

MEMORANDUM -- CITY OF PASADENA

DATE: APRIL 2, 2007

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: HERITAGE SQUARE DEVELOPMENT PROJECT MIX

Attached , please find the following documents for your consideration with respect to the Heritage Square Development; Heritage Square project chronology, a summary of the former and current project scope, the pertinent minutes of the meeting of the City Council of October 23, 2006 where the Heritage Square development was discussed and the October 23, 2006 Heritage Square agenda report.

4/02/2007
7.B.1.

HERITAGE SQUARE CHRONOLOGY

March 12, 2001	PCDC approves Disposition & Development Agreement (“DDA”) with Pasadena Housing Investors (“Developer”), providing \$2.9M loan assistance for project.
November 25, 2002	Ordinance No. 6920 adopted by City Council implementing Fair Oaks/Orange Grove Specific Plan
February 10, 2003	Developer requests an additional \$2M in PCDC loan assistance due to increased property acquisition costs.
March 24, 2003	PCDC approves Amended DDA, increasing loan assistance to \$4.9M.
March 26, 2003	Developer submits application to the State for tax credit financing (2003 1 st Funding Round). The application makes it into the tiebreaker round but does not receive a funding award.
June 2, 2003	Federal Home Loan Bank approves \$500,000 AHP grant for the project.
July 24, 2003	Developer submits application to the State for tax credit financing (2003 2 nd Funding Round). The application makes it into the tiebreaker round but does not receive a funding award.
December 10, 2003	Developer informs PCDC that it is “no longer in a position to continue to expend additional resources to maintain site control”.
December 15, 2003	PCDC convenes in closed session.
January 26, 2004	PCDC approves Implementation Agreement to Amended DDA pursuant to which PCDC is to acquire project site for \$4.9M.
January 30, 2004	PCDC acquires project site.
February 10, 2004	County of Los Angeles approves Developer’s application for \$1M “City of Industry” Program funds.
April 15, 2004	Developer submits application to the State for tax credit financing (2004 1 st Funding Round).
June 17, 2004	Staff learns from State that the Developer’s tax credit application made it into the tiebreaker round but missed receiving a funding award by one (1) point.
June 28, 2004	PCDC notifies Developer of termination of Amended DDA.
July 12, 2004	Developer informs PCDC of its desire to reapply for tax credits on July 22, 2004 and requests a 90-day extension of Amended DDA.
July 12, 2004	Fair Oaks Project Area Committee recommends extension of Amended DDA to enable Developer to submit tax credit application due on July 22, 2004.
August 4, 2004	County of Los Angeles rescinds \$1M City of Industry award.
December 4, 2004	Fair Oaks Project Area Committee, in a special meeting, directs staff to issue RFP for development of site with affordable senior rental housing.
February 2005	Meeting of Fair Oaks PAC members, Councilman Holden, Cynthia Kurtz, and Richard Bruckner to discuss Heritage Square.
March 8, 2005	Fair Oaks PAC requests staff to present site development scenarios at the March 22 PAC meeting and sets April 26, 2005 as the date for a community meeting to solicit input on site development.
March 22, 2005	Fair Oaks PAC reviews staff presentation on development scenarios and requests additional information for special meeting on April 19.
April 19, 2005	Fair Oaks PAC, upon considering nine (9) development scenarios, unanimously votes to support the scenario providing for 104 senior housing units on the

	development site, and extend the site to encompass the corner at Orange Grove Blvd. for commercial and residential uses.
April 26, 2005	A public community workshop is convened by the Fair Oaks PAC. Key consensus points among the community members and PAC members present: a) senior housing is preferred over family housing; b) the project should move ahead without acquiring the corner parcel if ultimately the acquisition holds up the entire project; c) rental housing would be preferred but an ownership segment would be acceptable if there were deed restrictions to keep the ownership units available to senior citizens, and the ownership units were necessary to close project financing gap; and d) the City needs to make an affirmative commitment to fund the Heritage Square project, including any deficits or gaps, plus the acquisition and development of the corner parcel.
May 10, 2005	Staff presents site development scenarios to Northwest Commission as information item.
May 31, 2005	Fair Oaks PAC amends their April 19 recommendation by adding consensus points from the April 26 community workshop.
November 2005	Staff directed to proceed with: a) preparation of a RFP for the project site; and b) explore potential to add to the project site the Church's Chicken and Brown AME Church properties.
October 23, 2006	Staff recommendation to PCDC on RFP. Development program parameters include 65% to 80% of units for seniors; rental-to-ownership ratio of 65%-to-35%; and other specified percentages for affordable, workforce and market rate units. These parameters were modified by PCDC, resulting in the current project scope.
November 8, 2006	Heritage Square RFP, containing the PCDC-approved project scope, is released.
January 17, 2007	RFP submittal deadline. Four (4) proposals are received.
February 23, 2007	Assistant City Manager (ACM) Brian Williams convenes meeting with the 4 RFP respondents and offers opportunity for their re-submittal of refined development program and financial pro formas. This meeting is memorialized in a letter from the ACM to the respondents dated February 26, 2007.
March 9, 2007	Refined development program and pro formas from all 4 proposers are received.

FORMER SCOPE OF PROJECT AND REASON IT WAS NOT BUILT

The development site under the former project scope was 2.08 acres (90,480 sf) comprised of 8 parcels. The former scope of development consisted of the construction of a mixed-use complex comprised of 104 affordable rental housing units for seniors, a community building (2,236 sf), and ancillary commercial and support space (4,070 sf). The scope also included the relocation and adaptive reuse of the historic Decker House structure. The project wasn't built because the developer did not perform on a contractual obligation to secure State tax credits; hence the PCDC development agreement was terminated on June 28, 2004.

CURRENT SCOPE OF PROJECT (Per RFP approved by PCDC on October 23, 2006)

The current development site is 2.82 acres (123,005 sf) comprised of 10 parcels. The current scope of development provides for a mix of residential, commercial, and community uses, with residential being the predominant use. Housing for seniors shall be a component of the residential element. The suggested (but not required) percentage of rental/for-sale housing is 67%/37%. A varied income mix (affordable, workforce, market) for the residential element is encouraged. The suggested amount of commercial space is 20,000 sf. The relocation and adaptive reuse of the historic Decker House structure remains part of the project scope.

