



RESPONSE TO
REQUEST FOR QUALIFICATIONS

MORGAN AND KIMBALL TOWERS

REHABILITATION & RECAPITALIZATION

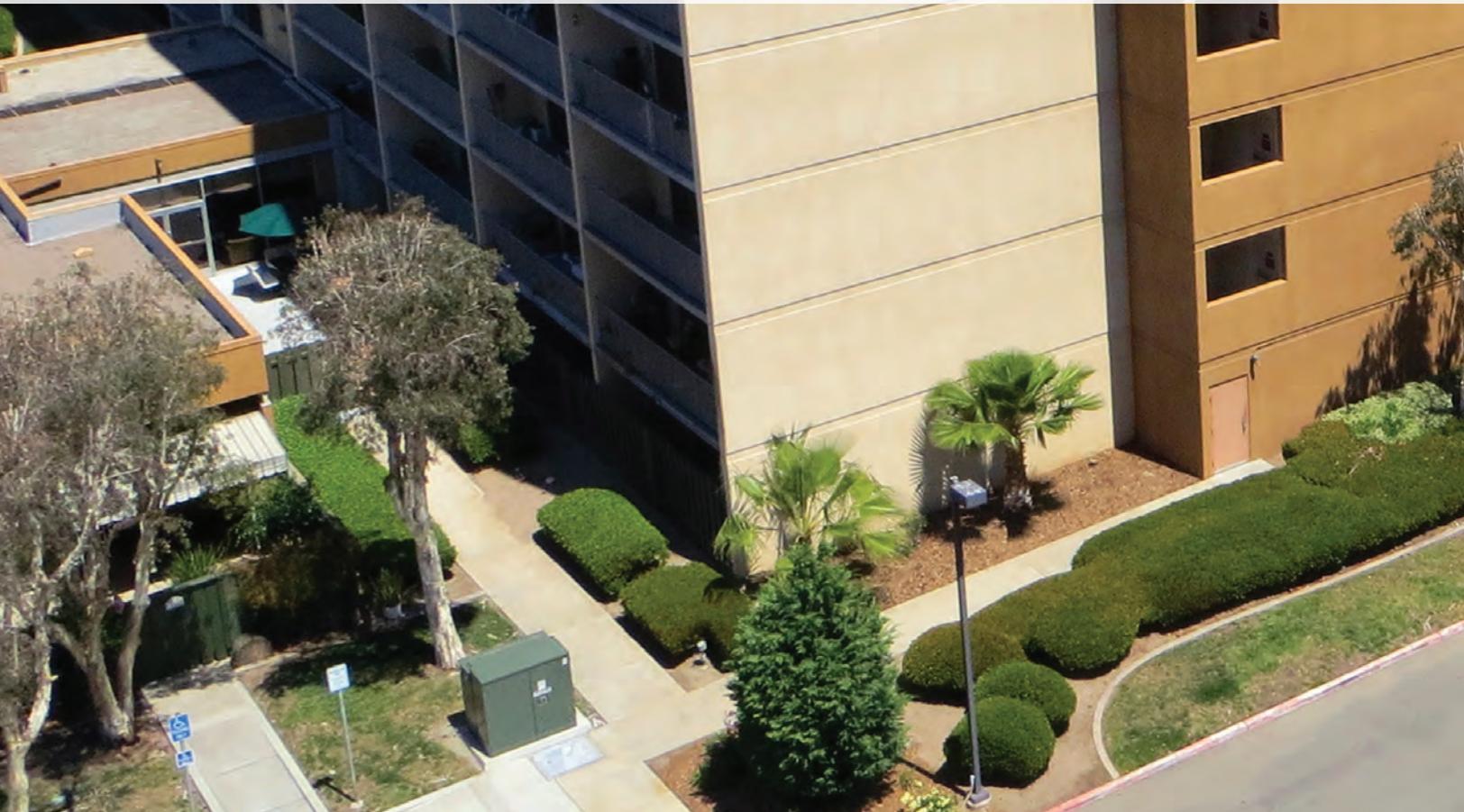
MAY 12, 2016



mercy
HOUSING



Community
HousingWorks







May 12, 2016

Mr. Carlos Aguirre
Community Development Manager
Community Development Commission,
Housing Authority of the City of National City
140 E. 12th Street, Suite B
National City, CA 91950

RE: Morgan and Kimball Towers RFQ: Statement of Qualifications

Dear Mr. Aguirre:

Community HousingWorks and Mercy Housing California, as co-general partners, are pleased to submit this Statement of Qualifications for the recapitalization and rehabilitation of the Kimball and Morgan Towers in National City. We are very excited about the opportunity of sustainably preserving the 303 homes for existing and future senior residents. Our team is aligned and shares values and mission. We believe that the combination of an engaged locally-based partner and a California based nonprofit partner of national scale has the synergy to excel at this project.

Our team strongly meets the RFQ's criteria, including:

- Experience and Qualifications: Proven history of relevant development experience including planning and implementing renovation of high rise buildings, extensive experience with HUD financing and programs, and with managing senior housing;
- Leveraging: Demonstrated capacity to innovate, identify and implement new financial tools, such as Freddie TEL, HUD Section 8 and loan programs to best leverage all available resources for affordable housing;
- Financial Capacity: Each partner has strong internal financial capacity as a result of prudent organizational management, recognized by the capital markets;
- Operating Experience: Effective operating experience in our portfolios. Mercy Housing Management, the proposed property manager, has extensive experience in management of seniors apartments, including towers;
- Resident Services: Shared commitment to strong resident services in order to empower senior residents to improve their quality of life and age in place. Mercy Housing, proposed as the resident services provider, is a recognized leader in senior services, and has been nationally acclaimed for its Healthcare and Housing Initiative.

We look forward to discussing our qualifications and proposal with you, and thank you for this opportunity.

Sincerely,

Anne B. Wilson
Senior Vice President

Ed Holder
Regional Vice President of Real Estate



TABLE OF CONTENTS

1. PROPOSAL

- Narrative: Qualifications and Conceptual Proposal
- Tables: Relevant Projects
- Letters of Recommendation

2. DEVELOPER PROFILE: COMMUNITY HOUSINGWORKS

- Staff Resumes
- List of Awards, Grants Composition
- Relevant Project Experience – Detailed Profiles
- Press
- Financials

3. DEVELOPER PROFILE: MERCY HOUSING CALIFORNIA

- Corporate and Staff Resumes
- Relevant Project Experience – Detailed Profiles
- List (partial) Completed Development
- Community Planning Case Study
- Press
- Financials

4. DEVELOPMENT TEAM PROFILES

- Counsel for HUD: Nixon Peabody LLC
- Tax Credit and Financial Consultant: California Housing Partnership Corporation
- General Contractor: ICON Builders
- Architect: Eagan Simon Architects

5. DEVELOPERS' SOQ AND DISCLOSURES

- Community HousingWorks: SOQ, Disclosure
- Mercy Housing California: SOQ, Disclosure

PROPOSAL

CONTENTS

- Narrative: Qualifications and Conceptual Proposal
- Tables: Relevant Projects
- Letters of Recommendation

EXECUTIVE SUMMARY

OVERVIEW: TEAM QUALIFICATIONS

Community HousingWorks and **Mercy Housing California**, as co-developers, together with a select team of consultant partners, are pleased to present this Statement of Qualifications to the Community Development Commission – Housing Authority of the City of National City (“CDC-HA”) for the proposed recapitalization and rehabilitation of Morgan and Kimball Towers. The partnership of Community HousingWorks (“CHW”) and Mercy Housing California (“MHC”) is uniquely qualified to successfully develop, own and act as long-term stewards of this senior community as detailed below, consistent with the city’s evaluation scoring provided in Attachment 3 of the Request for Qualifications (“RFQ”).

Roles: CHW’s role in Morgan/Kimball would be the lead general partner for entitlements, community collaboration, finance, construction, and asset management. As co-general, MHC would collaborate and provide expertise during design and development; be the property manager through its affiliate, Mercy Housing Management Group, based on their broad experience managing senior towers; and, provide specialized resident services based on their substantial expertise and experience designing and providing resident services to very low and extremely low-income seniors living in affordable communities.

In each of the criteria categories listed in the RFQ, the team of CHW and Mercy Housing California excel:

- **Experience and Qualifications:** Combined, CHW and MHC have developed, own and operate almost 12,000 apartments in over 200 properties in California, and the experience of MHC’s national arm brings the total experience up to 22,000 apartments nationwide. CHW and MHC have completed 138 successful HUD-related transactions, including FHA finance, project-based Section 8 contracts, the 202 Senior and the 811 Disabled Housing Programs. As the developer, owner and operator of 35 senior affordable housing developments, Mercy Housing California brings extensive experience with senior housing to the team. CHW has one dedicated senior complex and serves over 500 senior residents throughout the portfolio; as part of its commitment to expand senior housing, CHW will break ground in 2016 on two senior housing developments in San Diego County totaling 214 apartments. (*See Table of Relevant Projects following this section.*). The team brings extensive experience successfully planning, financing and completing occupied rehabs: CHW has completed 23 and MHC has completed 35 properties in addition to 30 non-occupied rehabs. Both non-profit developers/owners have extensive experience and financial success in completing developments on-time and on-budget for both new and existing (occupied) affordable apartments in California.

As the lead partner, CHW brings extensive experience in National City and with the local community including recognized collaborative experience with local community organizations through the work over the last 8 years on Paradise Creek I and II (*see following support letters from community groups*). MHC’s approach mirrors CHW’s with a record of exceptional community engagement and responsiveness, as their many references attest. In addition, both developers have pioneered cost effective sustainable design and construction, and both have extensive successful experience in public-private partnerships with cities and public agencies. (*Schedules of relevant project information follow this narrative; additional detailed qualifications, including awards, staff biographies, and project information, are included for CHW and MHC in Tabs 2 and 3, respectively*).

