

## **Project/Program Profile**

**Name of Project/Program:** Tierra del Sol

**Organization:** New Economics for Women (NEW)

**Location of Project/Program:** 7507 Canoga Avenue, Canoga Park, CA

**Year Project Completed/ Program Began Operation:** 2005

**Funding Sources:** Low Income Housing Tax Credits, Los Angeles Community Redevelopment Agency, U.S. Bank, Los Angeles Housing Department

**Populations Served:** Families earning 30% to 60% of the area median income

**Number of People Served:** 119 units, over 450 students

**Number of Staff:** 4

**Total Cost of Development/Operation:** \$27 million for housing, \$53 million for the entire school community center.

**Partners:** DEArchitects, AIA and Benchmark Contractors, Inc.

**Services Provided:** 119 one-to-five bedroom units for families earning 30% to 60% of the area median income, supportive services, Family Service Center, NEW Academy Canoga Park Charter School for grades K-5

## **REAL ESTATE DEVELOPMENT: Mixed-Use Project**

(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. If applicable, the project serves a need for low-income housing.
  1. *Over 2000 people applied to become residents of the project, demonstrating the high need for low-income housing in the San Fernando Valley.*
- ii. If applicable, the project serves a need for commercial space.
  1. *The project meets the need for commercial space.*
- ~~iii. If applicable, the project serves a need for industrial space.
  1. *The project does not provide industrial space.*~~
- iv. If applicable, the project serves a need for a specific community facility.
  1. *The community was in need of a school.*

##### b. Market Study

- i. The market study confirms the need for, and viability/competitive advantage of the project.
  1. *Other projects from NEW show how much low-income housing is needed in the San Fernando Valley.*
- ii. The market study informs the organization about competition, demographics of the area, and barriers to entry.
  1. *NEW focused on the demographic information in order to decide which programs to implement.*

##### 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.
  1. *They are pleased that the project serves two purposes: housing and education.*
- v. The project is in alignment with local city, county, state and/or federal housing and development goal(s).

#### 2. ORGANIZATIONAL READINESS

- a. The organization is willing and able to do this project.
- b. The project is in alignment with the mission of the organization.
  - i. *The mission is "to create economic and educational opportunities for single parents, families and disinvested communities as a pathway for dreams to come true," and the project creates both economic and education opportunities.*
- c. The Board of Directors embraces a CED strategy and/or embraces the project as a part of the CED strategy.
- d. The organization and/or its partners have a track record of completing similar projects.



## 2. DEVELOPMENT TEAM & PARTNERSHIPS

- a. The organization has assembled the best team for the project, including architects, project managers, property managers, contractors, real estate brokers, leasing agents, and other third party consultants.
  - i. *The organization has selected experienced members for their team.*
- b. If the organization is lacking in any area (financial, experience), it has partnered with another entity to develop the project.
  - i. *The organization has partnered with many government organizations to receive funding and in return the organization will comply to their standards as well.*
- c. The project is supported by public sector, private sector, and community partners.
  - i. *Funding was received from city, county, state, and federal sources.*
- d. Through an open dialogue with the community, the organization has sought and incorporated community input and approval.

## 3. SITE CHARACTERISTICS AND PROJECT DESIGN

- a. The location makes sense for the project.
  - i. *The location connects the project to a huge target population.*
- b. The design makes sense for the targeted use (e.g. provides correct amount of parking).
- c. The project is located near or adjacent to existing or future transit.
  - i. *The project is near bus stops.*
- ~~d. 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 site is not a brownfield or historic structure.*
- e. The proposed project is the highest and best use of the site
  - i. *The project is multifaceted, and provides the community's needed services.*
- f. The design is compatible with the characteristics of the community and surrounding buildings.
- g. If applicable, the project does not "look" like it offers rents lower than market.
  - i. *The buildings are aesthetically pleasing and do not look like they offer lower than market rents.*
- h. If applicable, the project does not "look" like affordable housing.
  - i. *The buildings are aesthetically pleasing and do not look like low-income housing.*
- i. 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.
- ~~j. 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 successfully in 2005.*
- 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.
  - i. *There are over 600 people on the waiting list.*

- c. Tenants are provided with opportunities to participate in the management and/or operation of the project.
  - i. *The organization receives feedback from the tenants through the property management company.*

### 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. *Receiving funding from San Francisco/Western Financial Bank was innovative as it was not based in Los Angeles.*
- 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. *No features of the project were changed to capture funding.*
- d. There are multiple stakeholders providing funding, and this mix of funding sources maximizes the feasibility of the project.
  - i. *Through local, state, and federal funding grants and loans, NEW was able to maximize 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 project creates more jobs than required by the funding sources.
    - 1. *There were no jobs created by the project.*
- f. The design of the project and units are culturally appropriate.
- g. The project is located in close proximity to jobs and public transit.
  - i. *There are bus stops in front of the project.*

#### 2. FUTURE PROJECTS

- a. The project strengthens the position (financial, political, capacity, experience) of the organization.
  - i. *This project may strengthen the portfolio and diversity of the organization through the building of a charter school, which is very innovative.*
- 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.
  - i. *The idea of housing options coupled with a school was innovative and will have a beneficial effect on the organization's reputation.*
- 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.
- e. The community is more knowledgeable about mixed-used projects.
  - i. *This is clearly evident with the long wait list for housing and the enrollment numbers at the school.*

#### 3. ENVIRONMENTAL IMPACT

- a. The project has less environmental impact than traditional projects during construction and during operation.
    - i. *The site was vacant when the 5-acre development was built. Due to its size, the environmental impact was significant.*
  - b. The project meets green building standards such as adaptive reuse or LEED certification.
    - i. *The project does not meet green building standards, however LEED certification was not available when the project began.*
  - c. The project conserves energy and water.
  - d. The project has an effective recycling program.
    - i. *The project recycles paper and plastic.*
  - e. The project fulfills the triple bottom line.
  - f. The project has an educational component that teaches tenants about using green features effectively.
    - i. *These issues are discussed in tenant meetings.*
  - g. The project stimulates green job creation.
    - i. *The project does not stimulate green job creation. While NEW's janitorial/maintenance company which uses green features does service the site, job training is not done at Tierra Del Sol*
4. ECONOMIC IMPACT
- a. The project will increase the independence of tenants.
    - i. *Low rents mean that tenants can save up for homes. Classes are provided regarding possibilities of homeownership.*
5. FOOD SECURITY
- a. The project contains a community garden, farmers' market, education, and/or urban gardening component.
    - i. *The project does not have an urban gardening component.*
6. COMPREHENSIVENESS
- a. There are multiple services provided by the project e.g. social services or education centers.
  - b. There are complementary uses of the spaces created by the project.
7. DIVERSITY
- a. The project serves a mixed income clientele.
  - b. The project encourages mixed age, gender, ethnic, etc. participation.
8. PROPERTY MANAGEMENT
- a. Property management communicates in languages with which tenants are familiar.
    - i. *NEW is the property management and can communicate in both Spanish and English, the target income groups.*
  - b. Property management maintains a good relationship with tenants.
  - c. Property management consistently collects rents in a timely manner.
  - d. Tenants remain happy with the project after 1 year, 5 years, etc. of operations.
9. PUBLIC BENEFITS
- a. The project serves the community's need for community facilities, commercial space, and/or housing.
    - i. *The project serves the need for educational facilities and housing.*
  - b. The project creates spaces available for public uses (commercial, open, green).
    - i. *There is a two-story 15,000 square foot Community Center that provides a number of educational, civic and cultural activities to the immediate community.*
  - c. The project removes blight in the neighborhood.
  - d. The project improves neighborhood security.