PCDC FINANCIAL INVESTMENT COMMITTED TO PROJECT TO DATE

Total = \$8,900,534 comprised of Phase 1 Acquisition (\$4,900,000), Tenant Relocation (\$600,534), and Phase 2 Acquisition (\$3,400,000).

HSCityCouncilMtg4-2-07(v 3-28-07)

HERITAGE SQUARE DEVELOPMENT PLAN

NO.	PROJECT TASK	STATUS
1.	Prepare Project Development Concept, Standards & Design Guidelines	Complete
2.	Initiate Discussions for Land Acquisition (Young - Church's Chicken Site & Brown Memorial Church)	Complete
3.	Perform Relocation Assessment and Prepare Relocation Plan	Complete
4.	Commence Tenant Relocation Process	Underway
5.	Perform Initial Project Financial Assessment	Complete
6.	Commence Selected Demolition Site Improvements	Complete
7.	Prepare Request for Proposals (RFP)	Complete
8.	Research and Solicit Financing Resources (County of Los Angeles, Affordable Housing Fund, Conventional Lenders, Genesis LA & Affordable Housing Clearinghouse)	Complete
9.	City Council Approval of Project Concept, Request For Proposal & Authorization to Submit Purchase Offers (Closed session)	Complete
10.	Submittal of Purchase Offers (Young - Church's Chicken Site & Brown Memorial Church)	Complete
11.	Release Request for Proposal and solicit Developers	Complete
12.	Establish Internal Staff/Consultant Review Team	Complete
13.	Establish Developer Selection Committee (DSC)	Complete
14.	Receive Developer Proposal by 1/17/07	Complete
15.	Negotiate Purchase Offers (Church's Chicken Site & Brown Memorial Church)	Complete
16.	Purchase Church's Chicken Site & Brown Memorial Church	Complete
17.	Staff/Consultant Review Team Performs Financial Analysis & Design Assessment of Submitted Proposals	Underway
18.	Staff/Consultant Review Team Prepares Review Team Assessment	Underway
19.	Transmit Review Team Assessment to DSC	By March 28, 2007
20.	DSC Proposal Review and Developer Presentations	March 31, 2007
21.	DSC Selects Developer	April 5, 2007
22.	DSC/Staff Recommendation for Developer and Exclusive Negotiations Agreement to Advisory Bodies	Week of April 23, 2007
23.	DSC/Staff Recommendation for Developer and Exclusive Negotiations Agreement to City Council/Pasadena Community Development Commission (PCDC)	April 30, 2007
24.	Commence Project Negotiations	
25.	Finalize Project Financial Analysis & Negotiations	
26.	Staff Recommendation of Disposition & Development Agreement (DDA) to Advisory Bodies	
27.	Staff Recommendation on DDA to City Council/PCDC	
28.	Secure Project Financing	
29.	Complete Relocation	
30.	Commence Project Construction	

31.	Initiate Marketing Program (purchase and lease of units & commercial space)	
32.	Select Prospective Households (owners/renters) and business tenants	
33.	Complete Project Construction	
34.	Initiate Occupancy of Development	

CITY OF PASADENA
Community Development Commission Minutes
October 23, 2006 – 5:30 P.M.
Pasadena Senior Center, Multi-Purpose Room
85 East Holly Street

REGULAR MEETING

OPENING: Chair Bogaard called the regular meeting to order at 10:06 p.m.

ROLL CALL:

Commissioners:

Chair Bill Bogaard
Vice Chair Steve Madison (Absent)
Commissioner Victor Gordo
Commissioner Steve Haderlein
Commissioner Chris Holden
Commissioner Paul Little
Commissioner Joyce Streater
Commissioner Sidney F. Tyler

Staff:

Chief Executive Officer Cynthia Kurtz
General Counsel Michele Beal Bagneris
Secretary Jane L. Rodriguez

PUBLIC COMMENT

No one appeared for public comment.

MINUTES APPROVED

October 9, 2006

It was moved by Commissioner Little, seconded by Commissioner Tyler, to approve the above minutes, as submitted. (Motion unanimously carried) (Absent: Vice Chair Madison)

REQUEST FOR PROPOSALS - HERITAGE SQUARE MIXED-INCOME, MIXED-USE SENIOR HOUSING DEVELOPMENT; 25 EAST ORANGE GROVE BOULEVARD AND 710-790 NORTH FAIR OAKS AVENUE

Recommendation of Chief Executive Officer: It is recommended that the Pasadena Community Development Commission ("Commission") approve the issuance of the Heritage Square Request for Proposals (RFP) in accordance with the design and development parameters identified in Exhibit A of the agenda report.

The Chief Executive Officer introduced the agenda item, commented on the occupancy/income mix for the project, and responded to questions.

Greg Robinson, Housing/Community Development Administrator, reviewed the agenda report, discussed the proposed preferred range of housing affordability for the project, and responded to questions. Mr. Robinson noted that the

Request for Proposals deadline shown on Page 3 of the agenda report should be corrected to read mid-January 2007,

The General Counsel clarified the status of City employees in purchasing units in the project.

Discussion followed on concerns regarding the large percentage of housing in the project allocated to seniors, use of the required community space in the project, allocation of a percentage of rental vs. homeownership units in the project, flexibility in arriving at an acceptable income mix for the project, City and private financing of the project, the process for allocating tenants/purchasers for the units, and "green building" requirements for the project.

Commissioner Streater suggested the occupancy component for the project be made flexible, rather than restricting a certain percentage of the occupancy to seniors, in order to allow developers to submit a proposal that will contain what they consider to be the best mix for the project.

Commissioner Holden suggested that the community continue to be involved in the review process for the project as this moves forward.

Following brief discussion, it was moved by Commissioner Holden, seconded by Commissioner Little, to approve the Chief Executive Officer's recommendation, with the understanding that flexibility will be allowed in the percentage of occupancy designated for seniors, that staff will work with the developer to provide flexibility in achieving an acceptable unit tenure and income mix within certain ranges cited in the agenda report, and that affordable housing goals are met. (Motion unanimously carried) (Absent: Vice Chair Madison)

On order of the Chair, the regular meeting of the Community Development Commission adjourned at 10:49 p.m.



