

Project/Program Profile

Name: Palm Village Affordable Senior Apartments

Organization: Thai Community Development Center

Location of Project/Program: 9050 Laurel Canyon Boulevard, Sun Valley, CA 91352

Year Project Completed/Program Began Operation: 2008

Funding Sources: U.S. Department of Housing and Urban Development Section 202 Supportive Housing for the Elderly Program, Community Redevelopment Agency of Los Angeles, Los Angeles Housing Department, City National Bank, Local Initiatives Support Corporation.

Populations Served: Low-income seniors

Number of Staff: 4

Total Cost of Development/Operation: \$10 million

Partners: Little Tokyo Service Center Community Development Corporation

Services Provided: Provides 60 units of affordable housing for low-income seniors

REAL ESTATE DEVELOPMENT: Multi-Unit Low-income Rental Housing

(Italicized portions offer further explanation. If the standard is not fulfilled by the project, it is noted in the italicized explanation. Crossed-out portions are not applicable.)

Level 1: Project Feasibility Assessment

These basic criteria determine the feasibility of a real estate development project. The focus is on the organizational and financial readiness of the project.

1. NEED

a. Community Need

- i. The project serves a need for low-income housing.

1. The Thai community has a need for low-income housing.

- ii. If the project has a specific focus such as multifamily, it corresponds to a need in the community.

1. The project has a specific focus on senior housing, which corresponds to a need for senior housing in North Hollywood.

b. Market Study

- i. The market study confirms the need for, and viability of the project.

1. A needs assessment of Thai seniors from the Thai Golden Years Club was conducted in 1998 by the organization. The assessment showed the need for affordable senior housing in North Hollywood for Thai seniors.

- ii. The market study informs the organization about competition, demographics of the area, and barriers to entry.

c. Local Support & Initial Site Assessment

- i. The project fits the zoning of the site.

- ii. The project is compatible with local land use.

- iii. The project is not located in an area with a moratorium or interim control ordinance that cannot be bypassed.

- iv. Neighbors and local community members support the project.

- v. The project is in alignment with local city, county, state and/or federal housing goal(s).

1. The project is in alignment with local city housing goal of providing needed affordable housing for seniors.

2. ORGANIZATIONAL READINESS

- a. The organization is willing and able to do this project.

i. The project was successfully completed in 2008.

- b. The project is in alignment with the mission of the organization.

i. The mission of Thai CDC includes developing affordable housing to improve the lives of low-income individuals and families.

- c. The Board of Directors embraces a CED strategy and/or embraces the project as a part of the CED strategy.

i. The Board embraces CED and views the creation of affordable senior housing as part of their strategy.

- d. The organization and/or its partners have a track record of completing similar projects.

i. The organization has over ten years of affordable housing experience.

- e. The organization has the financial and operational capacity to undertake the proposed development.

- i. The organization can support the additional debt (if any) created by the project.

1. A Palm Village Limited Partnership was created to assume any debt.

- ii. The organization has qualified staff that can undertake the program.
 - 1. *Thai CDC has qualified staff members with the appropriate skills and experiences.*
 - iii. The organization has access to reliable, qualified vendors and service providers.
3. FINANCIAL FEASIBILITY
- a. Project cost
 - i. The project is affordable to the developer, and the cost is appropriate to the concept or design.
 - 1. *The project cost is standard for similar affordable housing projects.*
 - ii. ~~If the total development cost is not readily available, the project is phased.~~
 - 1. *The project was not phased.*
 - iii. The contractor or operator providing the cost estimates is qualified and experienced in multi-unit rental affordable housing.
 - 1. *The contractor/operator is qualified, certified, and has direct experience with affordable housing projects.*
 - b. Funding sources
 - i. There are enough sources of funding for the uses.
 - 1. The organization was able to obtain enough funding from the U.S. Department of Housing and Urban Development Section 202 Supportive Housing for the Elderly Program, Community Redevelopment Agency of Los Angeles, Los Angeles Housing Department, City National Bank, and Local Initiatives Support Corporation to cover the uses.
 - ii. The developer has endeavored to secure all available competitive and noncompetitive funding sources for which the project qualifies.
 - iii. The actual disbursement of each source is timely and in sync with the needs of the project.
 - iv. The developer is aware of the compliance implications of each source.
 - c. Cash flow
 - i. The project produces enough cash flow to support the proposed debt structure.
 - ii. The project minimally pays for itself over time. It has a sustainable cash flow.

