  
Mayor, City of Los Angeles

Attention: Pamela A. Finley, Legislative Coordinator

From: Patricia Sanchez, Commission Executive Assistant *PS*  
Board of Transportation Commissioners

Subject: Approval of proposal from Mercy Housing of California (MCH) to develop affordable senior residential housing and replacement public parking on City-owned Parking Lot No. 689 located at 8866 W. Pico Boulevard, Crestview, Los Angeles and request the authority for the General Manager to execute an exclusive right to negotiate and a joint development agreement with MCH

At its regular meeting of November 12, 2009, the Board of Transportation Commissioners considered the evidence presented at the public hearing and approved the proposal from Mercy Housing of California as referenced above. Copies of the Board Report, along with related data are enclosed for your information.

After your office reviews the Board Report and related data, please forward to the City Clerk's office for Council consideration.

If you need further information, please contact Rene Sagles, Manager of Parking Facilities Division, at (213) 972-8464.

PS

Enclosures

c w/enclosures: Rene Sagles  
Jasmin San Luis

2009 NOV 13 PM 4:24  
CITY ADMINISTRATIVE OFFICER

BOARD REPORT  
CITY OF LOS ANGELES  
DEPARTMENT OF TRANSPORTATION

Item #12

Council District 5  
Lot #689

DATE: November 12, 2009

TO: Board of Transportation Commissioners

SUBJECT: APPROVAL OF PROPOSAL FROM MERCY HOUSING OF CALIFORNIA (MCH) TO DEVELOP AFFORDABLE SENIOR RESIDENTIAL HOUSING AND REPLACEMENT PUBLIC PARKING ON CITY-OWNED PARKING LOT NO. 689 LOCATED AT 8866 W. PICO BOULEVARD, CRESTVIEW, LOS ANGELES AND REQUEST THE AUTHORITY FOR THE GENERAL MANAGER TO EXECUTE AN EXCLUSIVE RIGHT TO NEGOTIATE AND A JOINT DEVELOPMENT AGREEMENT WITH MCH

**RECOMMENDATIONS:**

That your Board:

1. **APPROVE** the joint selection of a proposal from Mercy Housing of California (MHC) by the Los Angeles Department of Transportation (LADOT) and Los Angeles Housing Department (LAHD) to develop, manage, and maintain an affordable senior residential housing and replacement of 39 public parking spaces, to be constructed on City-owned Municipal Public Parking Lot # 689 located at 8866 West Pico Boulevard, in the Crestview community.
2. **RECOMMEND** that the City Council, subject to the approval of the Mayor, **APPROVE** and **AUTHORIZE** the General Manager to execute an Exclusive Right to Negotiate and Joint Development Agreement jointly with LAHD with the selected developer, Mercy Housing California, for the development of an affordable senior residential housing and replacement parking on City-owned Lot #689.

**INITIATED BY:**

The project was initiated by Council District 5 identifying Lot No. 689 located at 8866 W. Pico Blvd., operated by LADOT, as a site suitable for an affordable senior housing development.

Pursuant to Section 22.484 (g) of the Los Angeles Administrative Code, your Board has the power, duty and responsibility of coordinating, directing, and managing all matters respecting the acquisition, and thereafter the management, of all public off-street parking places by the City, except for those parking facilities which are under jurisdiction or control of departments controlling their own funds.

**DISCUSSION**

At its meeting of March 12, 2009 the Board approved and authorized the General Manager to jointly issue with the Los Angeles Housing Department (LAHD) a Request for Proposals (RFP) to develop affordable senior residential housing with the potential to increase number of parking spaces on City-owned Municipal Public Parking Lot No. 689 located at 8866 West Pico Boulevard.

In addition, the Board authorized the General Manager to negotiate and execute a Development Agreement with the selected and approved Developer which would entail a long-term ground lease at a discounted annual rent Public Parking Lot 689, subject to the City Attorney review and approval as to form and legality. The Board authorized this initiative in concurrence with a Motion adopted by the Mayor and City Council on December 2, 2008 which directed LADOT and LAHD to issue such an RFP for lease and development of Lot 689, a metered surface lot with 39 parking spaces and an approximate total land area of 14,400 square feet (CF#08-2698).

On March 20, 2009 LAHD and LADOT released the RFP, and on April 2, 2009 hosted a pre-proposal meeting attended by 19 developers. Four (4) proposals were submitted on the April 30, 2009, one subsequently withdrew for consideration, as follows:

- 1) Affordable Development Corporation of America (application withdrawn on May 29, 2009)
- 2) Los Angeles Housing Partners, Inc.
- 3) Mercy Housing of California
- 4) Thomas Safran and Associates

LAHD's architect and financial development officers and LADOT's Transportation Engineer evaluated each developer's experience, financial capacity and any

litigation issues, and organizational structure in terms of project management approach. In addition, LAHD and LADOT in-house specialists evaluated each proposal in terms of viability of the project concept for affordable senior residential housing and for public parking elements, as well as project design, feasibility, financing structure and unit mix and affordability levels.

Final consensus of staff findings were submitted to the Pico/Robertson Selection Committee for review and final scoring, using the Evaluation Criteria and Point Allocation summarized below:

<b>DEVELOPER QUALIFICATIONS CRITERIA</b>	<b>Maximum Points</b>
Relevant Project Experience and Track Record	22
Financial Capability and Litigation Issues	22
Organizational Structure and Project Management	11
<b>Subtotal:</b>	<b>55</b>
<b>PROPOSAL CRITERIA</b>	<b>Maximum Points</b>
Development Concept	14
Project Design	11
Property Management and Senior Support Services Plan	5
Project Feasibility	15
<b>Subtotal:</b>	<b>45</b>
<b>OVERALL PROPOSAL - GRAND TOTAL:</b>	<b>100</b>

On June 2, 2009 the Pico/Robertson Selection Committee, consisting of two LAHD managers and one LADOT manager, convened to evaluate the three proposals and interviewed the representatives of the development firms. The Selection Committee discussed the proposals using the criteria discussed above, and individually scored the proposals for final ranking as summarized below.

1. Mercy Housing of California (90.59)
2. Thomas Safran and Associates (82.59)
3. Los Angeles Housing Partners, Inc.(74.77)

On July 8, 2009 the Pico/Robertson Selection Committee submitted a detailed report of the proposal evaluation and selection process as their findings to the General Manager of LADOT and LAHD, with the recommendation that Mercy Housing of California's proposal be forwarded to the Mayor and the City Council (copy attached). On October 1, 2009, the three proposers were formally informed of the Selection Committee's recommendation. Mercy Housing of California, as the successful proposer, accepted and acknowledged the recommendation in writing to LAHD as of October 6, 2009.

LADOT requests the Board's approval of the Joint Selection Committee selection of Mercy Housing of California as the selected and approved developer of an affordable senior residential housing and replacement parking development on Municipal Public Parking Lot #689 and recommends to the City Council subject to the approval of the Mayor, approve and authorize General Manager to execute



an Exclusive Right to Negotiate and Joint Development Agreement jointly with LAHD with the selected developer, Mercy Housing California.

Submitted by:

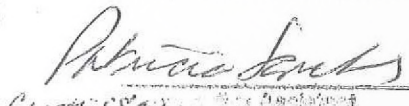
  
RITAL L. ROBINSON  
General Manager  
Department of Transportation

11/5/09  
Date Signed

RLR:AS:RMS:rms

Attachments

Cc: Councilmember Paul Koretz, Fifth Council District  
Rushmore D. Cervantes, Interim General Manager, LAHD  
Amir Sedadi, AGM, LADOT  
Tomothy Elliot, Acting Director of Major Projects, LAHD  
Rene Sagles, Manager, Parking Facilities Division, LADOT

Approved: November 12, 2009  
Board of Transportation Commissioners  
  
Rushmore D. Cervantes, Interim General Manager



Los Angeles Housing Department

MAJOR PROJECTS DIVISION

**LAHD**

1200 West Seventh Street, 8th Floor, Los Angeles, CA 90017

tel 213.808.8936 | fax 213.808.8918

lahd.lacity.org



Antonio R. Villaraigosa, Mayor

Rushmore D. Cervantes, Interim General Manager

TO: Rita L. Robinson, General Manager, LADOT  
Rushmore D. Cervantes, Interim General Manager, LAHD

THROUGH: Rene Sagles, Sr. Management Analyst II, LADOT  
Yolanda Chavez, Executive Officer, LAHD

FROM: Pico/Robertson RFP Selection Committee:  
Sean Spear, Director of Major Projects Division, LAHD  
Rene Sagles, Sr. Management Analyst II, LADOT  
Timothy Elliott, Affordable Housing Trust Fund Manager

DATE: July 8, 2009

RE: **SELECTION OF DEVELOPER FOR GROUND LEASE OF CITY-OWNED PUBLIC PARKING LOT NO. 689, TO DEVELOP "MIXED-USE SENIOR AFFORDABLE RENTAL HOUSING AND THE REPLACEMENT OF PUBLIC PARKING SPACES" FOR THE PICO/ROBERTSON PROJECT**

### **BACKGROUND**

On December 2, 2008, the Mayor and City Council adopted a motion (CF#08-2698) directing the Los Angeles Housing Department (LAHD) and the Los Angeles Department of Transportation (LADOT) to issue a Request for Proposals (RFP) for the lease and development of 3 City-owned parcels currently used as a public parking Lot No. 689. This public parking lot is located near the intersection of Pico and Robertson Boulevards in the City of Los Angeles. The lot consists of three city-owned parcels of land totaling approximately 14,400 square feet. The primary goal of the RFP is to provide a ground lease to the selected proposer, who will develop, manage, and maintain an affordable housing project for low-income senior households with replacement public parking.