- **Financial Capacity:** As detailed below, both CHW and MHC have access to many sources of capital for predevelopment; each maintains a strong balance sheet and have the financial capacity and resources to ensure a successful completion of Morgan/Kimball renovations. Mercy Housing has the ability to tap internal and external funds for predevelopment, based on MHI’s consolidated total assets in excess of \$2.2 billion, cash & cash equivalents of \$37.8 million and unrestricted net assets-controlling of \$32.3 million. CHW has access to an internal fund of \$12.7 million for predevelopment capital and reports net assets of over \$8 million in 2015. With regard to project finance, our letters of recommendation (*following*) and other bank references (*see SOQ, Tab 5*) provide a range of lenders and investors who routinely bid on our projects with the most favorable terms (CHW’s most recent investor price for San Diego was \$1.21). We have not proposed lender or investor partners at this time as it is premature to commit, but both partners have strong relationships, as identified in our references. Finally, our other team members bring substantial experience combining tax credits and HUD/Section 8 financing. The highly regarded firm of Nixon Peabody LLC will provide legal counsel and expertise in HUD Section 8 and related issues, and the California Housing Partnership Corporation (“CHPC”), one of California’s expert tax credit consulting firms, will consult on financial structures.
- **Leveraging Financing:** As noted by the Letters of Support (*following*) and references (*see SOQ, Tab 5*) from financing partners, both CHW and MHC have substantial expertise structuring tax credit financing, obtaining the best terms from both lenders and investors, and a record of success leveraging other financial sources including HUD and Freddie (Agency), AHP, HOME, CHDO, CDBG, and state TOD, AHSC, MHP, as well as a myriad of grants (*see also Tabs 2 and 3*). Both have strong balance sheets that can leverage financing.
- **Operating Experience:** Combined, CHW and MHC have demonstrated success, operating close to 12,000 affordable housing developments in California on budget, complying with tax credit requirements and HUD standards, monitoring and performing at the highest levels. MHC can demonstrate extensive experience operating senior tower/high rise properties through its affiliate Mercy Housing Management Group as the property manager. Last year, after extensive due diligence and planning, Mercy California completed a transaction with HUD to renovate two high rise senior towers (formerly public housing) in San Francisco as part of its RAD program.
- **Resident Services and Involvement:** It is important that service enriched affordable housing begins with strong community involvement, reflecting the needs of the community as well as the current residents. CHW and MHC share that approach and commitment and are supported by a cross section of local community groups (*see letters of recommendation following this narrative*). Another important consideration of a viable renovation is how any temporary relocation of residents is managed in order to minimize inconvenience to the senior residents. Both CHW and MHC have been national leaders and have presented at state and national housing conferences on our procedures and practice with regard to occupied rehab work. As noted, MHC will provide resident services given their nationally recognized leadership of services to seniors. In 2014, Mercy Housing initiated a **Healthcare and Housing Initiative** that focuses on policy, program and evaluation of the inextricable linkage between healthcare and housing. Mercy Housing has rolled out the initiative across its nationwide portfolio, expanding resident series through third party partnerships specifically targeted to serving some of the highest users of the healthcare system. **Note the letter of interest from Scripps Health** (*following*). Therefore, rather than an add-on, after-thought services provided by some developers, we propose senior resident services for Kimball and Morgan residents that are comprehensive, and which will best support our senior residents to enjoy a productive quality of life while aging in place.

Additional team members include the firm of *Nixon Peabody LLC* as legal counsel and HUD experts; *California Housing Partnership Corporation* (“CHPC”) as tax credit and financial consultant; *ICON Builders*, as general contractor for preconstruction services and construction; and, *Eagan Simon Architecture*, for architecture and design. *Mercy Housing Management Group* (“MHM”) will be the property manager, and Mercy Housing California will be both a co-developer and the resident services provider.

DEVELOPMENT TEAM

<p>Co-Developer/Co-Owner: <i>Community HousingWorks (CHW)</i></p>	<p>Principal in Charge: Anne B. Wilson, Senior Vice President, Housing & Real Estate (619) 450-8709, awilson@chworks.org</p> <p>Key Staff: Mary Jane Jagodzinski, Vice President – Development (619) 450-8710, mjag@chworks.org Dave Gatzke, Vice President – Acquisitions (619) 450-8711, dgatzke@chworks.org</p>
<p>Co-Developer/Co-Owner: <i>Mercy Housing California (MHC)</i></p>	<p>Principal in Charge: Ed Holder, Regional Vice President of Real Estate (213) 743- 5831, eholder@mercyhousing.org</p> <p>Key Staff: Erika Villablanca, Senior Housing Developer (213) 743-5826, evillablanca@mercyhousing.org</p>
<p>Legal Team (HUD issues): <i>Nixon Peabody LLP</i></p>	<p>Principal in Charge: Monica Sussman, Partner (202) 585-8833, msussman@nixonpeabody.com</p>
<p>Tax Credit Financial Consultant: <i>California Housing Partnership Corporation (CHPC)</i></p>	<p>Principal in Charge: Paul Beesemyer, Director, Southern California (213) 892-8775 Ext 1, paul@chpc.net</p>
<p>General Contractor: <i>ICON Builders</i></p>	<p>Principal in Charge: Allan W. (Kelly) Sands, President (310) 450-8709 Ext 101, ksands@iconbuilders.com</p>
<p>Architect: <i>Eagan Simon Architecture</i></p>	<p>Principal in Charge: John Sexton Eagan, Principal in Charge, Senior Project Manager (310) 306-7804, jeagan@eagansimon.com</p>
<p>Property Manager: <i>Mercy Housing Management (MHM)</i></p>	<p>Principal in Charge: Jacquie Hoffman, Regional Vice President of Property Operations (415) 355-7124, jhoffman@mercyhousing.org</p> <p>Key Staff: Katayoon Montazemi, Regional Manager (213) 743-5825, kmontazemi@mercyhousing.org</p>

OVERVIEW: CONCEPTUAL PROPOSAL

Kimball and Morgan Towers, owned by the CDC-Housing Authority of National City, are two, 9-story towers, with 177 surface parking spaces and the adjacent George Waters Nutrition Center. The towers contain 303 affordable apartments (including managers' units) that serve seniors with incomes no higher than 50% Area Median Income ("AMI"). Pursuant to the directions of the RFQ, this proposal does not include the adjacent Senior Center, nor development of an unspecified portion of the site's 5.39 acres that the city may separate for future development unassociated with this renovation proposal. Morgan has recorded regulatory restrictions associated with the current FHA 231 loan, while Kimball is debt-free and has no current recorded regulatory restrictions.

As discussed below, the proposed development would separate the acreage for each tower as its own legal parcel. A tax-credit limited partnership, each with CHW and MHC as co-general partners, would enter a long-term ground lease for the land and purchase each tower from the CDC-HA. Reflecting the city's wishes, the properties would be restricted to 50% AMI. It is proposed that a new long-term project-based HUD Section 8 contract would be put into place for each tower to pay Fair Market Rents as subsidy for the amount above the 30% of income that the residents would continue to pay. Each tax credit partnership would make substantial renovations to the respective tower. The scope of such renovations would be developed following complete due diligence, but for this proposal, we assumed the City's \$4.5 million renovation estimate per tower.

In a conceptual financing scenario, assuming renovation (hard) costs of \$4.5 million per tower (plus any applicable prevailing wage premium), the recapitalization of each tower by the respective tax credit partnership could be financed with the following elements: tax-exempt bond for construction loan and permanent mortgage; low-income housing tax credit equity; and, a Seller Note from the CDC-Housing Authority for a portion of the purchase price, net repayment of current debt and cash out paid to the city. Under the conceptual financing proposal, as further detailed below (*see Leveraging and Conceptual Plan section*), **cash payment to the CDC-Housing Authority at time of sales for both projects could total as much as \$25 million**; additionally, the CDC-HA would receive **annual residual receipts payments for the Seller Notes**. Our partnership proposes to work with the City's team to decide how to invest the available capital in the scope of renovations, in comprehensive resident services and to support the city's nutrition center.

*See further detailed discussion in the **Leveraging and Conceptual Plan** section, below.*

RFQ CRITERIA

EXPERIENCE AND QUALIFICATIONS

COMMUNITY HOUSINGWORKS – CO-DEVELOPER/CO-OWNER

See detailed Qualifications and Experience in Tab 2.

Community HousingWorks is proposed as the co-developer/co-owner of the Kimball and Morgan developments with Mercy Housing California (*see below*), and would be the lead development partner for entitlements, community collaboration, finance and construction; CHW will also be the Asset Manager for the properties.

CHW is a nationally-recognized nonprofit that builds, acquires and owns quality affordable apartments and provides wraparound services that help lower income residents improve their lives and move up in the world. For 28 years, CHW has harnessed innovation and staff expertise to build and own beautiful affordable apartment communities with a focus on cost effective, sustainable, and energy efficient designs.

Portfolio: CHW has completed and owns 35 rental communities with 2,864 apartments located in San Diego County and, now, throughout California. CHW has been the sole developer or lead development partner in the development of our entire portfolio (except for Paradise Creek I and II), and has over 1,600 apartments in the active pipeline of new construction, acquisition, rehabilitation and preservation. In the last two years, the San Diego-based nonprofit grew by over 40 percent, transforming itself into a powerhouse recognized by *Affordable Housing Finance Magazine* as one of the “Top 50 Affordable Housing Developers” nationwide. In 2015, CHW spun off its homeownership unit to a national nonprofit, Springboard, in order to focus and expand its multifamily development work and to allow the homeownership unit to go to the scale it needs to be successful.

CHW’s recent success is even more remarkable in the face of a 67% reduction in state and federal affordable housing sources over the past five years. While California struggles to identify and legislate new funding sources for affordable housing, CHW has leveraged private capital to advance diverse growth strategies including expansion beyond San Diego into other areas of California.

Approximately ten percent of our apartments are designated for people with special needs that require supportive services and housing and live on fixed incomes, including senior citizens, veterans escaping homelessness, and people living with long-term disabilities.

Acquisition/Rehabilitation Experience: Since 1997, CHW has committed staff and financial resources to preserve and rehabilitate multifamily housing, including properties with expiring HUD restrictions, Section 8 Housing Assistance Contracts (“HAP”), and expiring tax credit restrictions. To date, CHW has completed 23 acquisitions, including four currently in construction and expected to complete in 2016. Eight of these developments involved acquiring and refinancing properties originally financed with HUD loans and/or Section 8 HAP contracts, five of which CHW purchased and owned directly, while for three properties, CHW provided technical assistance and long-term support to a tenant-owned purchasing entity. For these eight HUD Preservation projects, CHW successfully negotiated with HUD to secure financing and new 20-year Section 8 HAP contracts or extensions to existing contracts. The properties total 1,990 units and the average size is 86 apartments.

