

CITY OF PASADENA

Notice of Interest: Redevelopment for the Desiderio Army Reserve Center
Submitted by: Union Station Foundation and Southern California Housing Development Corporation

PROPOSED PROGRAM

1. A detailed narrative description of the proposed use of the property or building.

Southern California Housing Development Corporation (So Cal Housing) and Union Station Foundation (in cooperation with Gonzales Goodale Architects¹ of Pasadena) are pleased to present this preliminary proposal to the City of Pasadena Local Redevelopment Authority to develop a superior affordable housing development that will serve the needs of formerly homeless families wishing to live in the City of Pasadena. Further, we believe that our proposed program will allow integration with the arches of the Colorado Bridge, which serve as 'frames' for the dramatic views from the site, the arroyo, the court house above, and vice versa. There is a tremendous opportunity here for an exciting merger of housing, nature and historic civic structure to create a memorable, meaningful and highly useful place.

The development proposed for this unique and attractive suburban site will consist of 75 high quality new construction family residential units and ample community spaces, including a resident community room. The existing structures would be razed to allow for superior design of the site. Common areas would be integrated into the overall design and would include both interior and outdoor sitting areas, large green spaces, activity rooms, and a leasing office. In addition, So Cal Housing and Union Station share the City's vision to provide high quality common areas as part of the proposed amenities.

The proposal for the Desiderio Army Base development is comprised of twenty-five (25) three-bedroom units, forty-five (45) two-bedroom units and five (5) one-bedroom units. This mix is based upon the partnership's experience in leasing over 3,600 market and affordable family units. While the vast majority of demand is for the two-bedroom units, significant demand exists for the three-bedroom units as well. This unit plan allows families with children to have on-site amenities that support their lives in the community. This mix, however, is only proposed and would be subject to both City and community representative input. We encourage community involvement because we believe in understanding the unique sensitivities of different communities. This concept is only schematic at this time and is meant to be a first step in an inclusive process, which will include the community, the Redevelopment Agency and the housing staff, to determine the best use for this site.

The proposed affordable housing units will physically complement the adjoining-neighborhood in scale, massing and architectural character. This proposal also takes advantage of the unique characteristics of the site. These units will become attractive addresses given their proximity to the arroyo, community facilities, good schools and shopping. All of these amenities are within a few miles of the site.

The partnership's respective portfolios include projects that have different ranges of unit types, including large units for families. Our existing projects range in size from Union Station's transitional housing facilities in Pasadena to So Cal Housing's larger developments with over 400 units. In addition, So Cal Housing has significant experience with both mixed-use and mixed-income properties, and we are comfortable working with all property types. It is that

¹ Please see Attachment 9, which contains the proposed site plan, as well as additional information and related projects done elsewhere by Gonzales Goodale Architects.

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expertise in property management that allows So Cal Housing to provide quality service to all of our residents. In working with the City, we would examine the various affordability levels required and recommend several financing and development plans to achieve that goal. We structure our financing to leverage local resources if desired, and have also successfully used private financing in cases where more flexibility was needed. As we have stated, it our aim to devise a unique funding structure to best meet the goals and desires of our community partners. Our expertise with the various funding programs allows us to tailor those programs to the greatest extent possible.

We have provided a preliminary financing plan that takes into account the stated requirements for the Notice of Interest. First, our plan provides for leveraging of resources, and does not rely on any funds from the City's general fund. Secondly, this development will fill in the void in the community for long term service- enriched housing for families. The project will provide high quality affordable housing for families that have graduated from homeless programs and are ready for permanent housing. This housing provides a continuum of housing for Pasadena citizens graduating from Union Station's transitional housing programs. Long-term residents of Pasadena will remain in the community, instead of finding themselves being priced out of their neighborhoods. This seamless program will augment the success rate of Union Station's programs allowing families to continue their recovery back into the community.

