

# Prop HHH Housing Challenge

AOC Meeting  
8.29.2019

Eric  
Garcetti  
#MayorOfLA

# RFP Review Panel

**Alan Greenlee** , Executive Director, SCANPH

**Ari Briski** , City Planning Associate, City Planning

**Blair Miller** , Principal Project Coordinator, CAO

**Cally Hardy** , City Planning Associate, City Planning

**David Howden** , Executive Director, CSH

**Donna Gallup** , Consultant

**Elizabeth Selby** , Senior Project Manager, Mayor's Office

**William Pavao** , Former Director, CTCAC

**Emilyzen Cervantes** , Senior Administrative Analyst II, CAO

**Fred White** , Senior Finance Officer, Mayor's Office

**Helmi Hisserich** , Director of Housing Strategies & Services, HCID

**Jen Kim**, Housing Innovation Program Director, Mayor's Office

**Joan Ling** , Professor of Urban Planning, UCLA

**Lynn Katano** , Director of Housing Investment & Finance, LACDA

**Maria Sanchez** , PSH Inventory Coordinator, LAHSA

**Miguel Fernandez** , PSH Coordinator, LAHSA

# RFP Design Subcommittee

**Christopher Hawthorne** , Chief Design Officer, Mayor's Office

**Deborah Weintraub** , Architect, Chief Deputy City Engineer, Dept. of Public Works

**Julie Eizenberg** , Architect, Koning Eizenberg

**Milton Curry** , Dean of Architecture, USC

**Sharon Johnston** , Architect, Johnston Marklee

# RFP Results

<b>Applications Received</b>	<b>19</b>
<i>Failed Threshold</i>	<i>4</i>
<i>Application Withdrawn</i>	<i>1</i>
<i>Application Disqualified</i>	<i>2</i>
<i>Applications Scored &lt;75</i>	<i>6</i>
<b>Recommended Applications</b>	<b>6</b>

Reasons for low scores include 1) lack of innovation or ability to scale, 2) unrealistic construction timeline, 3) construction costs unreasonably low, 4) lacked detailed information for panel to determine feasibility

# Overview of Recommended Applications

- 6 proposals recommended for reservation of \$120M

Total Units	PSH Units	PSH Bedrooms	TDC / Unit	TDC / PSH Bedroom	HHH Subsidy / PSH Unit	HHH Subsidy / PSH Bedroom
1,001	975	1,235	\$370,469	\$292,476	\$123,000	\$97,166

- Ave TDC/unit in traditional HHH pipeline is \$511K
- Brings total HHH commitments to 8,625 total units; 6,848 PSH
- Proposals include innovative approaches to land use, simplified capital stacks, and new construction methods including wide usage of modular/prefab

# Recommended Applications

Lead Developer	Recommended Funding	New PSH Units	Estimated HHH per Unit	Estimated TDC per Unit	Score
RNLA*	\$10M	95	\$105,000	\$198,000	85.5
Daylight*	\$23.8M	132	\$125,000	\$288,000	84
Abode, Mercy, LAFH	\$40M	360	\$97,000	\$430,000	76.75
Flyaway Homes*	\$19.5M	195	\$100,000	\$402,000	76.33
Brilliant Corners*	\$7M	53	\$132,000	\$386,042	76
Bridge Housing	\$19.7M	140	\$140,000	\$518,000	75
Total or Average	\$120M	975	\$123,000	\$370,469	

# Restore Neighborhoods LA

- \$10M for 95 PSH units (full funding)
- TDC estimate of \$198K / unit
- “One Stop Shop” model with broad team with broad expertise
- Smaller by - right sites with conventional construction
- Capital stack: HHH and private debt
- Will serve chronically homeless, disabled, TAY, single and older adults with substance abuse disorders, those with mental health challenges



# Daylight Community Development

- \$23.8M (\$16.5M after payback) for 132 PSH units (full funding)
- TDC estimate of \$288K / unit
- Capital stack: HHH and NPLH, two tranches
- \$180k per PSH subsidy, w/ \$55k paid back within 3 years, flexibility w/ some TBVs
- Replicable smaller sites with modular
- Will serve homeless, and chronically homeless with co -occurring disorders





# Abode Communities

- \$40M for 360 PSH units (full funding)
- TDC estimate of \$430K / unit
- Standardized modular design
- Innovative fund to expedite development timeline
- By-right zoning
- Capital stack: HHH with revolving loan fund, NPLH, 4% LIHTCs
- Will serve homeless, and chronically homeless with co -occurring disorders



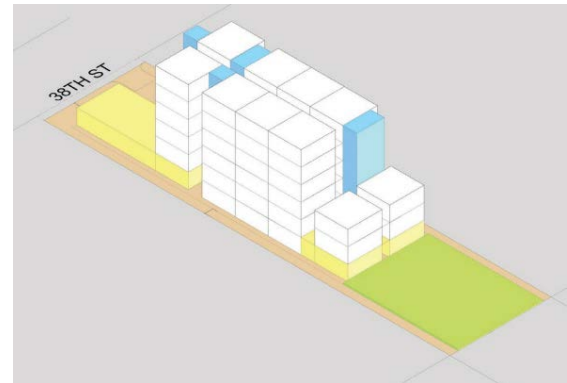
# Bridge Housing

- \$19.7M award for 140 PSH units (max: \$39.6m, min: \$19.7m)
- TDC estimate of \$518K / unit
- Innovative building system with prefab steel structure that saves 40% of construction time
- Capital stack: HHH, Opportunity Zone, NPLH, 4% LIHTCs, PBV Subsidy Debt
- Will serve formerly homeless families, TAY



# Flyaway Homes

- \$19.5M for 195 PSH units  
(max: \$40m, min: \$16m)
- TDC estimate of \$402K / unit
- Modular shared housing
- Capital stack: HHH and private debt/equity
- Will serve chronically homeless single adults



# Brilliant Corners



# Applications Not Recommended

Lead Developer	Requested Funding	New PSH Units	Estimated HHH per Unit	Estimated TDC per Unit	Score
Innovative Housing	\$8.4M	60	\$140,000	\$292,260	72.2
RMG	\$13.2M	263	\$50,000	\$217,701	70
LSA Capital: Hope on Main	\$9.3M	93	\$100,000	\$448,867	63.75
AIDS Healthcare Foundation	\$24.8M	262	\$94,656	\$172,722	63
LifeArk	\$7.5M	60	\$125,000	\$433,561	57.5
LSA Capital: Hope on Western	\$8.8M	63	\$140,000	\$436,604	56

# Next Steps

<del>May 9</del>	<del>RFP Released</del>
June 24 2019	Proposals due
July / mid-August	Review period
<del>Aug 23 / Aug 29</del>	<del>GOC and AOC review</del>
Sept 4 or 18	H&P Committee
Oct to Nov	MOU Process w/ Selected Applicants
Dec 2019 to April 2020	HHH Reservation Period (Acquiring Site Control)
April 2020 to April 2021	Conditional Approval Period
April 2021 to Oct 2022	Construction Period