Recognized nationally as an innovator in complex financial structures, CHW is one of only two California nonprofits successful in obtaining equity and debt necessary to compete with yield-motivated investors to



acquire existing HUD and LIHTC projects. As an example, CHW recently acquired a property in Concord, California, for \$21 million using \$11 million private equity investment, \$1.3 million in CHW equity, and new financial products including a Freddie Tax Exempt Loan (TEL). CHW has proven that it can complete due diligence, raise the equity and mezzanine financing, and close within 90 days to compete in this market place. To do this successfully, CHW has instituted formal policies and procedures for due diligence, planning scopes of work, relocation, and rehabilitation and further has at hand a stable of experienced rehab architects, construction experts, seismic, environmental, forensic plumbing consultants, and other experts in the practice of rehabilitation.

CHW approaches every rehabilitation project with three primary goals in mind: 1) Extend the productive life of the existing building well beyond the new 55-year affordability period; 2) Reduce operating expenses with renewable energy and durable materials; and, 3) improve resident comfort and building functionality.

While other rehabilitation developers often focus on surface materials and modernization of interior space, CHW focuses first on the all-important building envelope – making sure the building continues to withstand water and weather damage, so it can continue to serve its residents for a century or longer. This may involve a full rebuild of the roofing structure versus a twenty-year warranty roof overlay, and involves an important focus on the building surfaces, especially where water intrusion typically happens at windows, balconies, and other architectural projections. This is also an opportunity to upgrade materials, such as windows, to the latest standards. This improves sustainability –which reduces energy costs – and improves resident comfort.

Because rents are restricted and revenue growth is therefore limited, CHW focuses on making sure the building remains economically viable by reducing expenses. First, CHW works with its team of energy consultants and advisors to determine the most efficient systems for building operations; these systems often include renewables such as solar thermal hot water heating, for example. Since 2007, with the development of SOLARA, CHW has been a recognized national leader regarding renewable energy, and has added it to the existing portfolio and all of its new rehabilitation communities. In addition, operating expenses are saved when CHW can use the rehabilitation to introduce new durable finish materials, such as hard-surface flooring (which also results in improvement of resident health by eliminating allergens) and durable cabinets.

Finally, CHW recognizes that resident comfort and satisfaction is an important part of any rehabilitation projects. After a brief assisted relocation, residents return to fresh and updated apartments. Our material selection focuses on items that are not only durable, but also healthy. With no-VOC paints, cabinets free of formaldehyde, and other careful product selection, the units have the look and feel of new construction without that new construction smell.

Because of this comprehensive focus to rehabilitation, CHW is a trusted sponsor that can command the best terms and pricing from Low Income Housing Tax Credit investors and debt providers. The deals we sponsor consistently command the highest tax credit pricing and lowest interest rates in the industry – allowing us to provide the greatest value for the residents and our partners like the City of National City.

Both *Affordable Housing Finance Magazine* and Novogradac's *Journal of Tax Credits* have recognized CHW's expertise in acquisition and rehabilitation projects. In 2010, Novogradac, one of the nation's premier tax credit accounting and consulting firm, awarded CHW the "Developments of Distinction: Innovative HUD Finance" award for its financial restructuring and rehabilitation of Turnagain Apartments, a 80 unit HUD preservation project. In 2015, Novogradac again awarded CHW the "Developments of Distinction: Preservation" for Azusa Apartments, an 88 unit HUD preservation project.

Principal Staff: Anne B. Wilson, Senior Vice President of Real Estate Development joined CHW in 2002 and oversees all real estate development activity including a \$350 million active development pipeline in California. Mary Jane Jagodzinski, Vice President of Development, will lead this experienced team; she joined CHW in 2003 and was the project manager for La Costa Paloma (another successful partnership with Mercy Housing). Her projects have won national awards and recognition for sustainable design and for complex finance, including receipt of the Novogradac *Journal of Tax Credits* “2010 Developments of Distinction Award for Innovative HUD Finance” award for Turnagain Apartments (*see Tab 2*). Dave Gatzke, Vice President of Acquisitions, joined CHW in 2007 after more than 15 years in market-rate development. Gatzke, an expert in entitlement and finance, has been recognized for creative acquisitions and innovative finance, including structuring the first Freddie TEL loan and layering in equity finance during bridge periods.

La Costa Paloma, another partnership with MHC: CHW and MHC bring a history of successful development as co-general partners in La Costa Paloma.

La Costa Paloma is a 180 unit, affordable development developed as inclusionary housing in the Villages of La Costa, a 2,500 home masterplan. The family apartments, including 1,2,3 and 4-bedroom apartments for incomes 50-60% AMI, are located in the most prestigious portion of the master plan community, on 13.5 acres overlooking the fourth fairway of La Costa Resort Golf Course. Selected by the master developer and the City of Carlsbad, CHW and co-general partner Mercy Housing California overcame initial local opposition to the affordable housing development as concerns that a low-income housing development would downgrade the home values in La Costa. Working collaboratively with the community, CHW obtained entitlements and won over neighborhood support with the development; several of the same original neighbors originally opposing the project later became CHW donors and now volunteer in the onsite Learning Center helping tutor resident children.



La Costa Paloma Apartments | Carlsbad, CA

Despite construction during the third wettest winter in California recorded history, with 55 rain days plus another week of wildfire smoke days that closed the construction site, CHW completed the project only slightly later than the original schedule. With Mercy Housing as the property manager and with CHW as the asset manager, La Costa Paloma was 100% occupied by qualified residents within 14 days of receipt of Certificates of Occupancy. The development continues to perform well 11 years following completion, and this year, the partners will pay off the balance of the city’s original \$2 million residual receipts loan.

Experience with HUD financing: CHW’s projects relevant to Kimball and Morgan Towers include completing eight acquisition/rehabilitations involving HUD financing and senior projects (*see table following this narrative*).

Profile: Azusa Apartments: As an example of CHW’s experience and qualifications relating to HUD finance, the following describes the finance of one of those HUD-related projects, Azusa Apartments. The project was not only recognized by SCANPH as the “2015 Project of the Year”, but also by *Affordable Housing Finance Magazine*, which selected it as the “2015 Readers’ Choice Awards: Best Preservation

Project” and by Novogradac’s *Journal of Tax Credits* which selected is as the “2015 Development of Distinction: Preservation.” Azusa Apartments, originally developed utilizing a HUD Section 236 loan and then subsequently refinanced in 1995 with a HUD Section 241(f) loan, had FHA 236 loan affordability restrictions that would expire in 2012. The owner was eligible to prepay the loan, which would have terminated the regulatory agreement restricting rents; moreover, the existing Section 8 contract had a 1-year term with no requirement for the owner to renew. To preserve the affordability, CHW acquired Azusa Apartments in July 2013 with bridge financing of \$17.5 million from U.S. Bank and NeighborWorks Capital Corporation. With an immovable (9%) tax credit deadline for closing, CHW worked with the HUD MAP lender, RED Capital (*see letter of recommendation following*) to close the new FHA 221d4 loan, while navigating the federal government shutdown of October 2013 that furloughed federal employees processing the loan. Concurrently, CHW was processing a new long-term Project-Based Section 8 contract under Mark Up to Market (“MUTM”) guidelines through HUD, while the credit investor, Union Bank (*see letter of recommendation following*), was working creatively to maximize funding for the renovation by proposing a state tax credit substitution for the project. There were no other state or local subsidies for this project, but the financing was able to fund acquisition and substantial renovation that preserved the asset, upgraded the amenities and provided energy and water efficiency; the project closed on time and construction was completed on time and under-budget.



Azusa Apartments | Azusa, CA

Cost Efficiency and Schedule: CHW works with top architects to design apartment complexes that fit seamlessly into an existing community and complement and enhance the surrounding homes and neighborhoods. Our cost effective designs are attractive and responsive to community needs and context. A study by Keyser Marston Associates, *Construction Cost Comparison Analysis – Affordable vs Market Rate Development*, released by the San Diego Housing Commission in 2011, highlighted our cost conscious design achievements, favorably comparing Kalos Apartments, our 83-unit, four story, wood frame with concrete podium in North Park, to several other local developments.



North Santa Fe | Vista, CA

Profile: North Santa Fe Apartments: The final cost for North Santa Fe Apartments, completed in 2015, was \$297,000/unit, significantly below the cost of most other tax credit affordable developments. Data provided by California Tax Credit Allocation Committee (“CTCAC”) indicates that for 2015, the average cost per unit for new construction was \$390,000 per unit.

While neither a HUD financed nor a seniors project, CHW’s recently completed family development in Vista is an example of our experience and qualifications regarding cost efficiency and performance on schedule.

The city selected CHW through an RFQ process in July 2012. By the following June, CHW had completed full design and entitlements on a complicated site for a 68 unit podium (underground garage) construction, and had readiness to apply for a competitive tax credit allocation in July 2013. After learning that CHW’s application won, we successfully completed construction documents and pulled grading and building permits prior to closing in March 2014. The project, with a Green Point Rated certification of 201 points (Platinum), one of the top seven in California, completed construction early, under-budget, despite having additional environmental remediation. Savings were used to add photovoltaic panels for common area energy mitigation. Although we were awarded Federal Home Loan Bank (“FHLB”) AHP finance of

\$670,000, we were able to return the award to the FHLB, undisbursed. The final project costs were virtually identical – within \$19,000 – to the projections provided to the city in the original RFQ. Moreover, the project was 100% occupied by income-qualified residents within 10 days of the Certificates of Occupancy in July 2015.