So Cal Housing's mission is to develop high quality affordable housing and to preserve it for the longest periods possible. Union Station's mission is to assist families to move up from homelessness to permanent housing. This proposed development meets our respective organization's stated goals, and provides So Cal Housing greater efficiencies in its operations in Los Angeles County. So Cal Housing currently has developments in Eagle Rock, Santa Fe Springs, West Covina, Downey, Bell, Bell Gardens, Hawthorne, South Whittier, and Palmdale. In addition, we have been recently selected for two new developments in South Los Angeles and Santa Clarita. Union Station is a long- term member of the Pasadena community with several successful developments in the city. Their programs are highly regarded in the community, and this development would add to their capacity to meet the overwhelming needs of distressed families in Pasadena. This development will allow both organizations to continue growing capacity and augmenting our operations quite well. The increased pressure on working families to afford decent, safe, quality housing is everywhere. We believe in seeking out opportunities to help alleviate this crisis throughout the region.

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2. A detailed assessment of the need for the proposed program. In the case of homeless assistance programs, include an explanation of what homeless needs in the communities in the vicinity of the Desiderio Army Reserve Center you will be fulfilling.

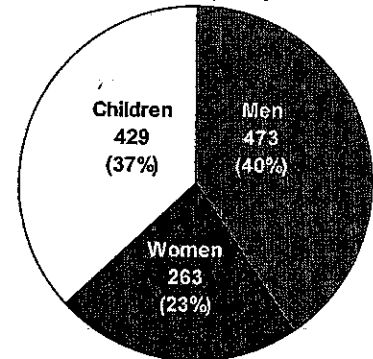
In view of the growing homeless population, decreasing availability of economical accommodation, and rental barriers faced by homeless people, Union Station Foundation recognizes the need for the creation of affordable housing and corresponding supportive services for homeless families and individuals. Redevelopment of the Desiderio Army Reserve Center to create a 75-unit permanent supportive housing development will fill a crucial gap in the Continuum of Care for homeless, very low-income people in Pasadena and the West San Gabriel Valley.

The City of Pasadena joins the U.S. Interagency Council on Homelessness and more than 190 cities and counties nationwide to implement a "10-Year Strategy to End Homelessness." Union Station Foundation's services are part of Pasadena's strategic plan, developed by the Pasadena Community Development Committee in collaboration with the Pasadena Housing and Homeless Network and the community. This plan recognizes the need to expand homeless prevention, housing, and case management-based homeless services.

A Growing Homeless Population

The need is great. The City of Pasadena's 2006 Homeless Count found that there are 1,165 people homeless on any given night in Pasadena. The count reflects a dramatic rise in the number of displaced women and children, who now make up an alarming 59% of the local homeless population. Of all homeless people in Pasadena, 37% are children under the age of 18. Contributing factors to our homeless crisis include poverty, unemployment, mental illness, substance abuse, domestic violence, a severe shortage of government and private support programs, and lack of affordable housing.

2006 Homeless Count,
Pasadena (1165)



Rising Cost of Housing

Homelessness cannot be separated from the issue of housing. Gentrification, abandonment, and demolition have drastically reduced the availability of affordable housing in Pasadena, Los Angeles, and the surrounding areas. Sober living homes, room and board, and single apartment rooms in Pasadena have all but disappeared. The construction of low cost housing and the availability of rental subsidies, such as Section 8, meet only a fraction of the need. Low cost apartments for families are scarce in Pasadena with the cost of rent for two bedroom apartments averaging nearly \$1,500 per month, an increase of 55% since 2000.

Because the poorest individuals pay the largest portion of their income for rent, a growing number of working people are homeless or at high risk for becoming homeless. According to the *National Low Income Housing Coalition's "Out of Reach 2005"* housing report, in order to afford a two bedroom apartment in Los Angeles County without spending more than 30% of income, a worker earning minimum wage would have to work 131 hours a week, 52 weeks a year. Many people in the lowest paying jobs – cashiers, food preparation staff, stock clerks – cannot afford the rising cost of housing. A recent study showed that 63% of low-income renters spend more than 50% of their income on housing.

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Rental Barriers

Homeless people face exceptional barriers to securing stable housing. Issues such as bad credit, evictions, criminal history, and lack of affordable housing can seem like insurmountable obstacles to individuals and families trying to find a place to live. It is a major challenge for individuals and families graduating from emergency or transitional housing to cope with their new rent and associated move-in fees. Without guidance, support, and specialized housing facilities to meet the needs of the homeless, many are at a significant risk of becoming homeless again.

1. Provide the following:
 - a. The need to expand existing facilities.

We do not propose to use the existing facilities, but rather raze them and build new structures that will be more consistent with the surrounding community.

