

LEGAL LANGUAGE SERVICES

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Tape 3 Side B

UF: ...standards. I think Pasadena has very high standards from esthetics and I'm not so sure that this fiscal team can meet that, unless we really push them to do that, which means more work on the design review board than you might want to do. Century Housing, as a partner, I think one of the things that needs to be clear is they mentioned they've developed twelve thousand...developed and financed twelve thousand units. It's really on the finance side. They haven't...they very recently entered the development field. So, keep that in mind.

And then the tax credits, everybody is talking about tax credits and I think we all saw [sounds like: Kaiser Marse's' analysis, and we are certainly aware of it, is that it is very hard to get nine percent on senior projects. And everyone's saying that. So, the funding is going to be difficult.

And then lastly, this is just, if there's time, I would like those who have been very active for the last several years on this to let me know whether or not the community, when we talk about senior housing, is there a preference for rental versus ownership? Because most people have done a combination, and I didn't know if the community wanted more rental versus ownership. Did they want ownership for seniors or was it mostly focused on rentals? And no one has really addressed that so that would be for my own edification. Thanks.

Chairman: Thank you.

[background conversation]

Um, just to add sort of couple related questions mostly on the finance end, which I was glad we got a chance to go over with them. Initially, when I read it, there were...the thing that really stuck out was the notion of this third deed of trust on each of the individual home ownership units. And the way it read in the proposal, this third deed of trust that's on, would be on each of the individual home ownership units. So, theoretically the person would be having their first mortgage followed by whatever down-payment assistance they would hopefully be securing through the city and then having a third deed of trust. And so, while I think the proposal says—and how they point out how they were not going to ask for a developer fee or ask for subsidy—that in reality they were going to collect money on the back end when the units we have sold.

So, once I ask that question and they were sort of saying no, that's going to roll over, that really actually changes the whole perspective on it. It becomes, really an equity-sharing model that allows each of the second, third buyer down the line that would be purchasing one of the home ownership units to have it still be affordable to them. And so I think that's actually a really important consideration to keep in mind,

because it really effectively preserves the affordability for those home ownership units going down the road.

The trade off is, is that the individual buyers, will not get as much equity when they sell their unit, but it really, you still, you know, are ultimately are still having a long term affordable development, which is really good.

UF: It's very clever.

UM: So yeah, I was very impressed with that. We've, you know, and actually in my previous job, or two jobs ago up in San Francisco we were working on an equity sharing model like that. So, you know, that I think coupled with, you know, what I think is really the lending know-how and some of the development know-how on Century Housing's part, I think, gives me a lot of comfort on the financing end.

The architecture, I think, I just would echo a lot of other things that folks have said thus far is that, you know, I think that I think that would still need to be flushed out and I think it's probably going to be the responsibility of the design commission to really be aggressive with them to have the ultimate design really reflect what's here in Pasadena. But, I think actually, you know, [sound like: Bakewell] and Century are really in some ways giving up a lot. You know, they are not taking as much developer fee as they could. They are trying to

make it work such that there wouldn't be any additional subsidy coming from the city, which is admirable, as well.

I think a lot of it is going to play out because the trade off is that their proposed development costs actually seem to be on the low side. So, when they actually get into the cost-estimating phase, I think that is when there may be some escalation there. But, you know, there are other sources of funding out there that they haven't looked at yet, so that might actually balance out. So, all in all, I was impressed with what they came up with.

Chairman: [sounds like: Terry]

UM: Okay, I'm kind of like Maria here, I was kind of surprised to be impressed. They were articulate, they were clean.

[laughter]

Anyway. I was impressed with the fact that from the very, very beginning, the very first documents that I started looking at, that they were willing to be one hundred percent senior housing, which is definitely the original spirit and intent of this project and like Maria said, when I looked at the proposals and I saw Tom Scott Villages, I was like, wow. That really, that really resonated with me.