Sustainability Leader: Operating Cost Efficiencies, Resident Health: CHW and MHC share a commitment to sustainability as a benefit both for resident health as well as for mitigation of project



SOLARA | Poway, CA

operating costs. CHW is nationally noted as an innovator and leader in sustainability, as exemplified by our landmark SOLARA (Poway), completed in 2007. Prior to there being a LEED for Homes program, but following the USGBC LEED checklists that existed for commercial properties, CHW achieved the first virtual net zero energy project that was a pilot project of the California Energy Commission. As a national leader in the field of sustainable design and development, CHW has made it our business to know how to access financial incentives to lower the cost of installing energy and water conserving technologies, and we lead the industry in using green technologies to lower operating costs and to provide them as amenities. CHW's sustainable design and construction practices seek to promote a healthy environment and to provide thermal comfort and utility savings for our residents, and promote aging in place for senior residents. High performance buildings reduce our carbon footprint, minimize the use of natural resources, and, perhaps most importantly, *significantly lower utility and maintenance costs over time*. We are thoughtful and careful on selection of sustainable elements, looking at long term operating cost efficiencies from water and energy performance enhancements, but also mindful of operating costs for unit interiors such as plank flooring versus carpet in apartments, using no-VOC paints to prevent allergy and asthma particularly in children or frail seniors. We have been recognized with numerous national and statewide awards for sustainability, and our Poway Villas renovation (also a HUD related project) was the “poster child” project for the Upgrade Energy California program, a Public Utilities Commission program sponsored by San Diego Gas & Electric; the program focuses on improved energy and water use in existing multifamily. (*see Tab 3 for SDG&E materials*).

Temporary Relocation in Occupied Renovations: CHW has pioneered a system of renovating occupied apartments, and has presented our approach in panels at numerous conferences. We use a “one time through” approach so that the contractor does not return repeatedly to the apartment interior, inconveniencing the residents. Rather, all work is done in the apartment in one period. Usually, for substantial renovations, the residents are temporarily relocated, typically for 5-6 days, with a cash stipend. Their furnishings are packed and moved to professional storage, mitigating any risk of contamination with asbestos-containing materials, etc. during the renovation. When the apartment is completed, the furniture is delivered and the resident moves back to a brand new interior. Although there may be roof and exterior work or systems work in an elevator building, the hours of work are limited and the resident is able to enjoy their apartment during the renovation.

MERCY HOUSING CALIFORNIA - CO-DEVELOPER/CO-OWNER

See detailed Qualifications and Experience in Tab 3.

Mercy Housing California (“MHC”) is proposed as the co-developer/co-owner of the Kimball and Morgan developments with Community HousingWorks. MHC would assist during construction and finance, would be the property manager, through their affiliate Mercy Housing Management (“MHM”), and provide the resident services.

Mercy Housing California was incorporated in 1988 as the California affiliate of Mercy Housing, Inc. (“MHI”), a national nonprofit housing development, management, and resident services organization headquartered in Denver, Colorado. Regional offices are located in California, Georgia, Illinois and Washington. The mission of Mercy Housing, Inc. and all its subsidiaries, including Mercy Housing California, is *to create stable, vibrant and healthy communities by developing, financing and operating affordable, program-enriched housing for families, seniors and people with special needs who lack the economic resources to access quality, safe housing opportunities.*

MHI is recognized as a national leader in maintaining and increasing the country’s affordable housing stock. MHI builds and acquires affordable housing through four Regional Development Corporations, which have developed more than 19,000 units of affordable housing, and MHI currently serves more than 50,000 people on any given day. This work spans across 26 states and through the efforts of seven strategic healthcare partners, the Mercy Loan Fund and MHI is consulting division, Mercy Housing, Inc. has established an exceptionally deep national presence. MHI is listed as number four on the *Affordable Housing Finance Magazine’s* 2014 list of top affordable housing owners in the country. Founded over 20 years ago, MHC is the largest of the four Regional Development Corporations. MHC has grown substantially, both through its own affordable housing development and through mergers with other nonprofit housing groups seeking affiliation with the Mercy Housing system.

Portfolio: Mercy Housing California’s long history of successfully developing and managing affordable housing and providing on-site resident services, coupled with experience in community engagement during the predevelopment and design process, makes MHC uniquely qualified to complete a high quality, sustainably managed housing development in partnership with CHW and the resident community. Mercy Housing California is one of the largest affordable housing developers in the State of California in terms of staff, capacity, annual budget, and units constructed. MHC is also a leader in an integrated, mission-based approach that couples the delivery of customized resident and community service enrichments with quality development, management, and maintenance to create healthy communities.

MHC has successfully developed over 9,000 affordable rental and 3,000 ownership units. Family and senior housing constitute the majority of the rental developments – MHC has developed over **2,200 apartments in more than 35 developments serving seniors**, and over 4,500 units in more than 70 developments serving families. In addition, Mercy Housing California has over 2,500 units in the development pipeline, with a total development cost of nearly \$1 billion.

Rehab Experience: Encompassing over 3,500 units in over 65 projects, MHC has significant experience with acquisition/rehabilitation development. MHC is well versed in all types of rehab, from restoring historical properties to adaptive reuse and repurposing of defunct real estate assets, to renovation of fully occupied residential buildings such as that proposed. Fifteen of MHC’s properties with over 700 units were occupied at the original acquisition (*see detailed list in Tab 3*) and underwent significant rehab when MHC acquired the property. In addition to new acquisition/rehab projects, as an affordable housing developer and operator that has been in business for nearly 30 years, MHC regularly undertakes major rehabs and



2016 Acquisition
St. Mary's Tower | Long Beach, CA

recapitalization of existing properties in the MHC portfolio, which are operating and fully occupied. Recent HUD-related recapitalizations include Eden House in San Leandro, completed in 2014, with \$43,000 per unit in rehab, payoff of an FHA 236 loan, and placement of HUD “enhanced vouchers.” Over 20 properties in the MHC portfolio have undergone such occupied rehab/recapitalization; combined with the 15 properties, which were fully-occupied at the original acquisition, MHC has completed over 35 occupied rehabs with several more in development. In the summer of 2016, MHC will acquire the Saint Mary’s Tower in downtown Long Beach, an acquisition/rehab of a fully occupied 13-story pre-cast concrete building built in 1986. The HUD 202 loan that was originally used to develop the building is being prepaid, and a project-based Section 8 contract from HUD is being used to leverage new financing to recapitalize and rehab the project.

Occupied rehabs require specific expertise, and this is why Mercy Housing has three staff members specifically dedicated to relocation.

Awards: Excellence in design is important to the local neighborhood, city, and current and future residents. MHC has compiled an impressive list of design and leadership awards in its history. More than 60 awards and recognitions have been earned from state, local and national sources. In 2015, the 7th & H Apartments in Sacramento received the “Project of the Year” award from the Urban Land Institute. 7th & H also won the *Sacramento Business Journal’s* “Best Real Estate Project” and has received other design and green development awards. In 2010, 10th & Mission Family Housing, a 136-unit high rise in San Francisco, won *Affordable Housing Finance Magazine’s* “Readers’ Choice Award for Best Urban Project and Best Overall Project”. In 2009, MHC’s St. Vincent’s Gardens development in Santa Barbara - a two-phase master plan with family housing in phase 1 and senior housing in phase 2 - was chosen as one of six national finalists for the prestigious Turner Prize for Innovation and Leadership in Affordable Housing, as well as for *Affordable Housing Finance Magazine’s* “Readers’ Choice Award for Best Master Planned/Mixed Use Project.”



10th & Mission | San Francisco, CA

One development in particular is outstanding and relevant to this RFQ – Mission Creek in San Francisco. MHC received considerable press and 14 awards for Mission Creek, a 139-unit mixed use/senior community, which included the development of San Francisco’s newest public library branch. The development has served as a proof of reduced public health costs when homeless people are provided an affordable apartment, furthering **Mercy’s reputation as a leader in the work to break down the silos of private and public spending on health**. Reflecting the City’s enthusiasm for the team’s work, MHC was selected by the San Francisco Redevelopment Agency to develop a sister project, 1180 Fourth Street, which was recently completed.

Principal Staff: Ed Holder, Vice President of Real Estate, brings significant development, finance, and community planning experience to the MHC team. Ed oversees all of Mercy Housing California’s real estate development activities statewide, including a development pipeline of over 2,500 units across over 30 properties. Erika Villablanca, Senior Housing Developer (project manager), brings 11 years of affordable housing and community development experience to MHC’s team. Erika has successfully secured financing and managed the entitlement, community outreach, design, and construction processes

for numerous affordable housing developments in Southern California. Erika recently oversaw the development of Jefferson Park Terrace (family housing, Los Angeles) and Caroline Severance Manor (*Affordable Housing Finance Magazine* “Readers’ Choice: Project of the Year, 2014”), and is currently managing development of a 49-unit seniors/veterans community in Los Angeles and a 50 unit community for seniors/veterans in Orange County.

Experience with HUD Financing: MHC has worked with HUD in some capacity on over 60 projects and knows HUD well. Of MHC’s over 130 rental developments, the two most common forms of HUD partnership have been through HUD’s Section 202 and 811 programs, and through project-based rental assistance, such as Section 8, Shelter plus Care, and more recently the Veterans Affairs Supportive Housing (“VASH”) program. Though now in its final phases of expiring, the HUD 202/811 was formerly a highly competitive program with which Mercy Housing has had exceptional success - MHC developed over 30 HUD 202/811 communities in California. Constantly evolving its working relationship with HUD, MHC was able to pioneer the HUD 202/4% tax credit financing structure that was first used on Kent Gardens in San Lorenzo, and was subsequently used as a replicable financial template for many future senior housing projects statewide.

In total, over 60 of MHC’s properties have project-based rental assistance through HUD, such as Section 8, Shelter Plus Care, PRAC, and VASH. These programs play a critical role in maintaining operational feasibility for deeply targeted affordable housing, and they play a critical role in the capital structure by supporting higher conventional debt. Both when developing new projects and when recapitalizing existing assets, MHC works closely with HUD when project based rental assistance is involved. Recapitalizations have often included a “take out” of HUD financing such as an FHA 236 or 221 loan, with project-based vouchers playing a key role in the transaction by leveraging new debt. In 2008, MHC rehabbed and refinanced six HUD 202 properties with new debt, at the same time upgrading units, common areas, and making capital improvements.