Level 2: Practical Considerations

These criteria are essential for further developing a successful, operating project.

1. MARKET BARRIERS

- a. The organization understands why past proposals have not worked and instead addresses prior issues in innovative alternative ways.
 - i. *The organization has learned from past funding proposals and past affordable housing project experiences.*

2. DEVELOPMENT TEAM & PARTNERSHIPS

- a. The organization has assembled the best team for the project, including architects, project managers, property managers, contractors, and other third party consultants.
 - i. *The organization was selective in assembling the best team for the project.*
- b. If the organization is lacking in any area (financial, experience), it has partnered with another entity to develop the project.
 - i. *Thai CDC partnered with Little Tokyo Service Center Community Development Corporation, an experienced developer, for the project.*
- c. The project is supported by public sector, private sector, and community partners.

- d. Through an open dialogue with the community, the organization has sought and incorporated community input and approval.
 - i. *The community was involved through an extensive process over a period of about six years. Thai CDC staff organized a focus group with Thai seniors to assess the need for affordable housing. Then a series of meetings were held with multi-ethnic seniors and other residents and homeowners in the Sun Valley area to determine whether they would support the project. At these meetings, concerns on the project's size, construction, operations, parking, and upkeep were addressed by Thai CDC. They also provided input on the design of the building, units and landscaping.*
3. SITE CHARACTERISTICS AND PROJECT DESIGN
- a. The location makes sense for the project.
 - i. *The project is located close to the Wat Thai Temple and in the center of a growing Thai community in the San Fernando Valley.*
 - b. The project is located near or adjacent to existing or future transit.
 - i. *The project is located near local bus lines, but the area is not well served by transit.*
 - ~~c. If the site is a known brownfield or historic structure, the project accounts for increased time, costs, and other issues associated with these environmental and/or historic considerations.~~
 - i. *The project is not on a brownfield or historic site.*
 - d. The proposed project is the highest and best use of the site
 - e. The design is compatible with the characteristics of the community and surrounding buildings.
 - i. *Although the building is much newer than surrounding buildings.*
 - f. The project does not "look" like an affordable housing project.
 - i. *The design does not make the project look like it is affordable housing.*
 - g. If located in a redevelopment area or contains blighted or dilapidated structures, the project accounts for increased costs and also takes advantage of resources for redevelopment projects.
 - i. *The project benefitted from redevelopment funding although it is not located in a redevelopment project area.*
 - ~~h. If the project does not comply with the underlying zoning and land use intensity, the timeline and budget for entitlement have been extended.~~
 - i. *The project complies with zoning and land use.*
4. CONSTRUCTION
- a. Project met major construction milestones and was completed on schedule.
 - i. The project was completed a little behind schedule.
 - b. Construction timeline was in sync with financing requirements.
 - c. Construction loan was converted to permanent loan on time.
5. RENT UP, MANAGEMENT & OPERATION
- a. Upon construction, the lease up of the project was completed in a timely manner.
 - b. The project is fully occupied.
 - c. Residents are provided with opportunities to participate in self-governance through structures such as resident associations.
 - i. *Residents are currently organized in a resident council and meet with staff regularly to plan events, services, activities, and provide input on maintenance, repairs, safety, graffiti, trash, parking, landscaping, gardening and other building and management issues.*

Level 3: From Feasible to Exemplary

These criteria elevate a functioning project to an exemplary project.