And the fact that their previous project, the Renaissance Plaza, hiring minority companies and local people from the community, which is

very, very important, very critical and that needs to be really emphasized, because when people feel like they can work and live in their own community, they feel a sense of ownership in their community and they will be least likely to participate in any destructive activities in that community. So, that's a rallying point that I see, within this proposal, to hire local and attract people into the Century Housing construction training program, which is also critical to be able to train people so they can, you know, learn other trades and not just do general labor. So, I think that's definitely a strong point that Century Housing brings to the table.

Chairman: Joel. And then who goes...and then Harden.

UM3: John, I'd like to do something a little different. Can I ask Julie a few questions and then...?

Chairman: Sure.

UM3: Julie, same question as the first proposal. What is the total amount of city assistance in this proposal? And I guess we have to speak from the revised proposal of March 9.

Julie: Yes, they managed to have zero gap on all the components, except for the senior housing, which they say \$1.3 million. And then they mentioned in their comments that they thought they could find other funding sources to make up that 1.3. However, we were a bit concerned with their estimated development costs, given that this is going to have to be a prevailing wage project. And so we, in our

estimates, like [sounds like: Rizard] mentioned, it's a range. At this point, we don't really have much to go on. That we think that it would...the gap will be higher.

UM3: Higher than 1.3?

Julie: Yes.

UM3: And again, that's cash assistances. Is there still...

Julie: On top of land. Yeah.

UM3: Land valued at, again, I'll use ten and a half.

Julie: Ten million or whatever you added to it.

UF: Did you have five, something like that? Did I read five?

Julie: Yeah. We came up with about five million dollars. One of the big differences is in—we were probably at one point want to revise this—is we were unclear with what they were doing with that third trust deed. And so that they're now saying that they're keeping that. That they would not receive it. It would be a silent, like a silent second type thing. But as a result, their developer fee—they didn't have a developer fee and their developer profit was very low—and that causes concern. Usually, people are like, well, you would want to keep that low, you know, in negotiations. But, you don't want to keep it too low, because if there's any bump along the way, their out of money. I mean, they've lost everything. And so, that means the whole project is infeasible. So, that's our big concern on that, on the ownership component.

So, that's where our...we're like four million dollars apart from them and it's basically because of the developer fee and the developer profit.

UM3: Is the prevailing wages, that's triggered at state and federal level, right?
Or...?

Julie: Well, the problem is that, when you're using the inclusionary housing money, which the city has used to acquire it, it will trigger prevailing wage. We went around and around with the city attorneys and stuff and there is really no way of getting out of prevailing wage on this site.

UM: [UI Phrase: Voice muffled]

Julie: Yeah, but they were...we were working...the city was working on getting out of the home...taking the home funds out. But, once we started looking at it, once you put those inclusionary funds in there, you can't get out of it.

UM3: Okay. Let me just make some comments now. Thank you. I liked the focus on that intersection. Those of us who grew up in this area know the real line of demarcation between one side of Pasadena and the other is the 210 freeway. But the real, true intersection is at that corner, there. The first of the intersections is you go up Fair Oaks. This is the real, true intersection. So, I'd like to focus...

Chairman: Well, in defense of Mike [sounds like: Baleyen] who's not present in the room, I would like to give a counterpoint that he would probably say it's closer to the Mobil station.

UM3: He'll have a hard time convincing me of that one.

[Laughter]

In terms of the site plan, from the design perspective, again, I think the elevations, I hope that those do get worked through. I do like the focus on a traditional architectural style, you know, Craftsman or Spanish, what have you. I know that the design commission and the city has really been open to some contemporary designs. Quite frankly, when you think about contemporary, I have to think about Los Robles and Mountain. I just don't think that project worked too well.

UM2: No.

UM3: It will work well in Venice Beach, but it...

UM2: Los Robles and Orange Grove.

UM3: Oh, and Orange Grove. What did I say, Mountain?

UM2: Yeah.

UM3: I'm sorry.

UM2: No and hell no.