Bill Bogaard, Chair
Community Development Commission

ATTEST:



Jane L. Rodriguez
Secretary

DATE: OCTOBER 23, 2006

TO: PASADENA COMMUNITY DEVELOPMENT COMMISSION

FROM: CYNTHIA J. KURTZ, CHIEF EXECUTIVE OFFICER

**RE: REQUEST FOR PROPOSALS - HERITAGE SQUARE MIXED-INCOME,
MIXED-USE SENIOR HOUSING DEVELOPMENT; 25 E. ORANGE GROVE
BOULEVARD AND 710-790 N. FAIR OAKS AVENUE**

RECOMMENDATION:

It is recommended that the Pasadena Community Development Commission ("Commission") approve the issuance of the Heritage Square Request For Proposals (RFP) in accord with the design and development parameters identified in Exhibit A.

BACKGROUND:

In February, 2004, the Commission acquired the Heritage Square Site (Site A) located at 730-790 N. Fair Oaks Avenue (8 contiguous parcels totaling 2.08 acres), via purchase options secured by Simpson Housing Solutions, LLC. Following Simpson's inability to obtain financing for the proposed Heritage Square Mixed-use senior rental housing project in September, 2004, the Commission has continued to lease and manage Site A pending the implementation of a new development.

Beginning in January, 2005, staff, in conjunction with the Fair Oaks Project Area Committee, initiated a detailed design/development analysis of both Site A and the remaining properties on the block – 710-722 N. Fair Oaks Avenue & 25 E. Orange Gove Boulevard (Site B). Staff devised and presented to the Committee a range of development scenarios for consideration including a public workshop convened by the Committee on April 26, 2005 to solicit community input. Subsequently, at its meeting on May 31, 2005, following the community workshop, the Committee stated to staff its preference for the coterminous development of Site A & B as an integrated mixed-income, mixed-use senior housing development (ownership & rental) with commercial office/retail. The preferred elements were as follows:

- Senior housing preferred over family housing.
- Rental housing should dominate over ownership housing with a mix of 80% rental units and 20% ownership units.
- Mixture of affordable, workforce, and market rate housing units to achieve/enhance the financial feasibility of the development and provide units for workforce households.

- Expansion of the development site to include 710-722 N. Fair Oaks Avenue and 25 E. Orange Gove Boulevard.

REQUEST FOR PROPOSALS

Working with city staff, local planning and design consultants, staff prepared an RFP utilizing a building program reflective of the preferences which emerged from the community input process. Based on the preferences the proposed development concept consists of 3 on-site components: a) Ownership housing (lease-to-own); b) Mixed-use rental housing with ancillary commercial and community space and c) Mixed-use commercial which incorporates the Church's Chicken franchise and retail/office space. The housing component consist of no less than 110 newly constructed units which represents a mixture of affordable, workforce and market rate units (Exhibit B). Additionally, the existing Historic Decker House shall be relocated from Site A and renovated on an alternate site within the city.

Although, housing affordability was established to benefit all income groups the RFP requires the proposed development to restrict 65-80% of the units to senior citizens (55 years of age and above). The remaining units (20-35%) will be targeted to households who do not otherwise meet the senior citizen age requirements. The proposed mix was based on the increasing affordable housing needs of the city's aging population, the absence of housing for Pasadena workers who can no longer afford market rate housing costs and a commitment to retaining mixed-income communities.

Assuming the proposed development includes both Site A and Site B, the residential component could contain a maximum of approximately 149 housing units (given the provision of a 35% density bonus), and must provide an acceptable unit mix. As presented below, the stated percentages are provided as a preferred range of housing affordability pursuant to the Committee's stated preference with the understanding that developers who respond to the RFP may exercise flexibility in their proposal for both the unit tenure and unit income mix:

Unit Tenure

- 65%± of the total units available for rental;
- 35%± of the total units available for homeownership;

Unit Income Mix

- 25%± of the rental units available for very low income households;
- 10%± of the ownership units available for low income households;
- 25%± of the rental units available for households with workforce and market rate incomes;
- 70%± of the ownership units available to households with workforce and market rate incomes.

The commercial component of the proposed development would include 20,000 square feet of commercial space (retail and/or office) and 2,000 square feet of community space. Preference for the occupancy of the commercial space will be provided to existing local businesses within the city.

Outreach for the RFP will be made to developers/contractors identified in Housing and Community Development's mailing lists; developers/contractors identified in the City's "First Source Hiring Program" mailing lists; the construction industry (Dodge Report); and the general public (public notice in local & jurisdictional newspapers). A pre-bid conference will also be scheduled. The deadline for developers to submit proposals in response to the RFP is December 15, 2006.

The developer selected through the RFP process would be required to enter into an Exclusive Negotiations Agreement with Commission, pursuant to which the terms and conditions of an affordable housing disposition and development agreement would be negotiated.

DEVELOPMENT COST AND PROJECT FINANCING

Estimated total development cost ranges between \$25 – 30 million subject to the approved project: Site A acquisition and relocation (\$5.6 million); Site B acquisition, tenant relocation, fixtures & equipment, and goodwill costs (\$3 million); Construction costs (\$17-22 million);

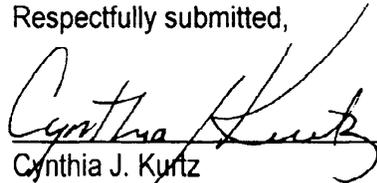
Proposed Commission loan assistance is approximately \$8.6 million. Other financing sources (\$17-22 million) include New Market Tax Credits, Low Income Housing Tax Credit Equity, Conventional Loan, County of Los Angeles "City of Industry" Funds, Federal Home Loan Bank "Affordable Housing Program" Funds, State HELP and Workforce Reward funds, Developer equity and conventional financing including retail/office space rental.