On March 20, 2009, LAHD and LADOT released the RFP. A bidder's conference was held on April 2, 2009, which was attended by 19 developers. Over the course of the publication period, LAHD and LADOT made several amendments to the RFP. The deadline for submission of proposals was on April 30, 2009, and four (4) applications were received. One applicant later withdrew its application from consideration.

### **EVALUATION CRITERIA/POINT ALLOCATION**

The developers were required to replace and, if feasible, increase, the existing 39 public parking spaces and construct a minimum of 32 units of affordable senior rental housing with units affordable to households earning no more than 60% of AMI.

LAHD and LADOT sought proposals from developers that had the experience, financial capacity and the organizational structure to successfully complete and manage a mixed-use development, which contains senior affordable rental housing and public parking. The proposed project also had to have an architectural design compatible with the surrounding neighborhood, and be financially feasible.

Each proposal was evaluated and scored by LAHD and LADOT staff. These included an architect and financial development officers experienced with reviewing financial and architectural reviews. The evaluation criteria and the maximum scores are summarized below:

**Developer Qualifications Evaluation (55 Points)**

**Relevant Project Experience and Track Record (22 Maximum Points)**

- a) Developer's experience in developing and managing affordable senior rental housing projects.
- b) Developer's track record in completing affordable housing projects within the original time schedule and budget.
- c) Experience with joint affordable housing developments involving the use of publicly owned land in the City of Los Angeles.-
- d) Developer's experience in obtaining public and private financing for affordable housing projects.
- e) Experience with and knowledge of affordable multifamily housing finance programs, including the LAHD's Affordable Housing Trust Fund, the LAHD's Permanent Supportive Housing Program, Low-Income Housing Tax Credits, Los Angeles County City of Industry Funds, Tax-Exempt Bond Financing, Tax Increment Financing, New Markets Tax Credits, State Transit Oriented Development Program, State Infill Infrastructure Program, State Multifamily Housing Program, and other programs.
- f) Developer's demonstrated understanding and experience with the City of Los Angeles development process, land use approvals, and environmental clearances.
- g) Experience in working with community stakeholders including business and property owners, neighborhood councils, and other community groups.
- h) Designated property manager's/agent's experience in managing affordable senior housing projects.
- i) Architect's experience in the design of multifamily and senior housing projects from conceptual design to project completion.
- j) General Contractor's experience in the construction of multifamily and senior housing projects.
- k) General Contractor's experience in projects complying with federal and state prevailing wage requirements.

- l) Any identified Consultant's experience with affordable housing projects. (If no consultants were referenced in the proposal, staff indicated whether the identified team members have adequate experience for the proposed project.)
- m) Any identified team member's experience in design and construction of public or private parking facilities in excess of 50 parking spaces.

**Financial Capability and Litigation Issues (22 Points)**

Developer's financial capacity and track record, as indicated by audited financial statements for the last three years and the most recent internally prepared financial statement, and by credit reports, banking references, statement of contingent liabilities and guarantees, or other documents reflecting the financial condition of the Developer and its principals.

**Organizational Structure and Project Management (11 Points)**

- a) Development Team was evaluated on its organizational structure, clear lines of responsibility, key personnel, and past experience working together, as well as the experience of individual team members.
- b) Developer's history of property management and the conditions of current properties owned by the developer (as determined by discussions with Occupancy Monitoring and site visits of showcased projects).
- c) Developer capacity was evaluated on the number of projects completed.

**Proposal Evaluation Criteria (45 Points)**

**Development Concept (14 Points)**

- a) Number of units proposed meets or exceeds the objective of 32 units.
- b) Overall project concept (aesthetics, design, livability, access, privacy considerations).
- c) Proposes at least 39 standard-sized replacement public parking spaces.
- d) Adheres to 10% limit on total compact public parking spaces.
- e) Provides a viable option for additional public parking spaces.
- f) Proposes alternate parking solutions during construction.
- g) Public parking ingress/egress from Pico Boulevard.
- h) Separation of public and residential parking.

**Project Design (11 Points)**

- a) Architectural design of the proposed development; including the project aesthetics, quality of the proposed construction, unit layout, residential and public parking layouts, configuration, and compliance with the LAHD Architectural Design Requirements.

- b) Scale of the proposed project in relation to the surrounding community; and the physical layout of property, the configuration of the buildings and ingress/egress to the site
- c) Property utilization: Plans that efficiently utilize the site including functionality, and appropriate use of entitlements.
- d) Design amenities, which enhance the quality of life for tenants.

**Property Management and Senior Supportive Services Plan (5 Points)**

- a) Proposal addresses the property managers' ability to operate, manage, and maintain the property as an affordable housing development for seniors, presenting a clear marketing, tenant selection and qualification process.
- b) Supportive services plan demonstrates the ability to operate, manage, meet and maintain the anticipated needs of the senior tenant population.

**Project Feasibility (15 Points)**

- a) All units targeted to 60% AMI or below.
- b) Unit mix includes 10% of the units at 30% AMI levels.
- c) 15-year cash flow.
- d) Capital budget with AHTF guidelines and residential parking costs (overall budget, construction costs).
- e) Estimated costs of parking and parking study incorporated into the overall funding plan.
- f) Reasonable operating expenses and clear operating expense statement.
- g) Clear and reasonable sources and uses.
- h) Lender letter of interest included.

**Summary of Evaluation Criteria and Point Allocation:**

<b>QUALIFICATIONS CRITERIA</b>	<b>Maximum Points</b>
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## DEVELOPERS/APPLICANTS

The following four applicants submitted proposals in response to the RFP:

- AFFORDABLE DEVELOPMENT CORPORATION OF AMERICA (ADCA) – **APPLICATION WITHDRAWN** (May 29, 2009)
- LOS ANGELES HOUSING PARTNERSHIP, Inc. (LAHP)
- MERCY HOUSING OF CALIFORNIA (MHC)
- THOMAS SAFRAN & ASSOCIATES (TSA)

A brief summary of each developer/development team and their proposal can be found in Exhibit A. The summaries contain information such as developer background, team members, proposal unit mix, zoning, affordability mix, background check review, and qualification/proposal analysis. Please note that the information presented in the summaries is taken from the applications submitted by the developers.

## SCORING METHODOLOGY

In scoring the developer qualifications, LAHD and LADOT staff considered developer experience, financial capacity and litigation issues, and organizational structure. In evaluating the proposals, staff considered the project concept for affordable senior residential housing and public parking elements, project design, project feasibility, the financing structure and the unit mix and affordability levels.

Staff reviewed and assessed the developer qualifications and proposals through a group consensus format. The in-house architect and financial development officers reviewed and evaluated the proposals and presented their findings. Staff took into account the analyses performed by the in-house specialists and their comments in assessing the design and developer financial reports. The final consensus assessment reached for each developer at these meetings was provided to the RFP Selection Committee for their review and reference in producing the official scoring.

## SELECTION COMMITTEE

The Selection Committee consisting of two LAHD managers and one LADOT manager convened on June 2, 2009. The Selection Committee reviewed and evaluated the responses; interviewed the Developers; and discussed the proposals using the criteria described above. After the June 2<sup>nd</sup> meeting, the members individually scored the proposals for the final rankings.

## SELECTION COMMITTEE DECISION

The final ranking by the Selection Committee is as follows (in order by descending scores):

1. Mercy Housing California (90.59)
2. Thomas Safran & Associates (82.59)
3. Los Angeles Housing Partnership, Inc. (74.77)

Based upon the combined average score, LAHD and LADOT staff recommend forwarding Mercy Housing California for consideration to the City Council and Mayor.

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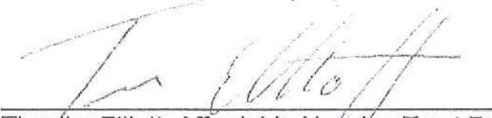
Based upon the combined average score, LAHD and LADOT staff recommend forwarding Mercy Housing California for consideration to the City Council and Mayor.