UM3: Okay. It really, yeah, it's not that I can't like contemporary style. I'm a big fan of that. But, I think the direction on this should be a little more conservative and of a traditional style. The first proposal to that,

couldn't really tell what they were doing. I know they purposely made it sketchy, to not commit. But it was a little ambiguous for me.

Jones/Martinez, I echo one of the statements. I know a lot of the work I've seen them do is very institutional looking. So, I would—being that, again, this is a prominent intersection, we really need to...city really...I'd like to see that they really embellish that and I think Charles understands that.

I like the drop-off area. If we're talking about seniors, which the evolution of this project has been and what it still is, there's going to be Dial-A-Ride vans. There's going to be children of the people who live there that will be picking them up. And that really is a thoughtful approach there. Buses will not empty...I guarantee, won't use that to go in. That doesn't meet the turning radius, but nonetheless, that is a great...I like that idea.

The group has a strong retail background and property management is something we have to think about. A lot of times what makes one project successful versus another, when you're talking rental, it's not necessarily the tenants, it's the quality of the management. And I've seen projects where there have been lots of problems with graffiti, crime, drug dealing. New company come in with a new management

and they straighten out all of that. So, really, it's not a function of the area, it's a function of property management. And I do think they would do a good job there.

The local hiring will be solid.

And again, going back to my comment from earlier today, it's hard for me to think through these again. I know we have to...the task at hand is what the RFP called for. But it's hard for me not to...to let go of what the original desires of the community were and continue to be going back several years. And I know the amount of senior housing in this proposal, they do provide more senior units there and, again, I take note of that.

So, that's really my comments.

Chairman: Thank you very much. Harden? Wait...wait, I'm sorry. Hugo. I got confused with the H's. Excuse me.

Hugo: Yeah, it must be.

[Laughter]

I really didn't get my question answered when I asked about the parking configuration and the context that the, or the requirement that it be a signature urban statement. I'm concerned about the [sounds like: podium] parking elevated off the street and the lack of ability for

human interaction, which I think is going to, if through design or any other mechanism, they end up redesigning the project, that they may end up going into fully subterranean parking arrangement, which is going to have a big impact on cost. And I think that you'll be seeing a much bigger gap. My guess is that the project, if this group is selected, they're going to have to start looking at that as a real option.

The rest of the architecture, I just...

UM: Don't be too harsh.

Hugo: ...not comfortable with.

UM: Don't be too hard. We know...and I'll just leave it at that.

Hugo: The...I'm concerned that their lack of experience on similar projects, I think that the RFP really wanted somebody that has done their third or fourth or fifth of these projects, so that the city has a more comfort level. That it's going to be executed properly. And so far we really haven't seen that. They put a big emphasis on Century's experience in tax credit funding and I know that at least two of the three projects that they mentioned, they relied heavily on their partner developer and they can't do that this time with the Bakewell Company, because that's not their expertise. So, I'm really concerned about that.

Otherwise, I liked it.

[Laughter]

Chairman: Oh, thank you very much. Harden Carter, please?

H. Carter: I'll be very short. I think everybody that I heard about half way through said everything I would have said. I think design review and the further negotiations on the design can make it look a little more traditional and compatible with the commercial area that's emerging there over at Fair Oaks and Orange Grove. I can't help but feel real strong and find it exceptional—and I hope some of the other developers are the same way—that actually come in and are original and can actually work in a community which is the majority of communities around the country—around Southern California—that's with people of color and understand their needs and the situation and circumstances and poor people and older people. And work with them and work with them with respect and a sense of understanding. I think you can work with a company like that, where some of the other companies, like that you may have talked about that have four or five years of, or four or five shots at this type of project, you know. Actually sometimes I want to say this, as experienced as these companies are here, you know, just a few years ago, we didn't even have a chance to shoot at those projects and we were actually—when I say, we, the individuals were actually qualified—I know that from experience and, you know, being an employee. So, I just feel good about the team and hopefully when the next few people come along we can compare them and I think in terms of some of those issues, there

are smaller issues that, including the design. I saw that right away.