1880 Pine St. | San Francisco, CA

Some of MHC’s most recent and relevant experience with HUD is through the Rental Assistance Demonstration (“RAD”) Program. RAD was created to give public housing authorities a tool to preserve and improve public housing with significant deferred maintenance. RAD transfers ownership of the real estate improvements to private entities (while maintaining a long-term ground lease), allows for syndication, and puts long-term rental assistance contracts in place to help leverage debt. In 2014, MHC was selected by the San Francisco Housing Authority to redevelop over 500 senior/disabled units in six properties utilizing the RAD program. The first three sites are under construction and the second of three sites will close and begin construction in October. Two of these properties are 12-story high rises, with a total of 211 units. MHC has and will lead relocation planning for all six sites. HUD has come to have such a high level of appreciation for Mercy Housing’s expertise in occupied rehabs that MHC was asked to lead a HUD relocation workshop two years ago for other (mostly for-profit) developers who were struggling with difficult relocation issues. The Kimball Morgan towers are not eligible for RAD financing, but the experience reflects the proficiency that Mercy has with HUD financing.

Cost Efficiency and Schedule: Since its beginnings, Mercy Housing has effectively and thoughtfully balanced the design of high quality affordable housing within the constraints of scarce and precious financial resources. Mercy Housing California has completed nearly 100 low-income housing tax credit projects statewide; by virtue of its competitive application process, the tax credit system imposes strict discipline with respect to hitting budgets and schedules. Delays in construction start can result in the loss

of tax credit equity, budget “busts” result in the loss of developer fees, and the reoccurrence of either scenario creates difficulty in securing additional funding awards. MHC’s track record of development is, in and of itself, a testament to its ability to deliver projects on budget and on schedule in different economics climates and stages in the real estate cycle.

Sustainability: Green building and maintaining an environmentally conscious approach to development is a fundamental part of MHC’s mission. As a long term owner in and contributor to California’s cities, MHC believes that affordable housing can drive innovation and lead to healthier, more sustainable communities. For seniors, that supports aging in place. Mercy Housing’s first holistically green project was designed in 2001, and would have approximately achieved LEED Silver, but it was built before there were rating systems for residential green building. Since, MHC has steadily increased its use of green building methods, and for several years has been building all new projects to either LEED, Green Point Rated, or Green Communities standards, which Mercy Housing has found it can attain without increased development costs. MHC’s portfolio includes several buildings built to LEED Silver and Gold standards. The green buildings Mercy Housing develops not only mitigate the environmental impact of development, they provide a higher quality, safer, healthier mode of living for residents, as well as providing a source of community pride.

Temporary Relocation in Occupied Renovations: Occupied rehabilitation requires expertise in tenant relocation, which is a sensitive issue with the tenant community and is closely regulated by law. The Uniform Relocation Act, the Real Property Acquisition Act of 1970, and local ordinance must be closely monitored and followed. Mercy Housing currently has three staff dedicated solely to relocation: one relocation manager and two relocation coordinators. Rosalba Navarro, Relocation Manager, will lead plans for any temporary relocation of residents during construction. Rosalba has coordinated relocation for multiple Mercy Housing occupied-rehabs, including at: the Arlington Hotel; The Madonna, a 70-unit senior/special needs property in San Francisco; The Derek Silva, a 68-unit special needs development for people with disabling HIV/AIDS in San Francisco; Martinelli House, a 66-unit senior building in San Rafael; Vista Grande and School House Station, Daly City, a 24-unit and 47-unit family housing property; Neary Lagoon, an 95-unit family development in Santa Cruz; and, Quinn Cottages, a 60-unit special needs development in Sacramento. In addition, she is overseeing the relocation work involved with MHC’s San Francisco RAD portfolio acquisition.

MHC’s approach is to finalize and publish a Relocation Phasing Plan once a development schedule has been set for the project, approximately six months prior to the start of construction. MHC’s Relocation Team holds a series of general information meetings with the residents to outline the relocation process and respond to questions. After these initial meetings, the Relocation Team works with each household individually to tailor its particular, special relocation needs. This includes: a) multiple meetings with each household to develop an individual and customized relocation plan for each household, including identifying an appropriate onsite or offsite housing unit for temporary or permanent relocation; and, b) assisting with the packing and the physical relocation of each household. If necessary, the Relocation Team will also assist and coordinate with the households the storage of personal items and furniture offsite. The Relocation Manager oversees the entire process and ensures that all regulations are being followed, households are comfortable, and inconvenience and confusion are minimized. Though each project is different and requires a customized plan, with over 35 occupied rehabs completed to date, MHC has found exceptional success with this general approach.

Oftentimes, special accommodation is provided onsite to mitigate the impacts of relocation. For example, during the rehab of the Madonna Residence in 2011-2012, a hospitality suite staffed by a member of the Relocation Team was established for the senior residents during the day. In addition, a designated unit was made available for napping and quiet relaxation. Close coordination between the Relocation Team and

resident services staff resulted in offsite outings and activities that helped to mitigate the impacts of construction. Mercy Housing also worked closely with the ground floor Adult Day Health Clinic to ensure that services could be accessed by the entire population during construction.

NIXON PEABODY - LEGAL COUNSEL (HUD ISSUES)

See detailed Qualifications and Experience in Tab 4.

Nixon Peabody (“NP”) is a full-service law firm with more than 650 attorneys collaborating in 16 offices throughout the U.S. and abroad; clients range from nonprofit institutions and governmental entities to *FORTUNE* 100 companies. CHW, working directly with NP partner Monica Sussman, has successfully closed three transactions with the firm as the counsel or a consultative role involving HUD Project-Based Section 8 contracts, former HUD regulatory agreements with remaining title restrictions, and/or FHA 221d4 finance. Nixon Peabody navigates subtleties of the myriad of HUD regulations and rules, and personally works directly with HUD staff to shepherd applications. The firm has a national platform, working directly with HUD headquarters in Washington, D.C., but also works closely with the California staff in the Los Angeles and San Francisco HUB offices. They are one of the most recognized groups in the nation, with attorneys having experience in all facets of HUD policy and many staff members having held legal and policy positions at HUD worked as HUD attorneys in California. The team prepares all HUD documents, and extensive experience and knowledge of HUD’s rental assistance programs, including the numerous Section 8 programs.

CALIFORNIA HOUSING PARTNERSHIP CORPORATION TAX CREDIT CONSULTANT

See detailed Qualifications and Experience in Tab 4.

California Housing Partnership Corporation (CHPC) is a nonprofit organization created by the California Legislature to assist nonprofit and government housing agencies to create and preserve affordable homes for lower income households. CHPC are consultants with financial acumen, who work closely on the development team in discussions and bids with the lenders, investors and tax credit syndicators regarding debt and equity terms, and assisting developer/owners in reviewing complex funding programs. CHPC is recognized nationally as a leader in housing preservation and HUD related finance and issues. They are federal and state low-income housing tax credit experts whose input to CTCAC and CDLAC is valued in policy matters. CHW has worked with CHPC for more than 15 years on almost all of our transactions; together we have created replicable templates that maximize value to all parties in the transaction. Examples include the work that was done on funding renewables and the innovations in coupling former HUD LIHPHRA projects with project-based Section 8 contracts and low-income how tax credits for preservation and substantial renovation of aging properties (*see case studies of such innovative work with CHW in Tabs 2 and 4*). CHPC monitors changes in HUD policies regarding subsidy programs such as Section 8 contracts, federally subsidized mortgages and is in regular communication with HUD’s San Francisco and Los Angeles offices.

ICON BUILDERS - GENERAL CONTRACTOR

See detailed Qualifications and Experience in Tab 4.

ICON Builders is a general contractor that specializes in the renovation of occupied senior and family affordable housing. Both CHW and Mercy have worked with ICON on successful affordable housing substantial renovations, finishing on-time and on-budget. Additionally, MHC has worked with them on tower construction renovations.

Since formation in 1984, ICON has built or renovated over 20,700 affordable housing apartments. ICON is experienced in renovation of tower construction, with a resume that includes 21 properties (18 were senior-restricted properties) totaling 3,223 apartments. The team is experienced with senior resident needs throughout the renovation process and has completed renovations that involved 23,000 seniors and families without incident. ICON Builders' HUD Form 2530 Previous Participation Certification lists over 13,000 units. That is important that the contractor is knowledgeable about HUD, tax-credit schedules and requirements, Davis-Bacon prevailing wage and other funding source requirements. Having a contractor who is not only proficient in construction but also in understanding the funding drives assures that the entire development team is aligned with the objective of quality construction, on-time and on-budget.

ICON Builders is one of only ten Contractors in America to achieve a Zero Risk Score, as named by Travelers Insurance, the world's largest Surety Company; they have a bond limit of \$75 million per project, with a \$300 million aggregate bond limit.

EGAN SIMON ARCHITECTURE - ARCHITECT FOR RENOVATION

See detailed Qualifications and Experience in Tab 4.

Egan Simon Architecture ("Egan") is a full service architecture firm, working on tax-credit projects since 1992; they have a well-established practice and substantial experience in rehabilitation of existing affordable housing. The firm performs both the comprehensive due diligence in determining the scope of renovation, as well as construction design and administration. MHC is presently working with the firm on another tower renovation, St. Mary's Towers, in Long Beach; that project is 13-story, with 148 units. (*see further information in Tab 4*).

Egan's team includes an experienced mechanical engineering firm that specializes in needs assessment of mechanical, including plumbing and HVAC, systems in existing buildings. They are expert in sustainability choices to maximize energy/water conservation and provide healthy materials for interiors.

MERCY HOUSING CALIFORNIA - RESIDENT SERVICES AND PROPERTY MANAGEMENT

See detailed Qualifications and Experience in Tab 3.

See sections, below, regarding:

- *Operating Experience (for property management) and*
- *Resident Services and Involvement (for resident services)*

FINANCIAL CAPACITY

COMMUNITY HOUSINGWORKS

See detailed Qualifications and Experience in Tabs 2 and 5.

In an increasingly fast-moving and competitive market to build new, acquire and finance affordable housing, CHW is an experienced developer with a top-rated balance sheet, able to attract both public and private debt and equity to accomplish competitive financing and secure completion. Last year, CHW ranked in *Affordable Housing Finance Magazine's* "Top 50 Developers Nationwide."

At the close of the fiscal year 2014, Community HousingWorks had Unrestricted Net Assets of more than \$8 million and total assets in excess of \$90 million. CHW's current portfolio is valued at over \$537 million, and it currently has over \$350 million of multifamily development in our active pipeline. CHW maintains a cash position covering at least six months of operations, and derives its income from diverse funding sources including governments, foundations, corporate grants, development and asset management fees. The diversity of funding sources and business lines has allowed CHW to be resilient and grow significantly in the past five years, in spite of diminished government resources.