Signature:   
Sean Spear, Director of Major Projects  
Los Angeles Housing Department

Date: 6/17/09

Signature:   
Rene Sagles, Senior Management Analyst II  
Los Angeles Department of Transportation

Date: 6/15/09

Signature:   
Timothy Elliott, Affordable Housing Trust Fund Manager  
Los Angeles Housing Department

Date: 6/17/09



LIST OF EXHIBITS

- |                 |  |
|-----------------|--|
| EXHIBIT A (1-3) | DEVELOPER PROPOSAL SUMMARIES                     |
| EXHIBIT B       | DEVELOPER QUALIFICATIONS EVALUATION SPREADSHEETS |
| EXHIBIT C       | PROPOSAL EVALUATION SPREADSHEETS                 |

## EXHIBIT A (1)

### PICO/ROBERSTON PUBLIC PARKING LOT NO. 689 SENIOR HOUSING & PUBLIC PARKING DEVELOPMENT DEVELOPER PROPOSAL SUMMARY

#### 1. DEVELOPMENT TEAM

- **Developer:** Los Angeles Housing Partnership (LAHP), Mary Silverstein, Executive Director
- **Architect:** The Albert Group
- **Attorney:** Bocarsly, Emden, Cowan, Parker & Arndt, LLP
- **Consultant:** Craig Lawson & Co. LLC
- **General Contractor:** Westport Construction
- **Property Management:** Brakenhoff Management Group
- **Service Provider:** Jewish Family Services of Los Angeles

#### 2. DEVELOPERS' BACKGROUND

Formed in 1989, LAHP is a 501(c)3 non-profit corporation formed to develop and preserve affordable housing throughout Los Angeles County. Its mission is to ensure long-term affordability and preserve the supply of decent affordable housing for low-income households and the homeless. LAHP partners with local organizations and non-profits to provide services to residents and the local community, creating an opportunity for residents to access a network of free services. LAHP has a track record of real estate development that includes historic preservation, renovation, rehabilitation, and new construction of rental housing amounting to (they claim) over 1,200 units. (The exhibits included in the proposal do not provide detail on the 1,200 units.)

#### 3. DEVELOPMENT PROPOSAL

The developer proposes a four-story, forty-four (44) unit, mixed-use, affordable senior housing development with 22 residential parking spaces and 42 public parking spaces. The housing units will consist of 17 efficiency units (500 s.f. each) and 26 one-bedroom units (550 s.f. each); plus a one-bedroom manager's unit (550 s.f.). Affordability for tenants will range from 40 to 60% of AMI.

42 public parking spaces will be provided on two levels: the ground floor (4 spaces outside of the subterranean structure) and below ground (38 spaces), with access from the alley. The 22 residential parking spaces will be provided on the ground level, with access from Pico Boulevard as well as from the alley. Access to public and residential parking spaces is separated.

Amenities will include a large ground floor community room with 2 offices and restrooms, as well as a courtyard. The developer anticipates providing residents with a variety of programs and services that may include lifelong learning classes and social activities. The design concept presented is contemporary.

The total development cost of this site is \$15,765,973, which includes public parking costs at \$1,531,640. The financing plan includes a conventional construction loan, 9% Low-Income Housing Tax Credits, LAHD Affordable Housing Trust Fund, California Affordable Housing Program, California Infill Infrastructure Grant, conventional permanent loan, and a deferred developer fee.

#### Unit Mix & Parking

# of Units	# of Bedrooms	Living Space	Public Parking	Residential Parking
17	0	500	42	22
26	1	550		
1 Mgr	1	550		

## Affordability

Affordability Level	# of Units	# of Bedrooms	% of Affordable Units
30% AMI	5	0	11.63%
30% AMI	6	1	13.95%
40% AMI	4	0	9.30%
40% AMI	7	1	16.28%
50% AMI	4	0	9.30%
50% AMI	5	1	11.63%
60% AMI	4	0	9.30%
60% AMI	8	1	18.60%
Market (Mgr's Unit)	1	1	
	44	5	100.00%

## Zoning

LAHP proposes to use state density bonus incentives. They intend to increase the floor area ratio from 1.5 to 3.

## Social Services

Jewish Family Services (JFS) will be the lead service provider. Their primary programming will be supplemented by the Westside Education and Career Center (a division of LAUSD adult schools), Claude Pepper Senior Center, Operation HOPE, Partnered for Progress (PFP), and the on-site property manager. JFS is a non-profit multi-service agency who has provided services to people of all ages, ethnicities, and religions for over 150 years. JFS runs a multipurpose center less than a block from the development site; services and classes will be offered both on- and off-site to promote mobility, community integration, and to maximize the variety offered to residents of the development. Signed MOUs for JFS, Claude Pepper, and PFP are included in the proposal.

## 4. REVIEW & ANALYSIS:

### DEVELOPER QUALIFICATIONS:

#### Track Record and Experience of Similar Projects

##### Experience Developing & Managing Affordable Senior Rental Housing

- 1 of their showcased senior projects was 75% complete at time of submission
- 2 of their showcased senior projects are actually 1 non-senior project. A site visit revealed they are not senior projects.
- Limited experience indicated in their list of completed senior housing (Exhibit K)
- Identified experience with 4 senior projects with a range of units from 24 to 57 (Exhibit K). However, as stated above, only one of these projects (The Tides) qualifies as a completed senior project.
- Corporate Resume also lists 2 additional projects, Hojas de Plata (53 units) and Carson Terrace (62 units). Unknown why these are not included in Exhibit K.
- As indicated above, developed a total of 280 units (including incomplete project, Hojas de Plata, and Carson Terrace).
- Projects over the last 5 years ranged from \$4,721,582 to \$18,360,898.

##### Developer's track record in completing affordable housing projects within the original time schedule and budget.

- Lender and staff interviews reflect that the developer completes projects on time and on budget.

**Experience with Joint Affordable Housing Developments on Public Land**

- Did not demonstrate any projects involving the use of publicly owned land in the City of Los Angeles.

**Experience with Affordable Housing Finance including LAHD programs**

- Demonstrated experience with all types of funding sources such as TCAC, MHP, AHP, LAHD-AHTF, CRA, Bond financing, etc.

**Demonstrated Experience with City of Los Angeles Development Process**

- Mentioned 2 by-right projects and 1 density bonus project.
- Their experience in completing 16 projects within the City of LA implies adequate experience in the LA development process.

**Experience Working with Community Stakeholders**

- Large project experience indicates assumed community buy-in, but no narrative provided.

**Experience of Property Manager/Agent with Senior Housing**

- The developer currently owns 3 completed senior developments and 1 is under construction.
- The identified property manager currently manages 5 local senior housing developments. They have managed many affordable housing developments over the last 12 years, including senior housing.

**Experience of the Architect with Multifamily & Senior Housing**

- Demonstrated experience in completing 16 affordable housing projects, both multi-family & senior.

**Experience of General Contractor with Multifamily & Senior Housing**

- General contractor reports experience in building 10 local multi-family projects: 7 completed within the last 3 years and 3 currently under construction.

**Experience of Consultant/Team members with Affordable Housing**

- Identified an entitlement consultant, Craig Lawson.

**Experience in Design & Construction of Public or Private Parking**

- General contractor completed the construction of a commercial complex, but number of parking spaces not indicated.

**Financial Capacity & Litigation Issues****Lead developer's ability to secure financing for the Pico/Robertson project, taking into account financial references, similar projects financed and developed, and financial statements.**

- Strong financial position; company grew over the past three years and decreased debt and increased equity over the same time frame.
- Healthy working capital and minimal short term debt.

**Financial Stability & Ability to Manage Several Large Projects**

- Borrower is experienced and committed to senior low-income housing.
- Has managed more than one project over the past 3 years and is financially stronger today.

**Ability to Fund Development Costs**

- Commitments in place by lenders will support expected development costs

**Legal or financial impediments that may impair the developer's ability to complete the project. (up to -10 pts)**

- Portfolio Management is unaware of any financial or legal impediments regarding LA Housing Partnership.

## Organization Structure & Project Management

### **Collaboration of development team having work together on similar projects and team members having the appropriate background and experience**

- The developer has completed 3 projects with the general contractor and 4 projects with the property manager, but has not worked with the architect on any projects.
- Individual team members have adequate experience, as indicated by comprehensive team bios and org charts.

### **Developer's history of property management, number of units managed, and the conditions of current properties owned by the developer (Occupancy Monitoring, Site Visits)**

- The identified property manager manages 1,000s of units
- LAHD's Occupancy Monitoring Unit indicated a number of concerns.
- LAHD's 2 site visits of properties owned by the developer indicated significant building maintenance/property management concerns for 1 property (Casa Rampart).

### **Developer capacity evaluated on the number of projects completed**

- From information submitted in the proposal, it appears that a limited number of projects have been completed.

## PROPOSAL EVALUATION:

### Development Concepts

LAHD & LADOT		Developer Proposal
<b>Suggested Uses</b>	<b>Quantity</b>	
Senior Residential Units *	32	43
Rental Affordability	100% Affordable ≤ 60% AMI	100% Affordable from 40 to 60% AMI levels
Replacement Public Parking	39	42
* Does not include manager's unit		

### Affordable Senior Residential Elements

*Summary of how proposal addressed the project concept around creating 32 senior affordable units at 60% AMI or less. If affordability of any of the units was greater than 60% AMI (property manager unit exempted), no points were awarded.*

#### **Number of units proposed meets or exceeds the objective of 32 units.**

- Proposal presented 44 1-BR senior affordable units (including property manager's unit).

#### **Overall project concept (aesthetics, design, livability, access, privacy considerations).**

- Overall design is adequate. Units look out upon common courtyards and are sufficiently sized.