That can be, I think that can be changed. Thank you.

Chairman: Go ahead, Mike.

Mike: One question to clarify today. Are we mandated to choose someone today? Or, we can simply say we don't like any one of those above?

UF: [UI Phrase: Voice muffled/too far from microphone]

Chairman: Well, early on in the process, when we were meeting at Renaissance Plaza, the only other place where we've met. So, anyway, at an earlier meeting, Hugo asked the same question and I would invite the committee to work very hard. If you have—after you have heard all of the proposals I would ask the committee to work very hard to come up with your first recommendation, whoever that may be. Because the community has been wanting for quite some time and the community is ready for movement. It's not going to be perfect. We know that. Because so far of the two proposers or proposals or presentations that we've heard, they have not been perfect. But each of them have so far a step in the right direction. It is conceivable, but I'm not recommending nor encouraging that this committee do anything other than recommend a first choice. So, we'll go down the road, Mike, and at the end of the day, if the sentiment is that, we'll address it in a democratic way.

Having said that, it's premature possibly for me to say this, but just as a point on the critical path, I want to thank each and every one of you for the way in which you've conducted yourselves in addressing the whole issue from the day one. I suspect there won't be full consensus, which is okay. But I just want to say that I appreciate the way each one of you respect each other's comments and really are giving a full hearing to each one's opinion. Because that's what makes Pasadena really Pasadena, unlike some of the other larger cities that we have been associated with.

I will take this opportunity, if everyone has already spoken...

UF: [UI Phrase: Voice muffled/too far from microphone]

Chairman: Go ahead, Dora.

Dora: I was just sharing this with Sean and I realize I should probably say that to all of you guys, is that, this team will not be competitive for nine percent tax credits, because you really need to score maximum points. And neither one together, either singly or combined, have done seven tax credit projects that cash flow for four years and...three years in a row. They haven't had that. So, they're not going to score maximum points. They can probably get, you know...up to seven points. They may be able to get six points or five points. But they need to get maximum really to be competitive of all the nine percent tax credit applicants. And they will not be on that front.

Having said that, they can go to four percent and they can go through MHP, so, there are alternative sources. But their indication of going for tax credits, nine percent, is very unlikely.

Chairman: Okay, thank you very much.

UM: [UI Phrase: Voice muffled/too far from microphone] I just want to make sure there's a balanced statement here. It's true that if it is an all-senior project, if it somehow evolves that way, it wouldn't be eligible for tax credit anyway. I mean...you see what I mean?

Chairman: Right.

UM: So.

UF: [UI Phrase: Voice muffled/too far from microphone]

Chairman: I thought you all were going to allow me to close this up. So we can move along. Because we've got a long day. The thing that I like about the Bakewell presentation is that it really is respectful of the vision that Thomas Scott had about providing safe and affordable...safe and affordable housing for seniors in this community, irrespective of race and respective of race. And that's what Pasadena is about. I mean, we're amalgam of different races, different ethnic groups, different income levels and somehow, not perfectly, but somehow we communicate, we work together. We try to find consensus and the issue about design, it's a significant issue. And I thought that Charles [sounds like: Bryant] in his oral presentation had addressed that by

saying he would like to see more of a craftsman look. I don't know where that came from, but he said it. So, he must have some reservation also about design.

So, there is a process and, Chris, are you going to be a part of that process?

Chris: Yes.

Chairman: Where this community would not stand for, in my view—now, I'm not asking you to share another crappy project that exists on the Los Robles and Orange Grove.

UM: [UI Phrase: Voice muffled/too far from microphone] is this off record?

Chairman: This is on the record. I hope that's not slanderous, because they may have a lot of money. Okay, having said that, it's time to invite the next develop...invite you to take this time to...

Chris: John, I want to interrupt you.

Chairman: Go ahead, Chris.