These funding sources have been/will be aggressively pursued by staff to address any potential financial gaps in the proposed development. A major component will be the use of New Market Tax Credits, which was an integral funding source for the Fair Oaks Court affordable housing ownership project located two blocks south of the Heritage Square site. Staff has discussed the proposed Heritage Square development with two New Market Tax Credits allocatees -- Affordable Housing Clearinghouse and Genesis L A, both of which expressed a high degree of interest in participating in the financing of the proposed development. Other financing sources have also been explored by staff, including State Low and Moderate Income Housing Tax Credits (4% tax credit) and Multi-family Housing Program, Los Angeles County City of Industry Housing Program, Affordable Housing Program and local conventional construction lenders. However, the financing and associated City/Commission assistance for the development remain subject to the selected design/development program and subsequent exclusive negotiations including a detailed financial analysis by the Commission's economist.

FISCAL IMPACT:

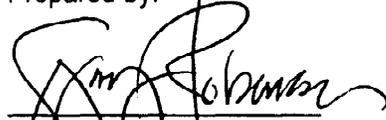
To date, the City/Commission has approved the expenditure of approximately \$8.6 million for the related acquisition, relocation and demolition costs associated with the purchase of both Site A and B. Approval of the subject recommendation to issue the Heritage Square RFP will have no immediate additional fiscal impact on City or Commission funds. However, the development financing and associated fiscal impact on City/Commission resources remain dependent on the preferred design/development program and resultant exclusive negotiations with the selected developer.

Respectfully submitted,



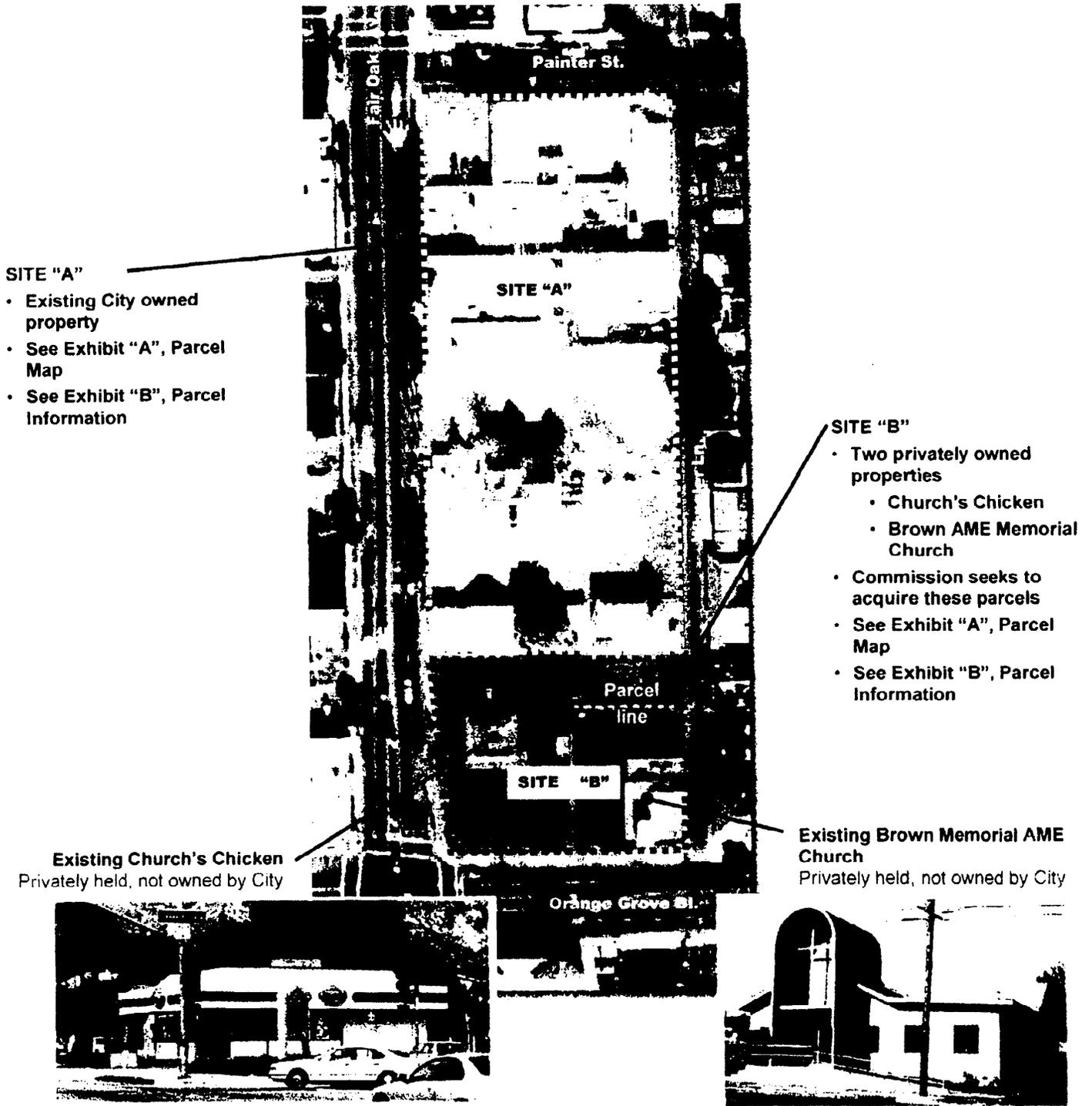
Cynthia J. Kurtz
Chief Executive Officer

Prepared by:



Gregory Robinson
Housing and Community
Development Administrator

EXHIBIT A



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Planning and Design Guidelines