### Public Parking Elements

*Summary of how proposal addresses the project concept around the replacement of 39 public parking spaces, and addresses the need for adequate residential parking that is separate and accessible.*

#### **Proposes at least 39 standard-sized replacement public parking spaces**

- Yes; 42 total broken down as follows: 28 of 39 replacement spaces are standard size and 11 replacement spaces are compact size; 3 additional spaces are compact size.

**Adheres to 10% limit on total compact public parking spaces/ provides a viable option for additional public parking spaces**

- No; 11 of the replacement spaces in compact size exceed the limit by 18%; the three proposed non-replacement compact spaces further exceed the 10% limit and are not a viable option.
- To mitigate, proposer would have to redesign.

**Provides a viable option for additional public parking spaces**

- Proposal states that subterranean under residential with a mix of parking stall sizes to achieve desired layout under space constraints; however, RFP 10% limit for compact spaces is exceeded by over 18%.
- Proposal does not mention future parking study.

**Proposes alternate parking solutions during construction**

- Proposer made contact with nearby property owners to discuss possible temporary parking arrangements.

**Public parking ingress/egress from Pico Boulevard**

- No; Ingress/egress from alley

**Separation of public and residential parking**

- Public & residential parking spaces are totally separate.

**Financial Feasibility Info related to Parking Elements**

- Does not offer creative solutions for replacing parking in terms of financing options.
- Does not include estimate for future parking study.
- Does not factor in an underlying lease of LADOT land into its overall pro-forma and reuse analysis.
- Does provide cost estimates for construction of parking in schedule of values

**Project Design**

**Architectural design (quality of design, unit layout & configuration and adequate sizes, private open space etc.)**

- Building façade at Pico is more of an office building-type design, which may be compatible to the adjacent commercial structures but lacks residential appeal.
- On-site recreation area is not provided. This proposal has a programmed area for the purpose of providing senior services that includes off-site recreational activities.
- Exterior circulation, public open spaces at level 2 share walk paths. This may induce limited use of some of the common patio / terrace areas due to having no clear distinction between public, private, and semi-private areas.

**Scale of proposed project in relation to surrounding community, physical layout of property, configuration of buildings, ingress/egress to site**

- Scale of the proposed residential structure is comparable to the surrounding community; however, the Contemporary design at the front façade, with no vertical break in the massing and with residential units near the street level, poses a contrast to commercial frontage along Pico. If the structure was for a local office facility it could work. As a senior residential facility, there is too much contrast, being that the residential units start at one story above the street level.
- Exterior circulation, public open spaces at level 2 share walk paths. This may induce limited use of some of the common patio / terrace areas due to having no clear distinction between public, private, and semi-private areas.

**Property Utilization: Plans that efficiently utilize site including functionality & appropriate use of entitlements**

- Residential and public parking is accessible from the alley with an exit/entry also provided for residential parking from Pico Blvd.
- Property utilization is consistent with general zoning requirements for this zone.
- A Floor Area Ratio (FAR) greater than 1-1/2:1 going towards 3:1 FAR is being utilized in this design will have to be processed as an off-menu item requiring community input.
- The physical layout of the property and building configuration is comparable to typical donut type floor plan layouts for residential apartments with an interior court area.

**Design amenities for making project attractive; sustainable design, noise control & privacy consideration etc.**

- The building floor layout is consistent with typical interior court apartment designs with residential space to the perimeter around an interior courtyard area. This design lends itself to LAHD's Mandatory Construction Standards and Sustainable Building Methods as noted LAHD's Architectural Guidelines.

**Project Management Plan & Senior Supportive Services Plan**

**Project Property Management Details**

- Market assessment conducted by independent contractor.
- Developer will market to the local senior population through coordination with local senior centers, LAHD, HACLA, Veterans' Affairs supportive housing.
- Leasing strategy included. Tenants will be screened for age, income verification, credit background, and home interviews.
- Selection will occur by lottery.

**Supportive Services Plan**

- Supportive services plan is comprehensive and includes MOUs with the lead agency and 2 providers for supplemental programming.

**Project Feasibility**

**Affordability & Project Viability**

- All units targeted to 60% AMI or below.
- Unit mix includes at least 10% of the units at 30% AMI levels
- 15 year cash flow within LAHD's allowable parameters.
- Capital Budget within AHTF guidelines.
- Capital Budget did not include cost estimate for parking study, and made no mention of underlying lease payment.
- Construction costs are within LAHD's estimated range of costs.
- Proposal provided clear and reasonable sources and uses.

**Level of private investment**

- 3 letters of interest provided; all letters correlate to the pro-forma provided.

**ADDITIONAL COMMENTS**

- Staff consulted various public agencies and public regulatory indices to ascertain LAHP's business capacity and reputation in the Housing industry. All reported satisfactory results.
- **LAHD Business Policy** – this policy precludes LAHD from contracting with an entity that currently has outstanding issues with LAHD; LAHD has reported satisfactory results.

- **LAHD Portfolio Management** – Staff reported that LAHP currently has a \$93,949 tax default on 1 project for tax year 2006
- **LAHD Housing Services Section** – Staff reported that LAHP currently has numerous non-compliance issues pertaining to the loan & regulatory agreements.
- **LAHD Billing Rent & SCEP Section** – Staff reported that LAHP currently has \$56,012 in outstanding bills on 8 properties.



## EXHIBIT A (2)

### PICO/ROBERSTON PUBLIC PARKING LOT NO. 689 SENIOR HOUSING & PUBLIC PARKING DEVELOPMENT DEVELOPER PROPOSAL SUMMARY

#### 1. DEVELOPMENT TEAM

- **Developer:** Mercy Housing California (MHC), Ben Phillips, VP/Regional Director
- **Architect:** Killefer Flammang Architects
- **General Contractor:** Morley Builders
- **Property Management:** The John Stewart Company
- **Service Provider:** Jewish Family Service of Los Angeles

#### 2. DEVELOPERS' BACKGROUND

Incorporated in 1988, Mercy Housing California is the California affiliate of Mercy Housing, Inc., a national, non-profit, affordable housing development, management, and resident services organization. Their mission is to create stable, vibrant, and healthy communities by developing, financing, and operating affordable, program-enriched housing for families, seniors, and people with special needs. They have completed 195 projects consisting of 9,775 affordable rental and ownership units. 33 of these properties are mixed-use developments that contain commercial, retail, and institutional spaces for such uses as libraries, childcare centers, local retailers, and health care providers.

#### 3. DEVELOPMENT PROPOSAL

The developer proposes a five-story, forty-three (43) unit mixed-use affordable senior housing development with 23 residential parking spaces and 47 public parking spaces. The housing units will consist of 42 one-bedroom units (500 s.f. each) and a two-bedroom manager's unit (750 s.f.). Affordability for tenants will range from 30 to 60% AMI.

47 public parking spaces will be provided on two levels: the ground floor and above ground, with access from Pico Boulevard. The 23 residential parking spaces will be provided underground access from the alley. The public parking spaces are separate from the residential parking.

Amenities will include a community room, resident services coordinator office, property manager's office, exercise room, computer room, golf putting course, and 4 resident courtyards. The developer anticipates providing residents with a variety of programs and services that may include lifelong learning classes and social activities. The design concept presented is an early modernist architectural style.

The total development cost of this site is \$17,734,363, which includes public parking costs at \$1,376,592. The financing plan includes a conventional construction loan, HUD 202, 4% Low-Income Housing Tax Credits, State funding sources, and an LA DOT Parking Condominium Contribution (i.e. a discount against future ground lease payments). Mercy has also identified alternative financing strategies, one which includes 9% Low-Income Housing Tax Credits, conventional loan, California Affordable Housing Program, LA DOT Parking Condominium Contribution, and LAHD Affordable Housing Trust Fund.

#### Zoning

MHC proposes to use state density bonus incentives, which will allow for 43 units, increase the FAR, and allow for a height increase. They will seek a variance to allow for a zero setback along the western property line. Parking for seniors will be at .5 spaces per unit; 2 spaces will be provided for the manager's unit.

### Unit Mix & Parking Spaces

# of Units	# of Bedrooms	Living Space (s.f.)	Public Parking	Residential Parking
42	1	500	47	23
1 Mgr	2	750		

### Affordability

Affordability Level	# of Units	# of Bedrooms	% of Affordable Units
30% AMI	5	1	11.90%
40% AMI	7	1	16.67%
50% AMI	22	1	52.38%
60% AMI	8	1	19.05%
Market (Mgr's Unit)	1	2	
<b>Total:</b>	<b>43</b>		<b>100.00%</b>

### Social Services

Jewish Family Services (JFS) will be the lead service provider, and has extensive experience serving elders throughout the City of Los Angeles and particularly the Pico-Robertson area. JFS is a non-profit, multi-service agency, begun over 150 years ago, that has a continuous history of providing services on a non-sectarian basis to families and individuals in need. The mission of JFS is to strengthen and enhance individual, family, and community life by providing a wide range of services at every stage of the life cycle, especially to those who are poor and disadvantaged. JFS operates five senior multi-services centers, one of which is located in the neighborhood of the proposed development.