Chris: Because I want to make it clear that the design commission has a role in the city. And the design commission doesn't have a magic wand. They can't hit an architect on the head with a magic wand and all of a sudden you have a beautiful project. So, the skill of the architect is primary in determining what the quality of the project is, no matter how much review you go through. So, I don't think we should be

under the impression that we can wave away the abilities of the architectural team by saying they are going to go through design review. The city made the same mistake on the Sunrise Senior Living when they made it a condition in the EIR that the design commission was going to affect the massing and whatnot on the building. And as that's gone through the process, we've determined that it's very difficult for the design commission to have a significant effect once the plan is approved, because of the fact that the plan is already—parking is set in stone, the building massing is set in stone. There's only so much the design commission can do. So, I just wanted to say that.

Chairman: Fair enough. And, Mike, I just want to let you know that I did come to your aide in your absence about where the gateway of Fair Oaks is. Maria, then will invite the next developer.

Maria: Chris, could you let us know when these things are coming before you, so that possibly some of us here could be at those meetings and put our two cents worth in?

Chris: What I would ask is that the staff or the chair send an email list of email contacts and then I will forward that to the person who handles the agendas for design commission. And then they can include on the distribution list for that agenda.

Maria: Also, I know that Northwest would be, the entire commission would be interested. I'll make sure...Lola, can we get him email, our emails?

Lola: Already taken care of.

Maria: All right.

Chairman: As you do your scoring or initial or tentative scoring, can we just clean up the area a little bit? And, Lola, if you or Jim could invite the next developer team in and set up. Go ahead.

Lola: No, I was going to ask. Mike, is that your stuff? Is that something you need or if I can throw it away.

Chairman: That includes the gentlemen who are standing...excludes the gentlemen who are standing presently in front of me. Okay. For the benefit of...well, first of all, I'd like to call us back to order and we are now about to hear a presentation from the Southern California Housing Development Corporation Union Station Foundation and Triad—if I'm saying that right. Is it triad or triad.

UM: Triad.

Chairman: Triad Ventures. Before they introduce themselves, I'm not sure if you had a representative here this morning, so if you did, just speak up quickly.

UM: [UI Phrase: Voice muffled/too far from microphone]

Chairman: At 8:30. Oh, so you know all of us.

UM: We have an idea who you are but [UI Phrase: Voice muffled/too far from microphone] back of your head.

Chairman: Okay. All right. So, you were here. So, we don't have to introduce ourselves. At this point, I'd like to...

UM: [UI Phrase: Voice muffled/too far from microphone]

Chairman: That's okay. At this point, I'd like to welcome your group to make your presentation to the developer selection committee for the Heritage Square Development. You have the floor. Please speak directly into the mic in front of you. And you have thirty minutes for this part of your presentation. Welcome.

A. Smartovitch: Thank you. Good afternoon. My name is Alfredo [sounds like: Smartovitch] and I'm with Southern California Housing. First off, I want to say thank you for giving us this time to speak to you, especially since it's before the Bruin game. I'm a Bruin. So, had it been later, you would not have seen me. But that's okay. But anyways, we're very excited to be here.

When we saw the RFP, we were impressed by the scope of the project and wanted to be part of that. And we felt that we had the capacity to develop this site with the community and do some really wonderful things on the site. Luckily for us, we have also...had been working quite a bit with other developers throughout Southern California. We are one of the largest non-profits in the state. And one of the partners we have been working with is Union Station. Actually, we worked together on another proposal for the [sounds like: Desiderio] site. And so, we got to know each other. And so, when this opportunity came up, it was a natural for us to continue to try to work together on a

development, because we both are so committed to the concept of high quality housing.

With the ownership component, we have done ownership as well. But we felt that, given the fact that there was a specific market as for [UI Phrase: Voice muffled] for senior ownership, that we wanted to go with an expert developer that we felt had a lot of experience with home ownership and, given the fact that this has a specific target, that we wanted to work with someone who had that experience. And we've worked with Rod Berry and Triad Ventures on other developments, in particular one in Compton, where we developed a very good working relationship there. And so, when I started looking at this RFP, I thought, I need to bring in some very good partners to make sure that we had the capacity, the expertise, to accomplish what we want to accomplish.