- b. Identify any anticipated expansion of services that may result from improvement of facilities for the proposed program, as applicable.

In response to the critical and growing need for affordable housing for homeless families and individuals in the Pasadena and West San Gabriel Valley area, the proposed housing development will provide permanent supportive housing for up to 75 families and individuals. Comprehensive supportive services will be offered on-site to help families recover from the trauma of homelessness and develop emotional stability, good health, and overall wellness. Services will include case management, medical and mental health services, family counseling, and adult classes in parenting, career development, money management, nutrition, and independent living.

Program goals are to:

1. Offer affordable, permanent rental housing to homeless families and individuals;
2. Offer on-site supportive services and referral to off-site resources, to address residents' financial, social, emotional, educational, and medical and mental health needs;
3. Help residents improve their economic stability and self-sufficiency to develop permanent solutions to their homelessness.

Union Station Foundation will expand existing programs to support the residents of the proposed housing development. The following supportive services will be offered on- and off-site in order to promote self-sufficiency, overall well-being, and skill development needed to maintain permanent housing:

Case Management – On-site case managers will offer support, life skills classes, and referrals. Union Station's case managers have extensive experience working with homeless adults and families, including specialized knowledge of and training in issues relating to substance abuse and mental illness.

Sources Career Development Program – The Sources program was developed by Union Station specifically for low-income and homeless job seekers. Our case managers refer eligible

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job-ready candidates to participate in Sources. After completing the 35-hour, 10-day career development workshop, each client, in collaboration with Sources staff, develops an individualized service plan to obtain employment in line with the client's aspirations and goals. Job search resources and alumni support are available to program graduates. Sources' graduates have recently obtained employment in positions as diverse as pastor, auto lube technician, general utility clerk, retail sales, medical assistant, bookkeeper, chef, and substitute teacher.

Benefits Advocacy will be provided by representatives of the Social Security and Veterans Administrations, who will make periodic visits. Case managers will assist clients to obtain General Relief, unemployment benefits, and other government financial support for which they may be eligible.

Life Skills Classes -- Led by Union Station staff and volunteers, class topics will include anger management skills, self-esteem-building, positive decision-making, coping with difficult situations, parenting, and money management.

Medical and Mental Health Services -- Residents will receive medical services through the Community Health Alliance of Pasadena (CHAP), Young & Healthy, CHAP's Black Infant Health Program, Bill Moore Clinic and the Pasadena City College Mobile Dental Unit. Psychiatric and psychological services will be provided by Pacific Clinics.

Substance Abuse Recovery Support -- Union Station will offer residents recovery support, including counseling, twice-daily 12-step meetings, support groups, and referrals to inpatient treatment programs.

- c. Identify whether the need for the proposed program is a result of the requirement to meet or comply with established state standards.

This proposal addresses the City's need to provide affordable housing in conjunction with its RHNA (Regional Housing Needs Assessment) requirements, and will also help the City to meet its own 10 year plan to end homelessness.

- d. Include statement that applicant does not currently possess real estate suitable for the proposed program.

Neither organization currently has in its portfolio or pending in contract, land that will enable either organization to implement this development elsewhere.

2. In the case of a homeless assistance program, a description of how the program will be coordinated with other homeless assistance programs in the communities in the vicinity of Desiderio Army Reserve Center.

Union Station is an active participant in the Pasadena Housing and Homeless Network, a coalition established in 1991 to coordinate homeless and housing service delivery efforts with the City in response to the HUD-requirements, as part of an overall strategy to address homelessness in Pasadena. On- and off-site supportive services will be available to residents by collaborating agencies in the Continuum of Care.

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Homeless families and individuals who are ready for independent living will be referred to the proposed housing development by agencies in the Pasadena area, including recovery programs, sober-living facilities, social service organizations, and Passageways, the multi-agency collaborative that serves as the gateway to the homeless services network in Pasadena.

On-site case managers will provide residents with comprehensive supportive services, including referrals to offsite assistance for health, financial aid, and employment services.

3. A description of the time required to commence the proposed program.
Upon selection of the partnership (Union Station Foundation, Southern California Housing Development Corporation and Gonzales Goodale Architects) to implement the proposed program, we are prepared to effectuate the development immediately and estimate that it will take approximately three years to take the project from acquisition, design completion, construction and lease up.