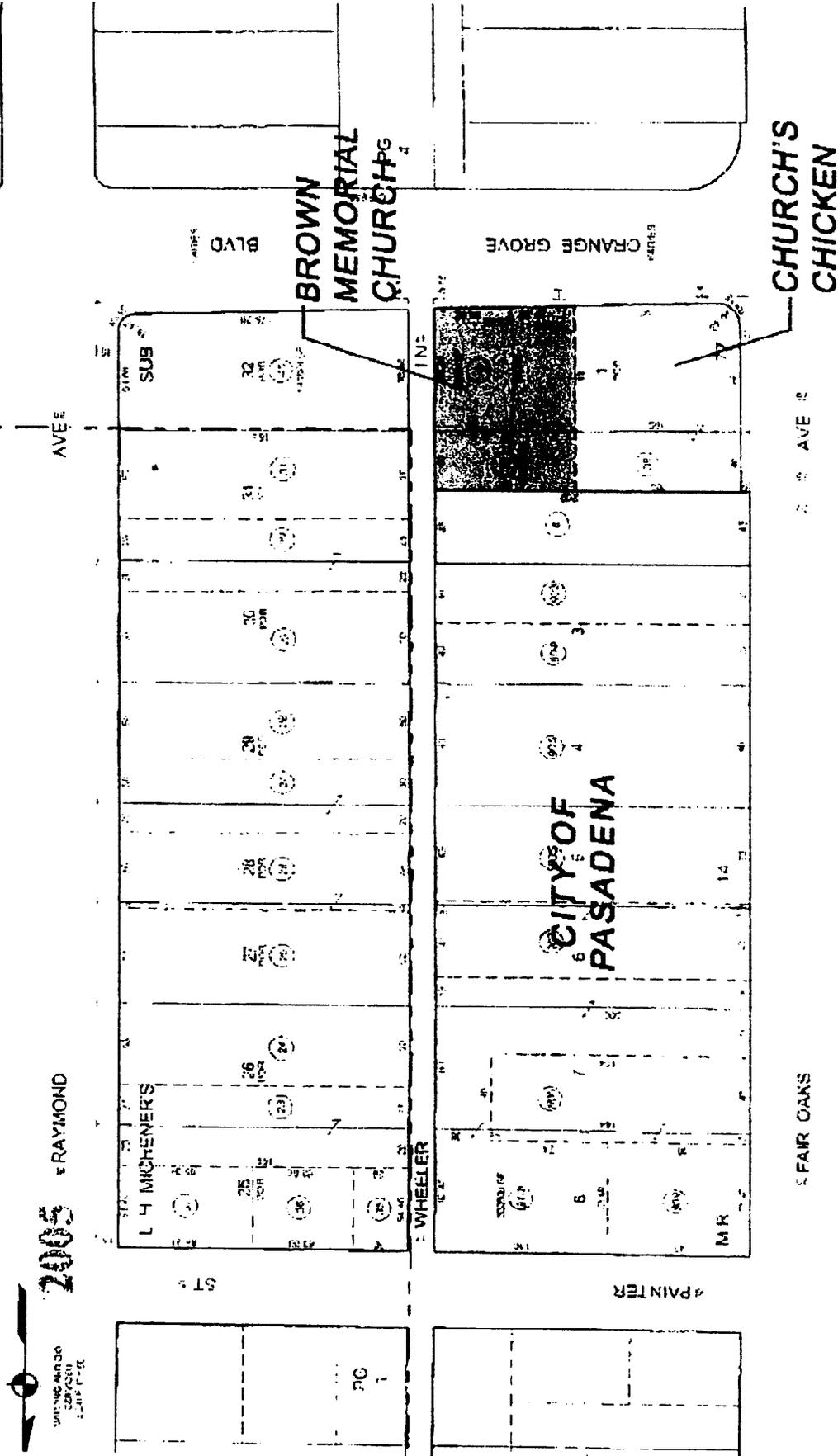
Heritage Square Request for Proposal
Office of the City Manager, Housing and Community Development, City of Pasadena

Suarez Architects, Inc. and Futterman and Associates, Inc.