Just a little by-line on each of the developers. We're all long-term, highly successful firms in what we do. SoCal Housing has been around for fifteen years. We have about six thousand affordable units throughout Southern California, of which twenty-two hundred are affordable. Union Station Foundation, obviously, is a local non-profit. Has done some wonderful work with family housing in the city and has a fantastic reputation working with the community and their

programs are well-regarded. And, as I mentioned, Triad Ventures, Rod Berry, has been in the home building business for over twenty years with him, as his own company as well as with [sounds like: Lenare] Homes.

So, we are looking forward to presenting our concept to you. And I'd like to introduce Marv Gross at this point to kind of go over what we are trying to accomplish and go from there. Thank you.

M. Gross: Ladies and gentlemen, good afternoon. It's a pleasure for me to be here and for us to be part of this process and this proposal. I'm Rabbi Marvin Gross. I'm the executive director of Union Station Foundation here in Pasadena. I've been in that position for twelve years and, as you probably know, Union Station for just about thirty-five years has worked with the poor, the low income, the homeless, to help them rebuild their lives and become productive members of the community.

Our proposal today, that you're reviewing and that you'll make a decision on, is a proposal that seeks to utilize the requirements originally in the RFP, that is, to provide housing for seniors, all that is stated in the RFP, that's 148 units, plus, we're also interested in an additional 22 units for families. So, it's housing for seniors, some ownership and some rental, about two-thirds, one-third. One-third

ownership, two-thirds rental, as you know. Plus, 22 units for families from this community.

Then there's another component that is very interesting and is really what we do and why Union Station is involved. And that's the social service component. If we're able to be successful with this project and go forward, all of the families that would be resident at Heritage Square will receive specific case management from an on-site case manager, who will work with those families to maintain their success and their stability. It's a model that we've used for the last seven years at our Euclid Villa project, where we have 14 apartments near Paseo Colorado. And of those units, 60 families who have lived there for up to two years have graduated into success, into independence. About 56 of those 60 families have been successful with on-site social services. That's what we're seeking to do here. And I wanted to point it out, because I think it's something that really distinguishes this proposal from maybe some of the choices that you're making.

Now, the question, I know it's controversial and I was here this morning, and I heard the, certainly, the legitimate concerns of the community, why families? Why add families to this project? Well, I don't have to tell this group about the need for affordable housing in Pasadena, whether it's for seniors or for low income families, they just

can't find anything that they can afford in this community. And we see it everyday in the families that we work with. The families that potentially might come to Heritage Square are families that we're working with now. Perhaps they live in our family center, which is here in Northwest Pasadena on the corner of Elmira and...on Orange Grove, near Elmira and Lake. They're going through rehabilitation. They're geared for success. They're highly motivated. These are people who want to succeed. Those are the folks that we work with. Those are the folks who graduate from our program.

I would also reiterate for you, most of the families that we work with, a high percentage are from Pasadena. These are folks who've grown up here. They went to high school here. Their families are here. They're from Pasadena and their hope is to remain in the community in which they have ties.

Another component that I think is important, in terms of who it is that we serve, when we look at our family caseload, and the families that we've worked with over the last four or five years that we've had our family center, fifty percent of those families have been African-American, thirty percent are Hispanic, twenty percent are Caucasian. So, we're serving the families from the Northwest community of

Pasadena and those who are part of the minority community, as well. And I thought it's important that you knew that that was the case.

Now, why do we want to bring these families into Heritage Square? As I mentioned, our families are ready to succeed. They are highly motivated. Last year, in our two family-oriented programs, we graduated 65 families into stability, 65 successful outcomes. Of those, only six families were able to find housing in Pasadena. And most of those 65 were formally homeless, formerly residents of Pasadena itself. So, 6 out of 65 were able to stay. The rest had to move to Las Vegas, to Lancaster, to Palmdale to Pomona. There's no place for low income families who are working hard to be part of the community, except in very, very small numbers, here in Pasadena. In part, that's our motivation. We want to help these families become stable, successful members of the community and continue to rebuild their lives.