CHW has been able to achieve an impressive level of production due to success developing its own Housing Futures Fund ("HFF"), a highly flexible facility that provides multi-stage capital advances. CHW's fund currently has \$12.4 million in resources, consisting of \$6.9 million in retained earnings and restricted funds, and \$5.5 million in third-party lines of credit. CHW invests this working capital to acquire raw land, acquire and preserve existing multifamily housing, and pay for predevelopment costs. Projects repay these investments when CHW closes on construction or permanent financing sources. The Attachments contain calendar 2015 and 2016 Q1 Financial Statements. In addition, following this narrative, see letters of recommendation from Union Bank, National Equity Fund ("NEF"), and RED Capital.

CHW meets the insurance requirements in Attachment 4 of the RFQ. Certificates of insurance will be provided at the appropriate time.

MERCY HOUSING CALIFORNIA

See detailed Qualifications and Experience in Tab 3 and 5.

MHI is the sole member of MHC, and MHC operates under the full financial backing and credit of MHI. MHI has a solid balance sheet that consistently attracts debt and equity capital for its development and acquisition activities. As of December 31, 2015, MHI had, on a consolidated basis, total assets in excess of \$2.2 billion, cash & cash equivalents of \$37.8 million and unrestricted net assets-controlling of \$32.3 million. MHI derives its revenue from diverse funding sources including residents, governments, philanthropy from foundations, corporations and individuals and development, property management and asset management fees. MHI has an active development pipeline consisting of 59 properties with 4,690 units in various stages from feasibility to construction. MHI's financial statements as of and for the years ended December 31, 2015 and 2014 are attached (*see Tab 3*).

MHC meets the insurance requirements in Attachment 4 of the RFQ. Certificates of insurance will be provided at the appropriate time.



LEVERAGING AND CONCEPTUAL FINANCIAL PLAN

See detailed Qualifications and Experience for CHW and MHC in Tabs 2 and 3, respectively.

COMMUNITY HOUSINGWORKS

Project Finance: CHW has a successful record of accomplishments obtaining competitive financing from sources including private lenders, Low-Income Housing Tax Credit investors, the US Department of Housing and Urban Development (“HUD”), and the State of California, including awards from the Transit-Oriented Development (“TOD”) and Infill Infrastructure (“IIG”) programs, Multi-Family Housing Program (“MHP”), and Affordable Housing Sustainable Communities (“AHSC” or Cap and Trade). Additionally, CHW has successfully won Federal Home Loan Bank (“FHLB”) Affordable Housing Program (“AHP”) multiple times. CHW has received 29 tax credit allocations from the California Tax Credit Allocation Committee (“CTCAC”). CHW has strong access to capital both debt and equity, from internal and third party sources. Our financial strength and development success recently allowed us to attract an equity investment (not tax credits) of \$13 million to help purchase a community of 198 apartments (NEF/Morgan Stanley Fund) (*see letter following from NEF CEO*).

Community HousingWorks has relationships that translate into lower cost of funds and thereby result in savings for our developments. As the only San Diego nonprofit that is a member of the national NeighborWorks® network, CHW has access to favorable, below market predevelopment and acquisition financing, passing savings to our developments. Investors and banks consider Community HousingWorks among the highest rated developers, and lenders such as Union Bank, Bank of America, RED Capital, and U.S. Bank, aggressively compete for our business, recognizing our experience obtaining financing and our reputation for completing projects on time and on budget.

Grants: CHW has a dedicated team with a proven history of success securing grants to deepen our mission impact through programs and support for residents delivered onsite at our communities. With an overall success rate of 89% of submitted proposals funded, CHW secures over \$2 million in grant funding a year. One of the core strengths of the organization is a diverse grant portfolio that boasts support from a wide range of sources, including local, state, and federal public funds, corporations, and foundations—with awards ranging from \$2,000 to \$1.5 million. (*see charts of sources in Tab 2*).

MERCY HOUSING CALIFORNIA

Project Finance: Having leveraged over 100 low income housing tax credit awards, MHC is one of the most successful applicants in the State at obtaining tax-credit financing, among a variety of other affordable housing funding programs. As one of the largest nonprofit developers of affordable housing in California, with an exceptionally strong national organizational and financial standing, MHC is consistently successful in competition for sources of affordable housing financing, including the following:

- Federal and State low-income housing tax credit programs and tax-exempt bonds;
- HUD 811/202 programs - HUD financing programs specific to special needs people and seniors;
- Mental Health Services Act (“MHSA”) - State funds for the development of permanent supportive housing for people with mental illness;
- Federal Home Loan Bank, Affordable Housing Program (“AHP”) – Loans for the development of affordable housing;
- HOME Investment Partnership and CDBG – HUD financing typically issued to and administered by cities and counties;

- California Housing and Community Development Department (“HCD”) programs, such MHP, Infill Incentive Grant (“IIG”), Transit Oriented Development (“TOD”) Program, and homeownership grants;
- Project-Based Section 8 – A project based operating subsidy to help subsidize operations of deeply affordable housing, typically administered by local housing authorities or by HUD directly;
- Project Based HUD VASH – Similar to project-based Section 8 but specifically for homeless veterans and comes with case management services provided by the VA; and,
- Bond issuance and loan-to-lender activity with CalHFA.

MHC recently received a “cap and trade” (Affordable Housing and Sustainable Communities, or AHSC) award, demonstrating proficiency in all programs.

As noted above, over 60 of MHC’s properties have project-based rental assistance through HUD, often with Section 8 or other subsidy. Such subsidies play a critical role in maintaining operational feasibility for deeply targeted affordable housing while supporting higher conventional debt to be underwritten. Both when developing new projects and when recapitalizing existing assets, MHC works closely with HUD when project based rental assistance is involved.

Grant Experience: Mercy Housing California has an established track record of securing grant funding for launching and sustaining programs, including obtaining grant funding for support of staff salaries, administrative overhead, program equipment, and supplies. MHC raises between \$2.5-\$3 million annually from individuals, organizations, public entities, corporations, corporate foundations and private foundations for program support, new initiatives, resident services programs and general operations. Each year, approximately 70-80% of the philanthropic income received is from corporate and private foundations (*see Tab 3 for table of detailed recent grant information*).

CONCEPTUAL FINANCING PROPOSAL

As expressed in the RFQ, the purpose of the proposed RFQ is to seek a development team to: purchase the Kimball and Morgan Towers and enter a ground lease for the portion of land associated with each; renovate the common area, building envelope and apartments including building systems, energy efficiency, technology and other improvements; and, operate the projects as affordable housing restricted to seniors with incomes no more than 50% Area Median Income (“AMI”). The project includes the existing George Waters Nutrition Center, located in the front one-story portion of Morgan. The CDC-HA wishes to retain fee ownership of the land, prefers to ground lease the land, and may segment a portion of the current legal parcels for other future development. While renovation of the Nutrition Center is included, the CDC-HA wishes to continue operation of the Nutrition Center but requests a method to relieve the city’s general fund subsidy of the approximately \$350,000/year costs of operation. The adjacent Senior Center is not included in the RFQ, nor is any development of new apartments on any land segregated from the existing parcels or adjacent to such.

Assumptions of Conceptual Plan: For the purposes of demonstrating a potential approach to the development, CHW and MHC developed a conceptual proforma and financing plan. The elements of that financing plan include the following:

- Separation of legal parcels for Morgan and Kimball;
- Long term ground lease (up to 99 years) for land associated with each tower from the CDC-HA to the respective tax credit partnership created for each project;
- Purchase of the towers by each respective tax credit partnership;

- Morgan - pay off the remaining FHA 231 loan (examination of the documents indicate that there is right of prepayment), and obtain a new 20+ year Project-Based Section 8 contract at Fair Market Value from HUD for 100% of the units;
- Kimball – obtain a 20+ year Project-Based Section 8 contract for 100% of the units from the local housing authority, which is currently providing tenant-based vouchers to essentially all residents;
- Tax-exempt bond issuance (through CDLAC approval) with associated non-competitive (“4%”) tax credits (through CTCAC approval) for each property;
- Payment of portion of the purchase price to the CDC-HA for each property, reduced for Morgan by the payoff of the existing FHA 231 debt, as noted above;
- Creation of Seller Notes for each property, payable from residual receipts from each property;
- Tax credit equity pricing of \$1.12 and 35-year mortgages for each property;
- Lease of the Nutrition Center in Morgan to the city for \$1/year; and,
- Renovation budget assumed at \$4.5 million for each tower, pursuant to the city’s last due diligence, as presented to the City Council on March 1, 2016. For Kimball, with receipt of a project-based Section 8 contract from the housing authority, assume payment of prevailing wages on construction, adding approximately an assumed premium of 20% to the \$4.5 million renovation cost in that tower.

Potential Payment to the City: Based on these assumptions, given the projections of financing terms foreseeable at this time, **the cash payments** to the CDC-HA could be as much as \$13,380,000 for Morgan and \$11,900,000 for Kimball, for **a total of \$25,280,000 cash. Additionally, there would be annual payments on each property from residual receipts in payment of the Seller Note.** While these are preliminary estimates, they do indicate the potential magnitude

Kimball Alternative: If the CDC-HA would not want to provide a long-term project-based Section 8 contract from local housing vouchers, and instead chose to continue to provide only tenant-based vouchers, the cash payment to the CDC-HA for purchase of Kimball would be reduced to approximately \$6,740,000 and construction would be done without prevailing wages. **That would result in total cash payments for the two properties of approximately \$20,120,000,** versus the \$25,280,000 noted above.

Collaboration with CDC-HA to Structure: The CHW-MHC team would work with the CDC-HA to best define: the scope of renovation needed, financing terms, and structure of both ground leases; structure of Morgan partnership’s lease of the Nutrition Center to the city; and, level of resident services and how they would be financially structured. The CHW and MHC development team anticipates that the cash payment made for the acquisition of the towers would provide the city adequate resources to operate the Nutrition Center without use of city General Fund annual operating costs for some time if the city used a portion of the sales proceeds to fund a reserve account. However, we would work with the city to help identify other grant funding available to the city to cover the annual operating costs of the Nutrition Center, if the city so desired.