The supportive services plan integrates on-site service staff and programs with the vast array of services that JFS provides to seniors in its services center next door, as well as linkages to other community-based providers who have the capacity to provide a spectrum of services. The plan considers supporting the "aging in place" of residents through physical, emotional, and spiritual well-being; and safety, security, comfort, and convenience.

## 4. REVIEW & ANALYSIS:

### DEVELOPER QUALIFICATIONS:

#### Track Record and Experience of Similar Projects

##### Experience Developing & Managing Affordable Senior Rental Housing

- The developer has identified (Exhibit K) 17 senior developments in California ranging from 14 to 139 units (no completed senior development in LA).
- Mercy has developed 1,132 senior units. They self-manage 27 out of 33 senior developments; the remaining are managed by the John Stewart Company.

##### Developer's track record in completing affordable housing projects within the original time schedule and budget.

- Lender and staff interviews reflect that the developer completes projects on time and on budget.

##### Experience with Joint Affordable Housing Developments on Public Land

- Developer provided examples: Harbor View and Wilmington developments (New Dana Strand), which involved multi-family residences on publicly-owned land. These projects were co-developed with Abode Communities.

- Other examples outside of LA: John King Senior Community in San Francisco purchased from the SF Unified School District.

#### **Experience with Affordable Housing Finance including LAHD programs**

- Demonstrated experience with all types of funding sources such as TCAC, MHP, AHP, and Bond financing, predominantly in Northern California.
- Developer has pioneered what they call "Mixed Finance", which maximizes affordability and economic efficiency by combining the HUD 202 program with 4% LIHTC. Mercy completed a project, Kent Gardens in San Lorenzo, through this method of financing; and is under construction with another similar project in San Francisco.
- Minimal experience with local City of LA (affordable) funding sources, as co-developer of the Harbor View and Wilmington developments (New Dana Strand).

#### **Demonstrated Experience with City of Los Angeles Development Process**

- Provided concise examples showing understanding & experience with development process & land use approvals. Examples provided included New Dana Strand, 1500 S. Grand, and Jefferson Park Condominiums.

#### **Experience Working with Community Stakeholders**

- Provided concise examples of working with community stakeholders. Examples provided included New Dana Strand, 1500 S. Grand, and Jefferson Park Condominiums.

#### **Experience of Property Manager/Agent with Senior Housing**

- Identified property manager identifies managing 60 senior properties (27 affordable senior projects in California, many not local), with the majority of the units greater than 50, in their list of previous projects. Identified property manager locally manages 1 senior project, but manages 30 other local affordable projects (both family and special need populations). Mercy has developed 33 senior communities, managing 27 of these communities.

#### **Experience of the Architect with Multifamily & Senior Housing**

- Killefer Flammang Architects is a well-established firm that demonstrated designing and building numerous affordable multifamily housing, special needs housing, and 2 senior housing projects. Architect identified key elements in designing senior housing.

#### **Experience of General Contractor with Multifamily & Senior Housing**

- The general contractor indicated that over the last 2 years they have built 16 projects, ranging from 62 units to 354, in Southern California, including many multi-family and some senior projects.

#### **Experience of Consultant/Team members with Affordable Housing**

- No Consultants indicated.
- Identified team members have adequate experience.

#### **Experience in Design & Construction of Public or Private Parking**

- Developer demonstrated developing a private hospital parking lot with affordable housing. The private/commercial shared parking lot consisted of 175 parking spaces.
- Additionally, the general contractor indicated the development of 3,668 subterranean parking spaces and 2,451 surface parking spaces, aggregate.

### **Financial Capacity & Litigation Issues**

#### **Lead developer's ability to secure financing for the Pico/Robertson project taking into account financial references, similar projects financed and developed, and financial statements.**

- Mercy is a strong developer in all aspects of real estate development.

#### **Financial Stability & Ability to Manage Several Large Projects**

- Mercy has a solid balance sheet with \$154 million in real estate and over \$100 million in equity that they have accumulated over the last 25+ years.

**Lead developer's ability to fund day-to-day development costs when accessing funding sources which may be delayed.**

- Mercy has a solid cash position that exceeds its current cash requirements. They also have other resources they can call on if they need to.

**Legal or financial impediments that may impair the developer's ability to complete the project. (up to -10 pts)**

- Portfolio Management is unaware of any financial or legal impediments regarding Mercy Housing.

**Organization Structure & Project Management**

**Collaboration of development team having work together on similar projects and team members having the appropriate background and experience.**

- The developer has worked together with the general contractor & the property management company on 5 individual projects.
- They have not worked with the architect on any projects.
- Individual team members have adequate experience, as indicated by comprehensive resumes and organizational charts.

**Developer's history of property management, number of units managed, and the conditions of current properties owned by the developer (Occupancy Monitoring, Site Visits).**

- The identified property manager, The John Stewart Company, manages 1,000s of units in Southern California and 36 in the City of Los Angeles. Currently, they manage 3 local projects for the developer, but have demonstrated managing 25 properties in LA on the behalf of various non-profit housing developers.
- Mercy manages all their other properties outside of Southern California.
- LAHD's Occupancy Monitoring Unit indicated some minor concerns with non-compliance issues.
- LAHD's 2 site visits of properties owned by the developer did not indicate any property management concerns.

**Developer capacity evaluated on the number of projects completed.**

- An adequate number of projects have been completed outside of Los Angeles.

**PROPOSAL EVALUATIONS:**

**Development Concepts**

LAHD & LADOT		Developer Proposal
<b>Suggested Uses</b>	<b>Quantity</b>	
Senior Residential Units *	32	42
Rental Affordability	100% Affordable ≤ 60% AMI	100% Affordable from 30% to 60% AMI levels
Replacement Public Parking	39	47
* Does not include manager's unit		

**Affordable Senior Residential Elements**

*Senior Residential Units: Proposal addresses the project concept around creating 32 senior affordable units at 60% AMI or less. If affordability of any of the units is greater than 60% AMI (property manager unit exempted), no points will be awarded.*

**Number of units proposed meets or exceeds the objective of 32 units.**

- Proposal presented 42 1-BR senior affordable units (plus 1 market-rate property manager's unit)

**Overall project concept (aesthetics, design, livability, access, privacy considerations).**

- Overall design has an aesthetically pleasing exterior, with outside courtyards creating livable spaces.
- Public parking design is cohesive with senior housing element.
- Units are designed to look out onto these spaces, and all 1-BR units are sufficiently sized.

**Public Parking Elements**

***Summary of how proposal addresses the project concept around the replacement of 39 public parking spaces, and addresses the need for adequate residential parking that is separate and accessible.***

**Proposes at least 39 standard-sized replacement public parking spaces.**

- Yes; 47 total broken down as follows: 29 of 39 replacement spaces are standard size and 10 replacement spaces are compact size; 8 additional spaces are compact size.

**Adheres to 10% limit on total compact public parking spaces/ provides a viable option for additional public parking spaces.**

- No; the 10 proposed compact spaces exceed the limit on compact spaces by 16%; not a viable option
- Could be mitigated by re-designing for replacement of 39 standard spaces, before exploring the possibility of adding compact spaces

**Proposes alternate parking solutions during construction**

- Proposer states that "replacement parking during construction will be addressed during the predevelopment process" by working with LADOT and local businesses.

**Public parking ingress/egress from Pico Boulevard**

- Ingress/egress from Pico Boulevard.

**Separation of public and residential parking**

- Public and residential parking spaces are totally separate.

**Financial Feasibility Info related to Parking Elements**

- Includes estimate for future parking study
- Factors in an underlying lease of LADOT land into its overall pro-forma and reuse analysis/offers creative solutions for replacing parking in terms of financing options, including and delivering to LADOT a completed pay station garage in exchange for a credit against the ground lease payment.
- Provides cost estimates for construction of parking

**Project Design**

**Architectural design (quality of design, unit layout & configuration and adequate sizes, private open space etc.)**

- The building design is compatible with the adjacent commercial structures its façade's treatment and color have a residential appeal.
- An on-site community room, along with an exercise room, computer room, and resident services located at the lower interior court area.
- A number of different public open spaces are provided with clearly-defined routes of access, giving the senior residents options in their outdoor recreational and community activities.
- The two-level interior court area and lower and upper terrace areas, with typical units oriented toward these spaces, creates an interesting and unique living environment for the senior residents.

**Scale of proposed project in relation to surrounding community, physical layout of property, configuration of buildings, ingress/egress to site**

- Scale of the proposed residential structure is comparable to the surrounding community.
- Residential is accessible from the rear alley.
- Public parking is accessible from Pico Boulevard.

**Property Utilization: Plans that efficiently utilize site including functionality & appropriate use of entitlements**

- Property utilization is consistent with general zoning requirements for this zone.
- An additional 11' beyond the 45 ft height limit as allowed under affordable housing incentives is being utilized in this design.
- A Floor Area Ratio (FAR) greater than 1-1/2:1 going towards 3:1 FAR is being utilized in this design will have to be processed as an Off-menu item requiring community input.
- RESIDENTIAL PARKING CONCERN: Since residential and public parking is accessible from Pico Boulevard, senior residents that drive may have difficulty w/ accessing residential parking from Pico Boulevard during heavy traffic.
- PUBLIC PARKING CONCERN: Handicapped having to cross vehicular traffic in the public parking garage entry to get to the elevator needs to be reconfigured for handicapped safety and ADA compliance.