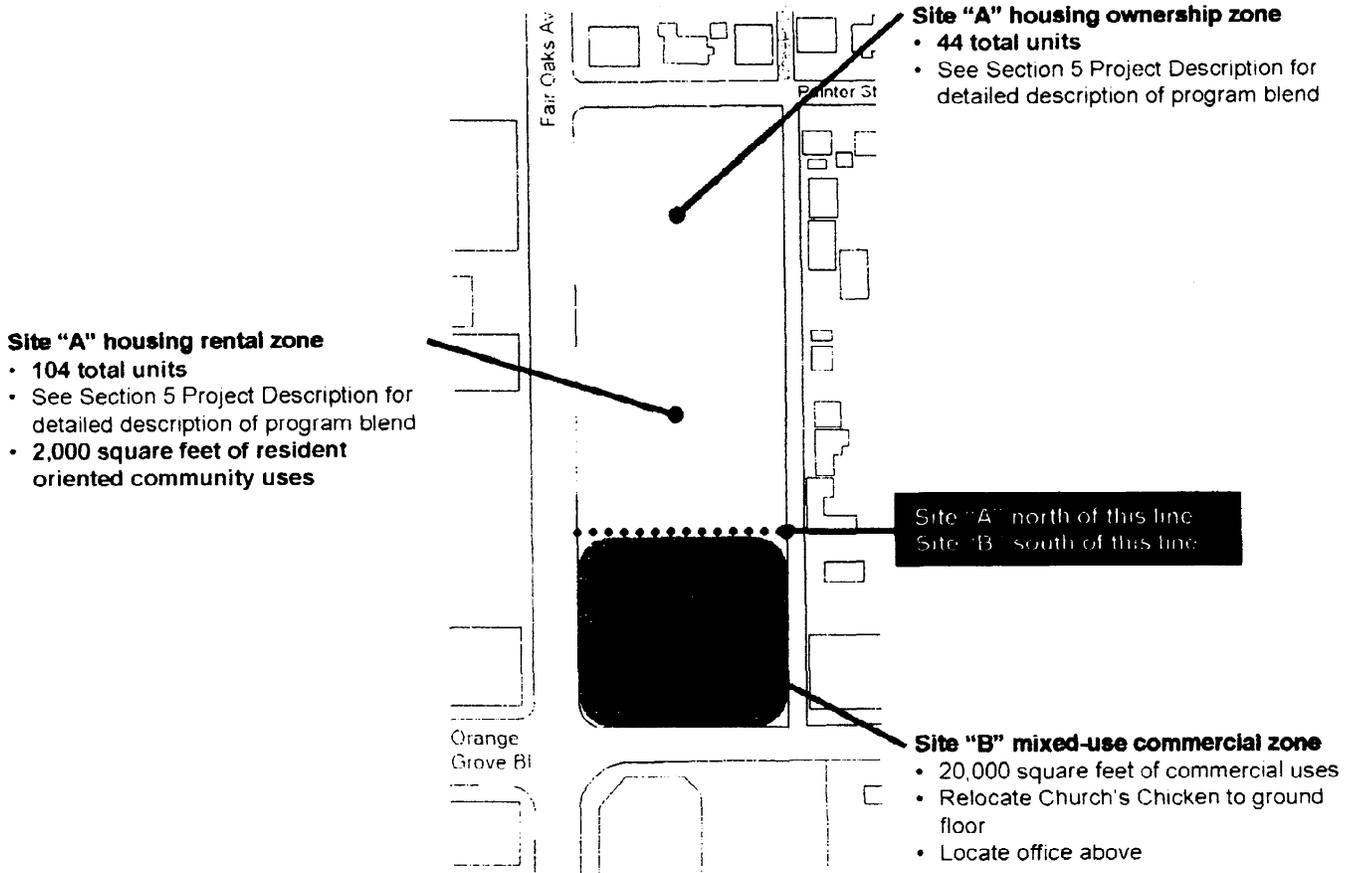
Figure 1
Existing Ownership

County of Los Angeles Rick Allenhart Assessor

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Site organization principles

- Three zones organized north to south
- Northern two zones in Site "A" owned by the City
 - Ownership units in northern-most zone
 - Rental apartments mid-block with community oriented uses
- Southern zone in Site "B" has two privately owned parcels
 - Mixed-use commercial with retail at ground floor and office above

▲
N Not to scale

Planning and Design Guidelines

Heritage Square Request for Proposal

Office of the City Manager, Housing and Community Development, City of Pasadena

Suarez Architects, Inc. and Futterman and Associates, Inc.

Figure 6

Site Organizational Diagram

Site "A" residential corner feature

- Located at Fair Oaks Avenue and Painter Street intersection
- Feature may include landscape
- Feature should be smaller than the feature at Fair Oaks Avenue and Orange Grove Boulevard
- Mass the building to the street edge around corner feature

Site "A" unit entrances

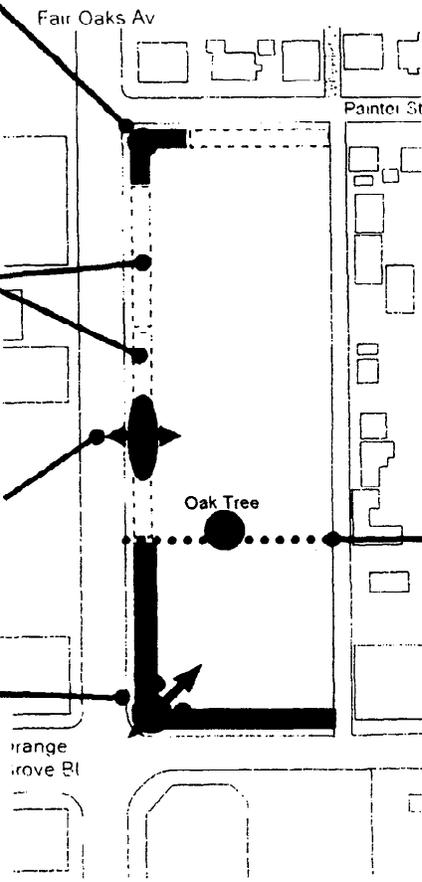
- Unit entrances in both ownership and rental housing should be oriented to Fair Oaks Avenue and Painter Street

Site "A" rental building features

- Building-scaled entrance feature, open space, and landscape elements oriented to Fair Oaks Avenue

Site "B" mixed-use commercial features

- Provide major building corner feature
- Provide open space and landscape elements oriented to Fair Oaks Avenue and Orange Grove Boulevard intersection
- Provide entrance to ground floor retail and possibly to offices above
- Mass the building to street edge around corner feature
- Provide see-through glass for view into ground floor use



Site "A" north of this line
Site "B" south of this line

Site design principles

- Building design should reflect urban design solutions
- Building design should integrate urban design solutions with considerations for residents (e.g., public spaces, landscape features)