Conclusion: While these estimates are based on realistic assumptions given projection of current financial market terms, they are meant as an illusion of a conceptual program, since there are many unknown variables regarding the condition of the properties and needed rehabilitation, the city’s goals regarding income restrictions, multiple ways to structure the cash flow and level of resident services, etc. There is a wide spectrum of financial results given the multiple variables yet unknown. As the city evaluates the responses by various teams to the RFQ, we believe that the qualifications and track record of the CHW-MHC development team in similar transactions strongly supports a successful outcome with preservation of the Kimball and Morgan towers for current and future senior residents and financial liquidity for the CDC-HA.

OPERATING EXPERIENCE

See detailed Qualifications and Experience in Tab 3.

COMMUNITY HOUSINGWORKS

CHW “builds to own,” and thereby expects to remain stewards of our properties for 55+ years. Our permanent affordable housing portfolio operates at 1.5% vacancy and collection loss, and consistently exceeds budgeted reserves and partnership management fees. Community HousingWorks maintains strict financial accountability, both to our national network, as well as to our lenders and donors.

For this proposal, CHW would be the Asset Manager; Mercy Housing Management will be the on-site property manager.

MERCY HOUSING MANAGEMENT

Mercy Housing Management Group (“MHM”), Mercy Housing Inc.’s property management arm, currently manages over 290 affordable housing properties nationwide. As an organization, MHM has a 95% rent collection rate by the end of the month on nearly 17,500 units.

Since the time of its establishment in 1983, MHM has provided a type of service that has become a national model of effective management for resident-focused, affordable housing programs. MHM is an integral part of the Mercy Housing team, providing both professional property management and effective resident program services. MHM property management personnel ensure that the property itself is well-managed and maintained – a place where residents can take pride in their homes and communities.

MHC fundamentally believes that its affordable housing developments are a long-term investment in the community. MHC is committed both to effective management and to ensuring that residents have access to the services they need in order to foster personal growth and increased independence and self-sufficiency. To that end, MHC works very closely with MHM during all stages of development to ensure a high quality, viable and sustainable development. MHM provides sound property operation and coordinates a wide variety of supportive services and community enrichments for all of its over 17,000 units—and does so with the perspective of an owner and not a third party, unaffiliated management company.

MHM strives to ensure that every property is:

- Well-managed and properly maintained to provide decent, safe and sanitary living conditions for its residents;
- A permanent, affordable housing resource in the community;
- A pleasant and secure living environment for its residents and the surrounding neighborhood;
- A catalyst for positive relationships among the residents, management staff and surrounding communities; and,
- A financially stable enterprise that successfully operates within its budget so that all expenses, debt service and reserves payments are covered by operating income.

The majority of the properties MHM manages have intricate regulatory agreements and restrictions. MHM is well versed in working with governmental agencies, cities, institutional investors, and other agencies and has the ability to customize reports to meet the needs of all agencies involved.

MHM's approach to maintenance focuses on five key areas:

- **High Quality Customer Service:** All MHM properties have a sophisticated logging and tracking system designed to cut response time down and move property issues to a satisfactory and timely conclusion.
- **No Deferred Maintenance:** It is MHM's policy to respond to maintenance issues within 24 hours. Either the problem will be resolved, or an action plan is implemented. MHM takes a very proactive approach to ensuring the longevity of its properties, focusing on preventative maintenance.
- **Immediate Emergency Response:** At least one MHM employee will be present 24 hours a day, ensuring a timely response to emergencies, should they arise.
- **Adhere to Management Plan:** During the predevelopment phase of the project, a site-specific Property Management Plan is developed. Establishing relationships with residents prior to construction enables MHM staff to best support the relocation specialist and to facilitate construction. The transition to MHM's management of the property is also closely coordinated.
- **Community Engagement:** As the onsite "face" of Mercy Housing, MHM property managers are active in and engaged with the local community.



St. Vincent's Gardens | Santa Barbara, CA

Principal Staff: MHM's principal staff includes: Jacquie Hoffman, Regional Vice President of Property Operations, who has been with Mercy Housing for over 16 years in both Property Operations and Resident Services. Jacquie oversees property management for MHC's portfolio in the Bay Area and Southern California. As the primary point of contact for Mercy Housing Management Group, Jacquie will be an invaluable member of Mercy Housing's team in crafting an operating approach and budget that will ensure the long-term physical and financial viability of the properties. Jennifer Dolin, Vice President of Operations for MHC, has more than 15 years' experience in affordable housing development. In addition to her deep knowledge of affordable housing, her strong communication and organizational skills earned her the position of Vice President of Operations where she oversees day-to-day operations across MHC's California offices with a focus on insuring effective coordination with property management, resident services and asset management.

In Mercy Housing Management Group, the City will have a property management organization that is committed to enhancing the quality and value of the Mercy Housing portfolio through sound operating discipline.

RESIDENT SERVICES AND INVOLVEMENT

See detailed Qualifications and Experience in Tab 3.

COMMUNITY HOUSINGWORKS

Community HousingWorks distinguishes itself from other developers with deep experience providing outcome-based programs and services for our residents. Creating opportunities for lower income residents to advance themselves is a core CHW mission and commitment. CHW apartment communities have welcoming community centers with computer labs, onsite services, and resident engagement programs to involve residents in peer-support and hopeful action toward their best future.

Because of their broad national experience in successful resident services for seniors, in this proposal, **Mercy Housing California will provide the resident services**, as discussed below.

Community Involvement: CHW has been deeply involved in the community of National City for years, as substantiated by letters of support from two strong local groups who have voiced their desire that community values translate beyond an excellent construction/sustainable renovation and include operations that are sustainable and responsive to the needs and local interest of the senior residents. (*see letters following*).

MERCY HOUSING CALIFORNIA

Community Involvement: In every development, Mercy Housing staff invests time and resources in community education about affordable housing, creating long-term community relationships, and involving community members in designing housing that meet the needs of the community and the future residents. MHC works to incorporate the local community into the development process because:



- It is a respectful way of working in the community;
- The developments are better conceived and designed;
- The community is better served; and,
- It lays the foundation for the development to be accountably managed and for future work in the community.

Over the years, we have found that key elements of good community involvement include such things as early meetings with neighborhood associates and residents, conversations with community and city leaders. Community meetings and written communication throughout the development process to allow for structured opportunities for accountability to the community

For occupied rehabs, a special type of community planning is required that engages current residents, in addition to the larger surrounding community. The Madonna Residence and the Arlington Hotel are two examples of community outreach to existing resident populations during project design and planning, with continued outreach through the development process. Prior to and throughout the duration of the renovations, MHC held monthly meetings with tenants in order to include their input into the design and to plan the process by which residents would be relocated during construction. Similarly, during the fall of 2010, Mercy Housing met with the residents of the Madonna to discuss adding apartments to their building, reducing common spaces and changing the population at the site from exclusively senior women to a mixed population. The meetings occurred monthly in partnership with the St. Anthony Foundation, the seller of

the building. Topics included design review, planning notices, change of property management, construction impact, and relocation. The residents prioritized their service needs with Mercy Housing; resident input was considered and incorporated into the final design. Residents also worked individually with Mercy Housing's Relocation Specialist to discuss relocation options, concerns and timing of the move.

Resident Services Programs: *Mercy Housing has been nationally recognized for its **Healthcare and Housing Initiative***, rolled out in 2014. The initiative focuses on policy, programs and evaluation of the inextricable linkage between healthcare and housing. Mercy Housing has rolled out the initiative across its nationwide portfolio, expanding resident services through third party partnerships specifically targeted to serving some of the highest users of the healthcare system. Mercy Housing has identified a senior leader, Val Agostino, Senior Vice President for Housing and Healthcare, to lead the project. Mercy Housing has also engaged its first Chief Medical Consultant, Joshua Bamberger, MD, MPH, to add the clinical and healthcare expertise of the initiative. Together, Ms. Agostino and Dr. Bamberger bring years of experience in developing, implementing and evaluating supportive housing and work closely with resident services staff to strengthen existing partnerships and create new partnerships to further the goals of the Initiative.



MHC has a robust Resident Services Program that serves over 3,175 seniors and is implemented at 34 senior properties throughout California. MHC has been a leader in creating programs and services that specifically target frail and disabled individuals. In 2006, MHC opened the 140-unit Mission Creek Senior Housing in San Francisco, which has 50 units set aside for formerly homeless seniors. A quarter of the first 50 residents were transitioned from skilled nursing facilities into Mission Creek Apartments. Through MHC's service-enriched programming, MHC continues to successfully house residents needing wrap-around case management services, and assists them in living independently.

In late 2015, as part of HUD's Rental Assistance Demonstration ("RAD") program, Mercy Housing acquired three San Francisco Housing Authority properties and began implementing services onsite to 188 households. MHC is the primary services provider for the RAD properties and has partnered with the Institute on Aging ("IOA") to provide additional enhanced services. As a leader in providing services to the community, IOA brings its expertise in delivering services that help older adults and individuals with disabilities maintain their vitality, independence and involvement in the community. Although IOA is a community leader in providing special services for the frail and senior adults to support living at home, its services and programs are designed to meet a wide array of needs.

All senior properties have a Resident Services Coordinator onsite who oversees the delivery of quality programming and services to a culturally diverse group of seniors and individuals, many of whom have disabilities. MHC puts particular effort into outreach, ensuring that all residents are engaged with the Resident Services staff or have access to services. The Resident Services Program is designed to include four priority program models: 1) Health and Wellness, 2) Economic Development/Housing Stability, 3) Education, and, 4) Community Participation. The role of the Resident Services Coordinator is to identify the individual and community needs of residents as it relates to the program priority areas, and to develop strategies to link residents with needed services.

Health & Wellness:

MHC is unique in delivering health services coordination to all its residents, offering the following services: basic health & needs assessments, ADL support & screening, health benefit acquisition, health education & risk reduction, physical activities, access to food, wellbeing checks, transition planning, and linkages to

preventative and behavioral health care. In order to provide an enhanced service model, **MHC partners with health care providers and local agencies** to ensure the best delivery of services. Partnerships have included Human Services Agency, Adult Day Health Programs, Dignity Health, California State University Nursing Program, Walgreens, Department of Public Health, and University of San Francisco California. (see letter of interest from Scripps Health, following). MHC currently works with the Institute on Aging to provide a wellness nurse in three of the formerly Housing Authority RAD sites. The wellness nurse provides 32 service hours to residents, providing the following services onsite comprehensive psychosocial and health assessments and monitoring, blood pressure screening, glucose monitoring, hospital transition planning, and home visits.