**Design amenities for making project attractive; sustainable design, noise control & privacy consideration etc.**

- The building elevation/rendering indicates large balconies, which are set back approximately 6'-0" from the exterior walls, breaking up the building mass and providing maximum privacy from the exterior.
- Having the residential units located at the 3<sup>rd</sup> to 5<sup>th</sup> floor levels provides noise reduction in the units from the street level activities.
- This design lends itself to LAHD's Mandatory Construction Standards and Sustainable Building Methods as noted LAHD's Architectural Guidelines.

**Project Management Plan & Senior Supportive Services Plan**

**Project Property Management Details**

- Market study was conducted by developer.
- Marketing plan includes brochures, banners and signs, print marketing, online marketing, outreach through local merchants and community organizations, and interest lists.
- A tenant selection process is referenced in the marketing timeline and in the property manager's narrative, but is not described in detail.
- Tenant qualifications will be done through income verification; however, the proposal does not describe the method of final selection of tenants.

**Supportive Services Plan**

- Supportive services plan is comprehensive and includes individualized case management. A letter of agreement with the lead agency is included.

## **Project Feasibility**

### **Affordability & Project Viability**

- All units targeted to 60% AMI or below.
- Unit mix includes at least 10% of the units at 30% AMI levels
- 15 year cash flow includes asset management fee, which exceeds \$15,000 and is greater than LAHD's allowable parameters.
- Capital Budget within AHTF guidelines & includes cost estimate for parking study.
- Construction costs are within LAHD's estimated range of costs.

### **Level of private investment**

- Provided letter of lender's interest

### **ADDITIONAL COMMENTS**

- Staff consulted various public agencies and public regulatory indices to ascertain MHC's business capacity and reputation in the Housing industry. All reported satisfactory results.
- **LAHD Business Policy** – This policy precludes LAHD from contracting with an entity that currently has outstanding issues with MCH; LAHD has reported satisfactory results.
- **LAHD Portfolio Management** – Staff reported that MCH currently has a non-compliance issue regarding property and liability insurance on 1 project.
- **LAHD Housing Services Section** – Staff reported that MHP currently has some non-compliance issues pertaining to the loan & regulatory agreements for 4 projects.
- **LAHD Billing Rent & SCEP Section** – Staff reported that MHC currently has \$22,355.58 in outstanding bills on 4 properties.

## EXHIBIT A (3)

### PICO/ROBERSTON PUBLIC PARKING LOT NO. 689 SENIOR HOUSING & PUBLIC PARKING DEVELOPMENT DEVELOPER PROPOSAL SUMMARY

#### 1. DEVELOPMENT TEAM

- **Developer/Owner: Thomas Safran & Associates (TSA)/Thomas Safran, Sole Proprietor**
- **Co-Developer: Housing Corp. of America,**
- **Architect: John Cotton Architects**
- **Attorney: Gubb & Barshay LLP**
- **General Contractor: Suffolk Construction**
- **Property Management: Thomas Safran & Associates**
- **Service Provider: Thomas Safran & Associates**

#### 2. DEVELOPERS' BACKGROUND

Thomas Safran & Associates is a local, for-profit, sole proprietary builder of affordable housing, which has been in business for over 35 years. They have developed over 4,500 units and currently manage and own over 3,000 units in Southern California. They develop and build affordable residences with a unit range from 25 to 250 and cater to seniors or families who earn between 30% and 60% AMI levels.

#### 3. DEVELOPMENT PROPOSAL

The developer proposes a five-story, forty (40) unit, mixed-use affordable senior housing development with 29 residential parking spaces and 57 public parking spaces. The housing units will consist of 8 studios (500 s.f each), 31 one-bedroom units (560 s.f. each), and a two-bedroom manager's unit (1,070 s.f.). Affordability for tenants will range from 30 to 60% AMI.

57 public parking spaces will be provided on two levels: the ground floor and second floor, with access from Pico Boulevard. The 29 residential parking spaces will be provided on the lower subterranean level, with a separate entrance from Pico Boulevard. Access to public and residential parking spaces is separated.

Amenities will include landscaped outdoor space, a community room with communal kitchen and lounge, a fitness center, and a library area. The developer anticipates providing residents with a variety of programs and services that may include lifelong learning classes and social activities. 3 design concepts are presented for the exterior design: Art Deco, Santa Barbara Mission, and Transitional.

The total development cost of this site is \$9,319,701. The alternative scenarios would increase the costs approximately to \$12,319,701. As indicated by LADOT, none of the scenarios identify the estimated cost of parking within the overall funding plan. The financing plan includes a conventional construction loan, 9% Low-Income Housing Tax Credits, LAHD Affordable Housing Trust Fund, California Affordable Housing Program, California Proposition 1C (no program specified, but presumably the IIG), conventional permanent loan, and a deferred developer fee.

TSA has provided alternative design concepts:

1. 36 units with 35 one bedroom units (avg. 590 s.f) & one two-bedroom manager's unit.
2. Adding another story which increases the number of units ranging from 49 to 55.



### Unit Mix & Parking

Unit Mix & Parking				
# of Units	# of Bedrooms	Living Space	Public Parking	Residential Parking
8	0	500	57	29
31	1	560		
1	2	1070		

### Affordability Mix

Affordability Level	# of Units	# of Bedrooms	% of Affordable Units
30% AMI	1	0	2.56%
30% AMI	4	1	10.26%
40% AMI	1	0	2.56%
40% AMI	4	1	10.26%
50% AMI	4	0	10.26%
50% AMI	16	1	41.03%
60% AMI	2	0	5.13%
60% AMI	7	1	17.95%
Market (Mgr's Unit)	1	2	
	40		100.00%

### Zoning

TSA proposes to use the state density bonus incentive for variances from the density, height and open space requirements; including an increase to the floor area ratio from 1.5 to 3.

### Social Services

The developer themselves will oversee, provide and coordinate supportive services to the senior residents through local key service providers with whom they have established relationships. Some examples of these may include Bet Tzedek Legal Services, Los Angeles Harbor College, The Center for Health Care Rights, and Jewish Family Services. The free services to be provided will assist the residents in daily living to enrich the quality of their lives.

## 4. REVIEW & ANALYSIS:

### DEVELOPER QUALIFICATIONS:

#### Track Record and Experience of Similar Projects

#### Experience Developing & Managing Affordable Senior Rental Housing

- TSA is a developer and owner of affordable multifamily residential development serving low-income families & seniors.
- Identified developing 27 senior projects and 5 family/senior projects (Exhibit K), with the number of units ranging from 38 to 199.
- Developed in excess of 2,500 units.
- Projects developed over the last 5 years ranged from \$13,645,637 to \$29,057,063.
- The developer self-manages all of their own senior units.

#### Track record in completing projects within original time schedule & budget

- Lender and staff interviews reflect that the developer completes projects on time and on budget.

**Experience with Joint Affordable Housing Developments on Public Land**

- Developed senior housing & a public parking lot on City-owned land within 500 feet of the RFP site (Clark Terrace).

**Experience with Affordable Housing Finance including LAHD programs**

- Demonstrated experience with all types of funding sources such as TCAC, MHP, AHP, LAHD - AHTF, CRA, Bond financing, etc.

**Demonstrated Experience with City of Los Angeles Development Process**

- Did not discuss experience in the text of the proposal, but did discuss at length during the interview.
- Given that they have completed many affordable housing projects, experience in the LA development process is implied, including land use approvals and environmental clearances.
- 9 of the projects that were identified were in LA, 3 of which were completed in the last 5 years.

**Experience Working with Community Stakeholders**

- Did not discuss experience in the text of the proposal, but did discuss at length during the interview.
- Large project experience indicates assumed community buy-in.
- Developer has received many awards and recognitions for aforementioned projects.

**Experience of Property Manager/Agent with Senior Housing**

- The developer has a history of managing 20 senior properties and 5 family/senior properties over the last 20 years.
- The developer currently manages 11 senior projects, consisting of 967 units

**Experience of the Architect with Multifamily & Senior Housing**

- The architect demonstrated experience on a number of multi-family projects & senior housing developments.
- Identified 25 such projects since 2001, including 11 senior projects.

**Experience of General Contractor with Multifamily & Senior Housing**

- Nationally recognized general contractor.
- Has built over 3,000 units in California.
- Completed 27 projects nationally within the last 5 years
- Locally showcased 2 senior developments & 3 assisted living centers

**Experience of Consultant/Team members with Affordable Housing**

- No consultants identified (outside of legal counsel).
- Identified team members have adequate experience.

**Experience in Design & Construction of Public or Private Parking**

- Developed senior housing and a public parking lot on City-owned land within 500 feet to the RFP site.
- The architect identified designing a 294-space public garage with senior housing (Fourth Street Senior Apartments); and an 870-space public parking garage with senior housing (Beverly Hills Senior Apartments).

**Financial Capacity & Litigation Issues****Ability to Secure Financing**

- Safran is an experienced real estate developer.
- Financial statements that were submitted were incomplete and as such it was impossible to properly evaluate his financial capacity.
- Financials submitted were compilations based on information provided by Safran and were not subjected to audit procedures.