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N Not to scale

Planning and Design Guidelines

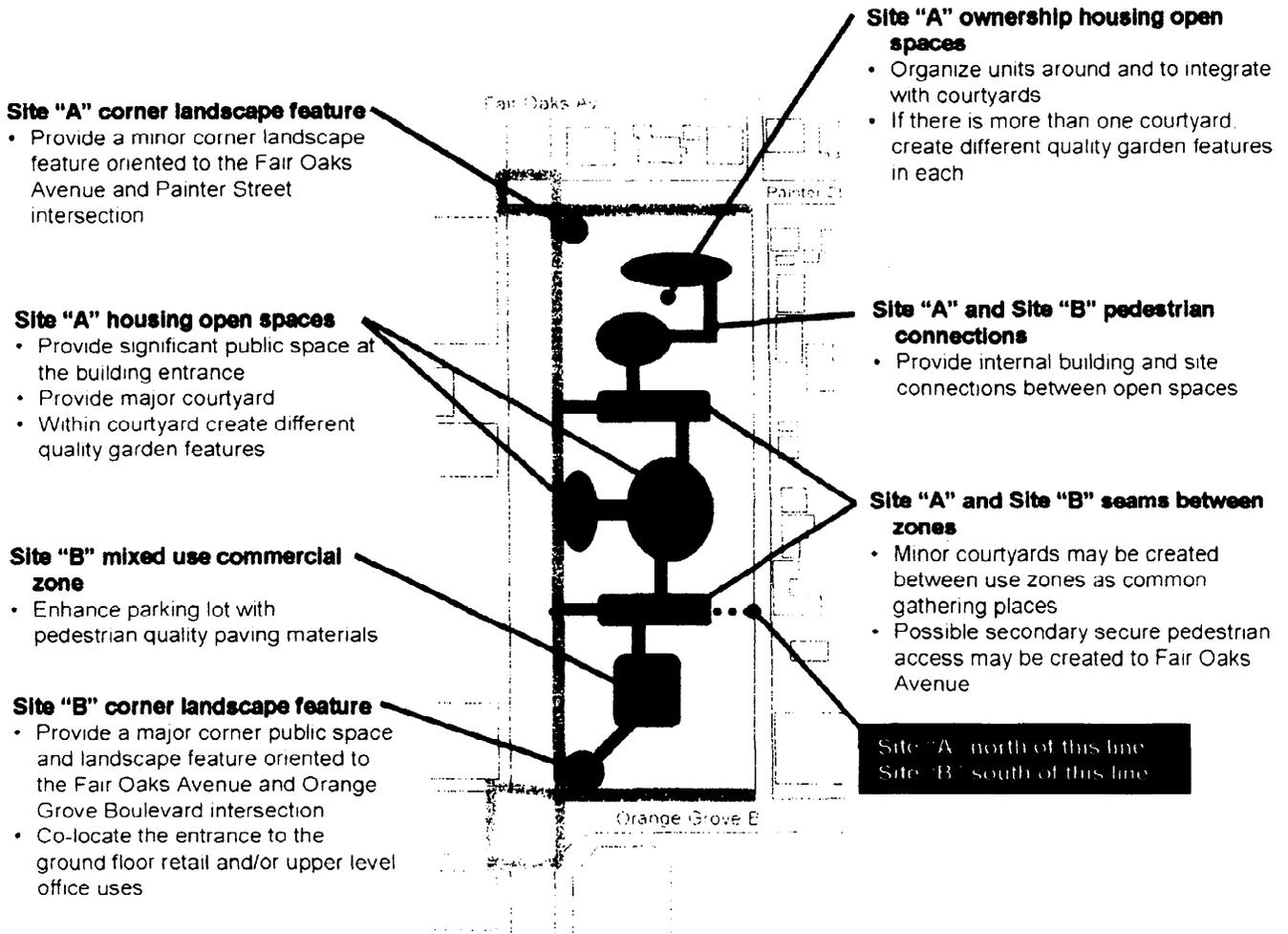
Heritage Square Request for Proposal

Office of the City Manager, Housing and Community Development, City of Pasadena

Suarez Architects, Inc. and Futterman and Associates, Inc.

Figure 8

Site Design Features Diagram



Open space design principles

- Create a hierarchy of open spaces for each of the two Site "A" residential zones
- Create pedestrian connections between the three use zones and between Site "A" and Site "B" to integrate the entire site, while protecting the security of residents

Note: the spaces and connections shown on this diagram are illustrative and not intended to necessarily represent actual locations, notwithstanding the corner landscape features at Fair Oaks Avenue/Orange Grove Boulevard, Fair Oaks Avenue/Painter Street, and Fair Oaks Avenue at the rental building entrance.

▲
N Not to scale

Planning and Design Guidelines

Heritage Square Request for Proposal

Office of the City Manager, Housing and Community Development, City of Pasadena

Suarez Architects, Inc. and Futterman and Associates, Inc.

Figure 11

Open Space Features Diagram

EXHIBIT B

TABLE 1

2006 INCOME RANGES AT VARYING HOUSEHOLD SIZES
HERITAGE SQUARE RFP
PASADENA, CALIFORNIA

Household Size	California Redevelopment Law			
	2006 HUD Median	2006 HCD Median	Very-Low Income ¹	Moderate Income ³
1 Person	\$39,340	\$39,300	\$0 - \$24,250	\$38,800 - \$47,200
2 Person	\$44,960	\$45,000	\$0 - \$27,700	\$44,350 - \$53,900
3 Person	\$50,580	\$50,600	\$0 - \$31,200	\$49,900 - \$60,700
4 Person	\$56,200	\$56,200	\$0 - \$34,650	\$55,450 - \$67,400
5 Person	\$60,696	\$60,700	\$0 - \$37,400	\$59,900 - \$72,800
6 Person	\$65,192	\$65,200	\$0 - \$40,200	\$64,300 - \$78,200
7 Person	\$69,688	\$69,700	\$0 - \$42,950	\$68,750 - \$83,600
8 Person	\$74,184	\$74,200	\$0 - \$45,750	\$73,200 - \$89,000

Household Size	Inclusionary Housing Ordinance			
	Very-Low Income ¹	Low Income ²	Moderate Income ³	
1 Person	\$0 - \$24,250	\$24,250 - \$38,800	\$38,800 - \$47,200	
2 Person	\$0 - \$27,700	\$27,700 - \$44,350	\$44,350 - \$53,900	
3 Person	\$0 - \$31,200	\$31,200 - \$49,900	\$49,900 - \$60,700	
4 Person	\$0 - \$34,650	\$34,650 - \$55,450	\$55,450 - \$67,400	
5 Person	\$0 - \$37,400	\$37,400 - \$59,900	\$59,900 - \$72,800	
6 Person	\$0 - \$40,200	\$40,200 - \$64,300	\$64,300 - \$78,200	
7 Person	\$0 - \$42,950	\$42,950 - \$68,750	\$68,750 - \$83,600	
8 Person	\$0 - \$45,750	\$45,750 - \$73,200	\$73,200 - \$89,000	

Household Size	Workforce Housing Ordinance ⁴			
	120% - 140% Median	140% - 160% Median	160% - 180% Median	
1 Person	\$47,200 - \$55,020	\$55,020 - \$62,880	\$62,880 - \$70,740	
2 Person	\$53,900 - \$63,000	\$63,000 - \$72,000	\$72,000 - \$81,000	
3 Person	\$60,700 - \$70,840	\$70,840 - \$80,960	\$80,960 - \$91,080	
4 Person	\$67,400 - \$78,680	\$78,680 - \$89,920	\$89,920 - \$101,160	
5 Person	\$72,800 - \$84,980	\$84,980 - \$97,120	\$97,120 - \$109,260	
6 Person	\$78,200 - \$91,280	\$91,280 - \$104,320	\$104,320 - \$117,360	
7 Person	\$83,600 - \$97,580	\$97,580 - \$111,520	\$111,520 - \$125,460	
8 Person	\$89,000 - \$103,880	\$103,880 - \$118,720	\$118,720 - \$133,560	

¹ The upper end is defined by HUD. In this year, the upper limit equals 62% of the HUD Median.

² The upper end is defined by HUD. In this year, the upper limit equals 99% of the HUD Median.

³ The upper end is defined by HCD. In this year, the upper limit equals 120% of the HUD Median and 120% of the HCD Median.