I just want to reiterate for a second, a little bit of what Alfredo said. Why...what distinguishes us? And why should this group choose us as the developers for this project? I would say there are three factors I hope you would keep in mind. One, is the professionalism that this group brings to the table, the experience in creating affordable housing and a commitment to quality. As you can see from these drawings and

as my colleagues will explain, these are top-notch residences that any one of us would be proud to live in, that would be an asset to the community.

SoCal Housing, as Alfredo mentioned, is the largest non-profit developer of affordable housing in the country. Twenty-two hundred of the 9,000 units they have across the country are for seniors, and they're all excellent projects.

Our architect does high quality designs, as you can see for yourself. And they're known for their sensitivity to the community.

Triad Ventures has 20 years in the building industry and they're experts in home ownership.

And Union Station, as I mentioned, has been in the community, serving the community for 35 years and I'm very proud to say that we have helped, over that time period, thousands of people from Pasadena rebuild their lives and become productive members of the community.

What are the values that under-gird everything that we do together?
Commitment to high quality construction, attractive decent safe residential units that will be professionally managed, where there will

be long-term occupancy by the residents, either the home owners or the renters, and responsiveness to the neighborhood. That's something that we've all done and Union Station continues to do everyday that we're here in Pasadena. And I think that I can just get up and tell you what our values are, but I think if you want to really judge them and see if we really walk the walk, please learn about the projects that we have and that we have as a team brought together. Because I think that you will see those values inherent in everything that our team has done individually or together.

The goal of what we're trying to do is to provide a high quality, important asset to the community that everyone in the community and everyone in Northwest Pasadena will be proud of.

Now, I understand that this group has some very legitimate concerns about the process, about frustration about the nature of the project. That for many years it was thought of wholly as a senior residence. And now, it sounds like the mix is being changed. And I also know that some people this morning expressed the fear that the addition of families to this project would lead to unsafe, dangerous, blighting conditions that would decrease the value of the neighborhood as a whole. That was very clear.

Remember, that our proposal has with it on-site social services to promote the stability and success of the families who will be living there. We are committed to being good neighbors. And we are committed to being proud of the way our clients interact with the community. In our current projects here in Pasadena, Euclid Villa, which is just across the street from the Pasadena Center, there no one is afraid to walk by Euclid Villa on their way to Paseo Colorado. No one is afraid to go the Pasadena Convention Center because Euclid Villa is there. We had to fight to get permission, but in the seven years that we've been there, 60 families have graduated and it has been successful. There's been no problem with the neighborhood.

Over on Orange Grove, 825 Orange Grove at Elmira, four years we've operated a 50-bed family shelter. Not one complaint. People are not afraid to walk by our facilities on their way to church, on their way to public transportation, on their way to shopping on Lake Avenue. What we have done we feel has been an asset to the community.

I also know that there's a concern—and I certainly understand it—about whether or not the original intent of this project has been subverted by the process. I just want you to know, and I'm going to conclude with this, we in our proposal, we're only responding to the RFP that we received. We did not lobby to change the conditions in

any way. We're only responding to what the terms were that were put forward. We are only trying to serve the underserved of this community.

So, I thank you for your interest and your attention. And I just ask, please don't fault our project because of frustration that might be totally legitimate with the way the city council or others may have set up the priorities. We're trying to do the right thing in the community and I hope you will understand it and, frankly, I hope you will support our proposal. But I thank you so much.