**Financial Stability & Ability to Manage Several Large Projects**

- It appears that Safran has a solid balance sheet with \$40 million in real estate and \$5 to \$10 million in equity that he has accumulated over the last 35 years.
- The asset valuations should be discounted because they are based on borrower estimates, not actual historical cost.

**Ability to Fund Development Costs**

- Safran has a decent cash position, but it may not be adequate to meet his current cash requirements.
- Safran has already started tapping other resources, which appears to be reaching its limits.

**Legal or financial impediments that may impair the developer's ability to complete the project. (up to -10 pts)**

- Portfolio Management is unaware of any financial or legal impediments regarding Thomas Safran.

**Organization Structure & Project Management**

**Collaboration of development team having work together on similar projects and team members having the appropriate background and experience.**

- The developer (who is also the property manager) has worked with the architect on 3 projects.
- The developer/property manager is currently working on one project (under construction) with both the architect and the general contractor, thus indicating that the team for this project has collaborated before.
- Individual team members have adequate experience, as indicated by comprehensive team bios.

**Developer's history of property management, number of units managed, and the conditions of current properties owned by the developer (Occupancy Monitoring, Site Visits).**

- The developer manages most of their own developments.
- Currently manages 1,000s of units.
- LAHD's Occupancy Monitoring Unit did not indicate any non-compliance issues.
- LAHD's 2 site visits of properties owned by the developer did not indicate any property management concerns.

**Developer capacity evaluated on the number of projects completed.**

- An adequate number of projects have been completed, both in and outside of Los Angeles.

**PROPOSAL EVALUATIONS:**

**Development Concepts**

LAHD & LADOT		Developer Proposal
<b>Suggested Uses</b>	<b>Quantity</b>	
Senior Residential Units	32	39
Rental Affordability	100% Affordable ≤ 60% AMI	100% Affordable from 30% to 60% AMI levels
Replacement Public Parking	39	57
<i>* Does not include manager's unit</i>		

### **Affordable Senior Residential Elements**

***Summary of how proposal addressed the project concept around creating 32 senior affordable units at 60% AMI or less. If affordability of any of the units was greater than 60% AMI (property manager unit exempted), no points were awarded.***

**Number of units proposed meets or exceeds the objective of 32 units.**

- Proposal presented 31 1-BR senior affordable units, 8 efficiency units, and 1 2BR, market-rate property manager's unit.

**Overall project concept (aesthetics, design, livability, access, privacy considerations).**

- Overall design has an aesthetically pleasing exterior, and developer offers alternate solutions for the exterior façade.
- Public parking design is cohesive with senior housing element.
- The design incorporates a number of efficiency units, which may not provide the best quality of life.

### **Public Parking Elements**

***Summary of how proposal addresses the project concept around the replacement of 39 public parking spaces, and addresses the need for adequate residential parking that is separate and accessible.***

**Proposes at least 39 standard-sized replacement public parking spaces.**

- Yes; 58 total broken down as follows: 39 replacement & 11 additional replacement spaces are standard size and 8 additional spaces are compact size.

**Adheres to 10% limit on total compact public parking spaces/ provides a viable option for additional public parking spaces.**

- No, by making 8 of 58 spaces compact size, the limit it exceeded by 4%.
- Could be mitigated by deleting compact spaces since the replacement parking requirement is already exceeded by 11 standard size spaces.

**Proposes alternate parking solutions during construction**

- Proposer states that it will work with GC to mitigate issues during construction.

**Public parking ingress/egress from Pico Boulevard**

- Ingress/egress from Pico Boulevard.

**Separation of public and residential parking**

- Public & residential parking spaces are totally separate.

**Financial Feasibility Info related to Parking Elements**

- Does not offer creative solutions for replacing parking in terms of financing options.
- Does not include estimate for future parking study.
- Does not factor in an underlying lease of LADOT land into its overall pro-forma and reuse analysis.
- Does provide cost estimates for Construction of parking.

### **Project Design**

**Architectural design (quality of design, unit layout & configuration and adequate sizes, private open space etc.)**

*NOTE: Our architectural & construction evaluation was based upon 8 ½ x 11 plans provided. The large plans provided were apparently of an alternate design concept which did not have the same*

*unit count. The proposal and schedule of values indicated 40 units. The large scale plans provided indicate a total of 36 units.*

- The building façade is compatible to its commercial context and has residential appeal, as well. The alternate Art Deco & Santa Barbara Mission styles are both more appropriate to the neighborhood context. Further study is required to determine which is most suitable.
- An on-site community area is provided, consisting of a community room and exercise room accessible from the interior court area at the 3<sup>rd</sup> level.
- Interior circulation, public open spaces, and private exterior spaces appear to be clearly defined with large exterior balconies being provided at each residential unit.

**Scale of proposed project in relation to surrounding community, physical layout of property, configuration of buildings, ingress/egress to site**

- Scale of the proposed residential structure is comparable to the surrounding community.
- Residential and public parking is accessible from Pico Blvd.

**Property Utilization: Plans that efficiently utilize site including functionality & appropriate use of entitlements**

- Property utilization is consistent with general zoning requirements for this zone.
- An additional 11' beyond the 45 ft height limit as allowed under affordable housing incentives is being utilized in this design.
- A Floor Area Ratio (FAR) greater than 1-1/2:1 going towards 3:1 FAR is being utilized in this design will have to be processed as an off-menu item requiring community input.
- RESIDENTIAL PARKING CONCERN: Since residential and public parking is accessible from Pico Boulevard, senior residents that drive may have difficulty w/ accessing residential parking from Pico Boulevard during heavy traffic.
- PUBLIC PARKING CONCERN: Handicapped having to cross vehicular traffic at the public parking garage entry to get to the elevator needs to be reconfigured for handicapped safety and ADA compliance.

**Design amenities for making project attractive; sustainable design, noise control & privacy consideration etc.**

- The building elevation/rendering indicates large balconies which are set back approximately 6'-0" from the exterior walls breaking up the building mass and providing maximum privacy from the exterior.
- The residential units being located at the 3<sup>rd</sup> to 5<sup>th</sup> floor levels provide noise reduction in the units from the street level activities.
- This design lends itself to LAHD's Mandatory Construction Standards and Sustainable Building Methods as noted LAHD's Architectural Guidelines.

**Project Management Plan & Senior Supportive Services Plan**

**Project Property Management Details**

- Market assessment is minimal and lacks detail.
- Marketing Plan is minimal and lacks detail.

- Tenant qualifications will be done through income verification; however, the proposal does not describe the method of final selection of tenants.

#### **Supportive Services Plan**

- Supportive services plan is well-defined. Provided no agreements with service providers, but did provide examples of agreements with service providers on other projects.

#### **Project Feasibility**

##### **Affordability & Project Viability**

- All units targeted to 60% AMI or below.
- Unit mix includes at least 10% of the units at 30% AMI levels
- 15 year cash flow appears reasonable
- Construction costs appear to be 38% higher than LAHD estimated costs
- Parking study costs not provided for in capital budget

##### **Level of private investment**

- Provided no letter of lender's interest

#### **ADDITIONAL COMMENTS**

- Staff consulted various public agencies and public regulatory indices to ascertain TSA's business capacity and reputation in the Housing industry. All reported satisfactory results.
- **LAHD Business Policy** – this policy precludes LAHD from contracting with an entity that currently has outstanding issues with LAHD; LAHD has reported satisfactory results.
- **LAHD Portfolio Management** – Staff reported that TSA currently has a \$3,348 as a past due on 1 project.
- **LAHD Billing Rent & SCEP Section** – Staff reported that TSA currently has \$9,479 in outstanding bills on 5 properties.

EXHIBIT B

Pico/Robertson RFP Group Consensus Evaluations ( 5/27/09)  
 Pico/Robertson RFP (Qualifications Summary)

1 - Relevant Project Experience & Track Record	Max Points Poss - 22	% of Total Points	LA Housing Partnership	Mercy Housing	Thomas Safran & Associates
Developer's demonstration that they have worked on and successfully completed similar projects to the proposed "Pico/Robertson" project. This includes mixed-use properties, with affordable rental housing and affordable senior rental housing.					
a) Developer's experience in developing and managing affordable senior rental housing projects.	4.00	7.27%	1.67	4.00	3.67
b) Developer's track record in completing affordable housing projects within the original time schedule and budget.	2.00	3.64%	2.00	1.67	2.00
c) Experience with joint affordable housing developments involving the use of publicly owned land in the City of Los Angeles.	2.00	3.64%	0.00	1.67	2.00
Total:	8.00	14.55%	3.67	7.34	7.67
Developer's demonstration of their experience and knowledge with a full range of possible financing sources such as tax credits, bond financing, LAHD's Affordable Housing Trust Fund, MHP, City of Industry Funds and other funding sources.					
d) & e) Developer's experience in obtaining public and private financing for affordable housing projects. Developer's experience with and knowledge of affordable multifamily housing finance programs, including the LAHD Affordable Housing Trust Fund, the LAHD Permanent Supportive Housing Program, Low-Income Housing Tax Credits, Los Angeles County City of Industry Funds, Tax-Exempt Bond Financing, Tax Increment Financing, New Market Tax Credits, State Transit Oriented Development Program, State Infill Infrastructure Program, State Multifamily Housing Program, and other programs.	4.00	7.27%	4.00	3.17	4.00
Total:	4.00	7.27%	4.00	3.17	4.00
Developer's demonstration that they can work with the Planning Department regarding zoning issues as well as working with various community stakeholders. Community stakeholders include: business, property owners, neighborhood councils, and community groups.					
f) Developer's demonstrated understanding and experience with the City of Los Angeles' development process, land use approvals, and environmental clearances.	2.00	3.64%	2.00	1.33	2.00
g) Experience in working with community stakeholders including business and property owners, neighborhood councils, and other community groups.	1.00	1.82%	0.67	0.83	0.75
Total:	3.00	5.45%	2.67	2.16	2.75
Developer teams demonstration that they have worked on and successfully completed similar projects to the proposed "Pico/Robertson" project. This includes mixed-use properties, with affordable rental housing and affordable senior rental housing.					