⁴ Based on the 2006 HCD Median.

TABLE 2

2006 MAXIMUM AFFORDABLE RENTS
HERITAGE SQUARE RFP
PASADENA, CALIFORNIA

California Redevelopment Law ¹			
	Very-Low Income	Low Income	Moderate Income
Studio	\$446	\$545	\$1,036
One-bedroom	\$510	\$622	\$1,185
Two-bedrooms	\$565	\$691	\$1,324
Three-bedrooms	\$624	\$764	\$1,467
Four-bedrooms	\$668	\$820	\$1,578

Inclusionary Housing Ordinance ²			
	Very-Low Income	Low Income	Moderate Income
Studio	\$446	\$741	\$1,134
One-bedroom	\$510	\$847	\$1,297
Two-bedrooms	\$565	\$944	\$1,450
Three-bedrooms	\$624	\$1,045	\$1,607
Four-bedrooms	\$668	\$1,123	\$1,730

Workforce Housing Ordinance ³				
	120% - 121%	121% - 140%	140% - 160%	160% - 180%
Studio	\$1,387	\$1,605	\$1,834	\$2,063
One-bedroom	\$1,588	\$1,838	\$2,100	\$2,363
Two-bedrooms	\$1,786	\$2,066	\$2,361	\$2,657
Three-bedrooms	\$1,983	\$2,295	\$2,623	\$2,951
Four-bedrooms	\$2,142	\$2,479	\$2,833	\$3,187

¹ See WORKSHEET A.

² See WORKSHEET C.

³ See WORKSHEET E.

TABLE 3

2006 MAXIMUM AFFORDABLE SALES PRICES
HERITAGE SQUARE RFP
PASADENA, CALIFORNIA

California Redevelopment Law & Density Bonus Ordinance ¹			
Unit Type	Very-Low Income	Low Income	Moderate Income
Studio	\$32,600	\$59,800	\$139,000
One-bedroom	\$38,800	\$69,900	\$160,500
Two-bedrooms	\$43,100	\$78,100	\$180,000
Three-bedrooms	\$48,900	\$87,800	\$201,000
Four-bedrooms	\$52,300	\$94,300	\$216,600

Inclusionary Housing Ordinance ²			
Unit Type	Very-Low Income	Low Income	Moderate Income
Studio	NA	\$73,300	\$163,800
One-bedroom	NA	\$85,400	\$189,000
Two-bedrooms	NA	\$95,500	\$212,100
Three-bedrooms	NA	\$107,200	\$236,600
Four-bedrooms	NA	\$115,200	\$255,000

Workforce Housing Ordinance ³			
Unit Type	121% - 140%	140% - 160%	160% - 180%
Studio	\$228,100	\$264,300	\$300,500
One-bedroom	\$262,500	\$304,000	\$345,500
Two-bedrooms	\$296,400	\$343,000	\$389,600
Three-bedrooms	\$330,200	\$381,900	\$433,700
Four-bedrooms	\$356,900	\$412,800	\$468,700

¹ See WORKSHEET B.

² See WORKSHEET D.

³ See WORKSHEET F.

Jomsky, Mark

From: Kurtz, Cynthia
Sent: Thursday, March 29, 2007 8:18 AM
To: Rodriguez, Jane; Jomsky, Mark
Subject: FW: Heritage Square and the Fair Oaks PAC

Can we add this to the council package on Heritage Square

Thanks

c

From: Marcia Sola [mailto:marcia.sola@us.ibm.com]
Sent: Thursday, March 29, 2007 7:30 AM
To: Kurtz, Cynthia; Gordo, Victor
Cc: DeLaCuba, Vannia
Subject: Heritage Square and the Fair Oaks PAC

Cynthia and Victor

I have somehow ended up on the CC list for a letter that went from the Fair Oaks PAC to the City Manager regarding Heritage Square and then on the response from the City Manager.

I have had no formal interaction with the Fair Oaks PAC, just a quick and informal conversation with Chris Holden and Ishmael Trone regarding the Heritage Square project. I hope to make it to both the Fair Oaks PAC meeting on 03/29 and the City Council meeting on 04/02. However, in the event that I am unable to attend these meetings, I would like to set the record straight on what I am opposed to and what I am in favor of in relation to the Heritage Square project and the Northwest as a whole.

I am **OPPOSED** to

- *Dedicated low income/affordable housing rental projects.* Heritage Square is near to Community Arms, Kings Village, and the new project on Orange Grove. We have a great deal of illegal activity (gang activity, drugs, prostitution, etc) that can be traced back to these projects. This is detrimental to the quality of our neighborhood and creates the constant need for time consuming and costly police intervention. Putting another rental project into this environment does not seem to be a good idea.
- *Dedicated Senior Housing.* Again, due to the current nature of the Northwest, it is my opinion that dedicated senior housing is not a good idea. We have a situation directly across the street from me which demonstrates that in this type of neighborhood seniors can tend to be taken advantage of by members of their own family and other people who come into area. At the low income senior housing facility across the street from me we have had to deal with drug activity and prostitution as a result of senior's not being able to (or afraid to) handle the pressure put on them from outside influences.

As expressed by myself on numerous occasions, and as stated in Cynthia's letter, affordable rentals are needed in Pasadena but they need to be dispersed throughout Pasadena and not continue to be concentrated in an area which already holds the highest percentage of dedicated affordable rental projects. I am in full agreement with Cynthia's statement that the Northwest should have a mix of housing types and cost.

I am in **FAVOR** of

- *Affordable home OWNERSHIP mixed with market rate housing.* We need people to take pride in their home and responsibility for their neighborhood. Stereotypically, this comes from home ownership. When people invest in their homes they also invest in their surroundings which contributes to an improved quality of life, neighborhood friendly businesses, pedestrian friendly street landscapes, etc.. This will help the Northwest on its path of continuous improvement
- *A project which incorporates preservation into their plan.* I am not familiar with any of the proposals that have been submitted but I heard that Heritage Housing has a proposal for affordable home ownership which includes moving (saving) some of the buildings from Fuller. If that is true – that is where my vote goes!!

3/29/2007

thank you for taking the time to read this.

Marcia Sola
626 449 6540
436 N. Raymond Ave.