1. FUNDING & FUNDING REQUIREMENTS

- a. The project uses a program or funding source that is new and innovative.
 - i. *Thai CDC secured acquisition funds from the Community Redevelopment Agency of Los Angeles despite the fact that the project was located outside of a redevelopment project area. Since Thai CDC did a finding of benefit and showed the redevelopment agency that the project was beneficial, funds were awarded to the project.*
- b. Each funding source was heavily leveraged to gain further resources.
- c. Certain features of the project were adapted to capture funding, but the project was not completely changed in order to capture one particular funding source.
 - i. *Funding restrictions limited the project so that it could only provide basic features and not do much more.*
- d. There are multiple stakeholders providing funding, and this mix of funding sources maximizes the feasibility of the project.
- e. The design of the project exceeds minimum standards required by funding sources.
 - i. The quality of the construction used on the project exceeds minimum standards required by funding sources.
 - ii. The amenities provided by the project exceed minimum standards required by funding sources.
 - iii. The sizes of the units exceed minimum standards required by funding sources.
 - iv. The design of the project and units are culturally appropriate.
 1. *At the top of the living room wall in each unit, there is a recess for seniors to place altars to practice Buddhism. Also, the inner units overlook the community garden to create a peaceful and serene ambiance similar to that of the Thai countryside.*
- ~~v. The project is located in close proximity to jobs and public transit.
 1. ~~The seniors at the project do not work.~~
 2. *The project is located near local bus lines, but the area is not well served by transit.*~~
- vi. The project creates more jobs than required by the funding sources.
 1. The project created the following jobs: a resident manager, assistant property supervisor, property supervisor, gardeners, maintenance workers, and a social service coordinator,
- vii. There is deeper low and moderate income targeting than required by funding sources.
 1. *The project only meets the income targeting required by funding sources.*

2. FUTURE PROJECTS

- a. The project strengthens the position (financial, political, capacity, experience) of the organization.
- b. Through the development process, the reputation of the organization was enhanced. Issues that the project team faced were dealt with in a diplomatic manner, enabling future projects.
- c. The success of the project will enable future funding on other projects.
- d. The community is happy with the project and will support more/similar development in the future.

- a. The project provides affordable rents that fit the needs of the community.
 - i. *The project provides affordable senior housing rents, which is needed by the community's low-income seniors.*
 - b. The project creates spaces available for public uses (commercial, open, green).
 - i. *Palm Village features over 5,500 square feet of recreation space.*
 - c. The project removes blight in the neighborhood.
 - d. The project improves neighborhood security.
 - i. The project fronts the thoroughfare of Laurel Canyon. Also, as a new, landscaped, and well maintained building, the project enhances the neighborhood.
 - e. The project stimulates long-term job creation.
 - i. The project created the following jobs: a resident manager, assistant property supervisor, property supervisor, gardeners, maintenance workers, and a social service coordinator,
 - f. The project stimulates housing development in the area.
 - i. *There is a site adjacent to the project that Thai CDC is interested in acquiring and building another 35 units. Thai CDC plans to connect the two projects. Due to the existence of some unused and vacant properties in the area, the project may spur more developments. Unfortunately multifamily affordable housing is not supported in the LA San Fernando Valley area by residents and elected officials, so future developments will have to be affordable senior housing which is supported.*
 - g. The project serves as a reinvestment/investment catalyst by incentivizing development as a result of the project's success.
 - i. *The project catalyzes senior housing development only because the area homeowners and elected officials do not support multifamily affordable housing.*
 - ii. *The project removes blight from the neighborhood.*
 - h. The project results in other positive economic impacts.
 - i. *The project created construction jobs.*
 - i. The project results in other positive social impacts.
 - i. *Seniors feel more stable and are able to have social events with other seniors.*
10. REPLICABLE/SCALABLE
- a. This project can be replicated in other communities, regions, and/or states.