EXHIBIT B

h) Designated property manager's/agent's experience in managing affordable senior housing projects.	1.00	1.82%	0.83	0.92	1.00
i) Architect's experience in the design of multifamily and senior housing projects from conceptual design to project completion.	1.00	1.82%	0.75	1.00	0.83
j) General Contractor's experience in the construction of multifamily and senior housing projects.	1.00	1.82%	1.00	1.00	1.00
k) General Contractor's experience in projects complying with federal and state prevailing wage requirements.	0.00	0.00%	0.00	0.00	0.00
l) Any identified Consultant's experience with affordable housing projects.	1.00	1.82%	0.83	0.68	0.83
m) Any identified team member's experience in design and construction of public or private parking facilities in excess of 50 parking spaces.	3.00	5.45%	0.67	3.00	3.00
Total:	7.00	12.73%	4.08	6.60	6.66
Section Total:	22.00	40.00%	14.42	19.27	21.08
<b>2 - Financial Capacity &amp; Litigation Issues</b>					
	Max Points				
	Poss - 22				
Lead developer's ability to secure financing for the Pico/Robertson project taking into account financial references, similar projects financed and developed, and financial statements.					
Developer's financial capacity and track record, as indicated by audited financial statements for the last three years and the most recent internally prepared financial statement, and by credit reports, banking references, statement of contingent liabilities and guarantees, or other documents reflecting the financial condition of the Developer and its principals.	10.00	18.18%	8.33	9.67	5.67
Total:	10.00	18.18%	8.33	9.67	5.67
Lead developer's financial stability and financial ability to manage several large projects at once.					
Based on above.	6.00	10.91%	5.33	6.00	5.33
Total:	6.00	10.91%	5.33	6.00	5.33
Lead developer's ability to fund day-to-day development costs when accessing funding sources which may be delayed.	0.00				
Based on above.	6.00	10.91%	5.33	6.00	4.33
Total:	6.00	10.91%	5.33	6.00	4.33
Legal or financial impediments that may impair the developer's ability to complete the project. (up to -10 pts)	0.00	0.00%	0.00	0.00	0.00
Based on above.	0.00	0.00%	0.00	0.00	0.00
Total:	0.00	0.00%	0.00	0.00	0.00
Section Total:	22.00	40.00%	18.99	21.67	15.33
<b>3 - Organizational Structure &amp; Project Management</b>					
	Max Pts				
	Poss - 11				



EXHIBIT B

Developer's demonstration that the development team has worked with each other on similar projects with the designated team members having the background and experience to carry out all tasks.					
a) Development Team will be evaluated on the team's organizational structure, clear lines of responsibility, key personnel, and past experience working together, as well as the experience of individual team members.	4.00	7.27%	3.50	3.17	4.00
Total:	4.00	7.27%	3.50	3.17	4.00
Developer's demonstration that they are capable of managing affordable rental units properly and responsibly.					
b) Developer's history of property management, number of units managed, and the conditions of current properties owned by the developer (Occupancy Monitoring, Site Visits).	5.00	9.09%	2.00	4.00	5.00
Total:	5.00	9.09%	2.00	4.00	5.00
The development team's structure, organization, and staffing capacity to handle such a project.					
c) Developer capacity will be evaluated on the number of projects completed.	2.00	3.64%	1.33	2.00	2.00
Total:	2.00	3.64%	1.33	2.00	2.00
SectionTotal:	11.00	20.00%	6.83	9.17	11.00
GRAND TOTAL:	55.00	100.00%	40.24	50.11	47.41

EXHIBIT C

Pico/Robertson RFP Group Consensus Evaluations ( 5/28/09)  
 Pico/Robertson RFP Proposals Summary

1 - Development Concepts	Max Points Poss - 14	% of Total Points	LA Housing Partnership	Mercy Housing	Thomas Safran & Associates
Senior Residential Units: Proposal addresses the project concept around creating 32 senior affordable units at 60% AMI or less. If affordability of any of the units is greater than 60% AMI (property manager unit exempted), no points will be awarded.					
a) Number of units proposed meets or exceeds the objective of 32 units.	2.00	4.44%	2.00	2.00	2.00
b) Overall project concept (aesthetics, design, livability, access, privacy considerations).	2.00	4.44%	1.00	2.00	1.67
<b>Total:</b>	<b>4.00</b>	<b>8.89%</b>	<b>3.00</b>	<b>4.00</b>	<b>3.67</b>
Public Parking Elements: Proposal addresses the project concept around the replacement of 39 public parking spaces, and addresses the need for adequate residential parking that is separate and accessible.					
c) Proposes at least 39 standard-sized replacement public parking spaces.	2.00	4.44%	2.00	2.00	2.00
d) Adheres to 10% limit on total compact public parking spaces.	2.00	4.44%	1.00	1.00	2.00
e) Provides a viable option for additional public parking spaces.	2.00	4.44%	1.00	1.00	2.00
f) Proposes alternate parking solutions during construction.	2.00	4.44%	2.00	0.67	0.67
g) Public parking ingress/egress from Pico Boulevard	1.00	2.22%	0.00	1.00	1.00
h) Separation of public and residential parking	1.00	2.22%	1.00	1.00	1.00
<b>Total:</b>	<b>10.00</b>	<b>22.22%</b>	<b>7.00</b>	<b>6.67</b>	<b>8.67</b>
<b>SectionTotal:</b>	<b>14.00</b>	<b>31.10%</b>	<b>10.00</b>	<b>10.67</b>	<b>12.34</b>
2 - Architectural Design	Max Points Poss - 11	% of Total Points			
Project meets LAHD's Architectural Guidelines					
a) Architectural design	4.67	10.38%	2.89	4.59	4.22
b) Scale, massing, and contextual considerations	1.49	3.31%	0.90	1.38	1.36
c) Property Utilization	2.39	5.31%	1.56	2.23	2.13
d) Design Amenities	2.46	5.47%	1.25	2.29	2.12
<b>SectionTotal:</b>	<b>11.01</b>	<b>24.46%</b>	<b>6.60</b>	<b>10.49</b>	<b>9.83</b>
3 - Property Management & Senior Supportive Services Plan	Max Points Poss - 6				
Property management					

EXHIBIT C

a) Proposal addresses the property managers' ability to operate, manage, and maintain the property as an affordable housing development for seniors, presenting a clear marketing, tenant selection and qualification process.	3.00	6.67%	2.67	2.50	2.33
b) Supportive services plan demonstrates the ability to operate, manage, meet, and maintain the anticipated needs of the senior tenant population.	2.00	4.44%	1.83	2.00	1.33
Total:	5.00	11.11%	4.50	4.50	3.66
SectionTotal:	5.00	11.11%	4.50	4.50	3.66
<b>4 - Financial Feasibility</b>	Max Pts				
	Poss - 16				
<b>Affordability &amp; Project Viability</b>					
a) All units targeted to 60% AMI or below.	1.00	2.22%	1.00	1.00	1.00
b) Unit mix includes 10% of the units at 30% AMI levels.	2.00		2.00	2.00	2.00
c) 15-year cash flow within LAHD's allowable parameters.	1.00	2.22%	0.75	0.83	0.83
d) Capital budget with AHTF guidelines and residential parking costs (overall budget, construction costs)	2.00	4.44%	2.00	2.00	0.83
e) Estimated costs of parking, parking study incorporated into the overall funding plan, and underlying land lease into overall proforma & reuse analysis.	3.00	6.67%	1.67	3.00	1.33
f) Reasonable operating expenses and clear operating expense statement.	2.00	4.44%	2.00	2.00	1.33
g) Clear and reasonable sources and uses.	2.00	4.44%	2.00	2.00	1.33
Total	13.00	28.88%	11.42	12.83	8.65
<b>Level of private investment</b>					
h) Lender letter of interest included.	2.00	4.44%	2.00	2.00	0.67
Total:	2.00	4.44%	2.00	2.00	0.67
SectionTotal:	15.00	33.33%	13.42	14.83	9.32
GRAND TOTAL:	45.01	100.00%	34.52	40.49	35.15