A. Smartovitch: We're going to go into our project-specific issues right now, but I want to mention one other thing that I forgot to mention earlier. All of the groups are committed to high quality construction, but on top of that, SoCal Housing is committed to high quality property management. We actually do our own property management. We are a long-term owner of our developments. We do not sell our properties. So, when we do a project in the community or a development our goal is not simply to build it and flip it and go away, but we are going to be the owner of that property. So, we are very interested in making sure that it's, A, high quality, B, that the property management practices that we have there keep the property in the greatest shape possible and also serves our residents. And I think that's a really important fact. Because that philosophy has served us well and many of our city

partners in other communities have asked us back to do other developments. If you look at our proposal, I think we included in there letters from cities commending our efforts and telling people that we bring what we say we bring, which is high quality, affordable housing that's an asset to the community and they actually bring us back. It is not uncommon for us to have two, three, four, five, six, seven developments in different cities because of our reputation.

Now, I'd like to introduce Brian Dawson from Irwin Pancake, the architect, to go into the actual proposal. And after that, we'll entertain any questions. Thank you.

Chairman: Before you do that, was there anyone in the audience that we missed, part of your team?

A. Smartovitch: Anyone in the audience?

Chairman: Were they introduced?

A. Smartovitch: I'm sorry. Yes. Marv, why don't you...I'll go ahead and let Marv do that.

M. Gross: Yes, they are Mr. Larry Johnson, our director of program services at Union Station Foundation, and Sandra Peterson, our director of program standards and evaluations.

Chairman: Just want to make sure we welcome them.

M. Gross: Thank you.

A. Smartovitch: Thank you.

B. Dawson: Good morning, my name is Brian Dawson. I'm here representing the architectural firm of Irwin, Pancake and Dawson. We have been doing senior housing facilities for forty years. This is our fortieth anniversary this year. So, if there's anything we know, it's seniors. That's just about all we do. The firm began forty years ago, doing mostly religious architecture and what we discovered was a lot of the churches had leftover land and they wanted to provide for their elders. So, we kind of evolved into this naturally. We still do a few churches and we've broadened out. We're doing senior apartments, other things, but it's almost always senior-based. That's just what we know best. So, I think that may be part of the reason we got selected on this team.

It's something that is difficult for me to do is to talk on microphone and know that my architecture is back there. I don't know that it's long enough. You folks—I don't think that it's long enough, but I'm fine. And I believe that you have seventeen sets, so you can follow along there. But, we're not good without being able to use our hands. So, forgive me if I do that.

And we have selected, I think there is like 16 or 17, 11-by-17 exhibits and we've just selected a few to put up there. I think that probably the most critical thing, because all of this is so conceptual. And what you have in your package was developed when site A and B were separate

and site B was a potential. And that it needed to be a clear demarcation that if B was not a part of the project, that we could release that part. So, site A deals exclusively with 49 for sale and 99 for rent. And then, Site B marries into it, retail, office, some sort of mixed use. And the potential for multi-family on the back side.

But I think that probably the most important thing in any architectural statement is the rhythm. And I think if you relate to music, that would tend to make sense to you. If you look at music on a page that it does this and that if you were ever to hold a note for too long, it becomes ineffective and it becomes boring. And I view architecture the same way.

So, if you look at the site plan, the thing that was important to us above all else was to make sure that the community felt integrated and a part. If the community does not buy into this concept, then it fails. But there are so many examples of this all over Southern California, all over the world, where areas have integrated commercial, retail, home office perhaps a work scenario, with living situations. And it works beautifully. But I think it's, if you set the rhythm up, then it happens. You're drawn through spaces, because it becomes a series of experiences. That's how you move through things. That's the reason that, when you walk into a house, there's a foyer. And then the foyer

invites you into the living room and the living room...you see how that goes. That's how plans are put together. This is no different. It's much larger, but it's no different.

We knew that parking was going to be a big issue, so we chose to put it completely underground. It's all subterranean, the entire block.

There is some parking along Wheeler in the back for the convenience of people coming and going from the apartments and then for people coming and going from the commercial area but...

[45:36-46:22: no dialogue]

[LOOPS BACK TO BEGINNING OF MARVIN GROSS
PRESENTATION]

[End of Recording]