In addition to annual assessments, Resident Services staff periodically monitor residents for change in risk factors and service needs. This formalized screening and follow-up augments on-site health risk reduction activities such as disease management groups, fall prevention, and social support opportunities using evidence-based interventions. MHC has integrated the Chronic Disease Self-Management (CDSMP) and Matter of Balance Programs into its program model, offering the evidenced-based workshops onsite to residents. All Resident Services staff is trained to be workshop facilitators in CDSMP and Matter of Balance. MHC has successfully offered CDSMP workshops to over 300 senior residents in MHC properties. The CDSMP workshop focuses on a self-management approach in dealing with chronic conditions such as heart disease, arthritis, diabetes, depression, asthma, and other physical and mental health conditions. Residents who have participated in the program have reported improvements in their condition and general wellbeing. Matter of Balance was implemented in late 2015, and to date, 145 residents have participated in the workshop. Eighty percent of residents who have participated in fall prevention workshop report viewing falls and fear of falling as controllable, and continue to engage in physical activity and exercises.



Economic Development/Housing Stability: MHC's goal is to create households that have safe and stable housing, and where renters are in good standing. In order to achieve housing stability, MHC's Service Coordinators work closely with residents, and provide the following services: eviction prevention coaching, lease education, housing options, housing inspection, linkages with financial resources, and referrals. Housing stability activities are provided proactively before any risk of instability of housing occurs or following an incident, that increases the resident's risk of eviction. MHC understands the complex needs of our residents, and therefore we position our residents with the best of resources, so that they can maintain housing stability.

Like CHW, MHC has an Eviction Prevention coaching program. This involves assessing and addressing residents' needs for knowledge, skills and resources to prevent eviction. Resident Services staff work as a part of a team to plan and provide services that help resolve a variety of issues including nonpayment of rent, behavior issues, housekeeping violations, pest-related concerns or other issues that negatively affect housing status. MHC has been very successful in ensuring housing stability for residents in our senior buildings.

Education: MHC believes that education plays an important part in empowering residents with the knowledge to make good decisions. MHC's education programming ties closely to health and wellness and economic development. In addition to referrals, Resident Services Coordinators provide the following services: nutrition and exercise resources, financial stability seminars, financial benefit acquisition, employment and job readiness support, and technology literacy. MHC requires that all properties implement at least one education seminar every month.



Community Participation by Residents: Community participation is a vehicle for preventing isolation, reducing conflict, enhancing safety, promoting property and neighborhood pride, and building leadership skills in individual residents. MHC supports strong resident participation and feedback in all areas of programming and services. In order to achieve this, MHC encourages residents to participate in community events and join tenant councils and volunteer groups. Resident Services encourages community participation in order to enhance social connections and build community among residents and between and property and the surrounding community. Resident Services Coordinators provide the following activities for residents: community projects & events, volunteer opportunities, voter registration, leaderships programming, community safety initiatives, and family reconciliation

Principal Staff: MHC's team includes a unique staff member, Amy Bayley, Vice President of Community Planning, who for over 16 years has coordinated community involvement as an integral part of the overall development process. MHC creates detailed community participation plans to ensure the input of neighborhood residents, local service providers, neighborhood organizations, business, religious and cultural institutions, future potential residents, and city staff in the planning of design and services. Alvin Tuvilla, Regional Director of Resident Services, has been with Mercy Housing since 1998 and oversees services for all family, senior, and special needs properties statewide. Alvin would be the lead principal for resident services at Kimball and Morgan. Alvin also plays a key role in consulting with MHC senior management and real estate development staff during project development to ensure that effective and creative programs and services are integrated into the project design and budgets. Finally, Samantha Hogg, Director of Senior Services, brings over 13 years of experience working with seniors, and 10 years working with MHC in Resident Services. Samantha oversees a portfolio of 23 senior HUD 202 properties and 7 mixed-senior supportive properties. Samantha ensures that MHC's senior properties provide high quality resident programs and that services are congruent with current practices, trends, and standards.

CONCLUSION

With the development team of Community HousingWorks and Mercy Housing California, the CDC-HA has long-term community partners who are committed to the success of our residents and are neighborhood stakeholders. As proven successful partners in another large development in the San Diego region, CHW and MHC believe that their combined track record and partnership synergies provide the best fit for the Kimball and Morgan Recapitalization and Rehabilitation, based on the criteria in the RFQ, including:

- **Experience and Qualifications:** – In prior relevant developments, the team has demonstrated capacity to execute finance and complete construction on-time and on-budget; to efficiently renovate and manage senior towers; to successfully navigate HUD programs and finance; and, to work with the community, residents and local jurisdictions to meet their mutual goals. Both partners are committed to sustainability as prudent operations budgeting, and consideration for resident comfort and long-term health;
- **Financial Capacity:** – The partnership of CHW and MHC demonstrates individual and combined internal financial strength, two non-profits each of whom has a strong balance sheet and active pipeline, reflecting the excellence with which they manage their organizations and how financial markets validate their credit worthiness;
- **Leveraging Financing:** - Individually and in partnership, CHW and MHC have demonstrated innovation in finance and the ability to obtain the best financing, including HUD finance and programs;
- **Operating Experience:** – CHW and Mercy have the same goals of effective operations, long term stability of the asset, and provision of safe and stable homes for residents; and,
- **Resident Services and Involvement** – Both CHW and MHC are committed to community collaboration and are supported by community groups in National City. Further, they value the importance of service-enriched affordable housing and place a priority on resident services that help residents improve and maintain their quality of life. In addition, Mercy Housing’s national innovative work in health and housing for seniors is unparalleled.



We look forward to the opportunity to work with the CDC-HA, community, and residents of Kimball and Morgan Towers to preserve these homes

**Developer Experience
Community HousingWorks Relevant Project Descriptions**

Development Name/Address:	Type/ Tenant Mix:	Role:	Other Team Members:	Unit Count by Type:	Affordability (AMI):	Completed Value:	First Mortgage Lender & Contact	Tax Credit Investor & Contact	Public Agency Partner & Contact(s)	Completed/ Rehabbed in:	RDA area	On time/On budget	
Relevant Completed Projects													
	La Costa Paloma 1953 Dove Lane Carlsbad, CA 92009	Large Family (Inclusionary)	Co-Owner/ Developer (lead in partnership for development/entitlements)	Co General: Mercy Housing California Arch.: Rodriguez & Simon Design Associates, Inc. GC: Allgire General Contractors	1 BR 1BA - 32 2 BR 1 BA - 39 3 BR 2 BA - 79 4 BR 2 BA - 30 Total = 180	50-60%	\$26,408,000	Citi Alice Carr (was VP at Citi for this project) (213) 947-2461 alice.carr@chase.com	NEF (California Equity Fund) Todd J. Fabian (213) 240-3144 tfabian@nefinc.org	City of Carlsbad Deborah K. Fountain (760) 434-2935 Debbie.Fountain@CarlsbadCA.gov	2005	Yes	On-time, on-budget if adj for 55 rain days+ 7 firestorm days
	The Groves 700 East Mountain Street Pasadena, CA 91104 and 965 North Raymond Avenue Pasadena, CA 91103	HUD Preservation - Family	Owner/ Rehab Developer	Arch.: John Stewart Co. Architecture GC: ICON Builders	Studio - 8 1 BR - 6 2 BR - 30 Total = 44	100% PB S8/50-60% AMI	\$15,838,000	Freddie Mac TEL Berkeley Point Matt Naish (510) 329-5361 Matt.Naish@berkpoint.com	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	City of Pasadena (\$400,000 HOME) Bill Huang (626) 744-8300 whuang@cityofpasadena.net	2016	No	In Construction on schedule/ under budget
	Azusa Apartments 805 S. Cerritos Avenue Azusa, CA 91702	HUD Preservation - Family	Owner/ Rehab Developer	Arch.: John Stewart Co. Architecture GC: ICON Builders	1 BR 1BA - 8 2 BR 1 BA - 30 3 BR 2 BA - 42 4 BR 2 BA - 8 Total =88	92% PB S8/ 50-60%	\$30,124,000	FHA 221d4 RED Capital Group Nick Hamilton (619) 471-0117 nahamilton@redcapitalgroup.com	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	N/A no public funds	2014	N/A	On time/under budget
	Los Robles 1475 Oak Drive Vista, CA 92084	HUD Preservation - Family	Owner/ Rehab Developer	Arch.: Joseph Simon Architects & Planners GC: Sun Country Builders	1 BR 1BA - 16 2 BR 1 BA - 40 3 BR 2 BA - 20 4 BR 2 BA - 0 Total = 76	30-60% HUD LIHPHRA	\$17,740,000	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	N/A no public funds	2013	No	Early/under budget
	Poway Villas 13001 Bowron Road Poway, CA 92064	HUD Preservation - Family	Owner/ Rehab Developer	Arch.: Rodriguez Associates Architects and Planners, Inc. and John Stewart Co. Architecture GC: Sun Country Builders	1 BR 1BA - 32 2 BR 1 BA - 39 3 BR 2 BA - 79 Total = 60	100% PB S8/50-60% TCAC HUD LIHPHRA	\$18,346,000	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	N/A no public funds	2012	Yes	Early/under budget
	Turnagain Apartments 920 E. Mission Rd. Fallbrook, CA 92028	HUD Preservation - Family	Owner/ Rehab Developer	Arch.: John Stewart Co. Architecture GC: Sun Country Builders	1 BR 1 BA - 28 2 BR 1 BA - 41 3 BR 1 BA - 1 3 BR 2 BA - 9 4 BR 3 BA - 1 Total = 80	<30-60% (22 PB Sec. 8 Units) HUD LIHPHRA	\$15,900,000	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	PNC (Closed under RED Capital) Evan E. Becker (760) 803-2929 eebecker@cox.net	N/A	2009	No	On time/under budget
	Alabama Manor 3822-3826 Alabama St. San Diego, CA 92104	Senior / Special Needs	Owner/ Rehab Developer	Arch.: John Stewart Co. Architecture GC: Portrait Homes, Inc.	Studio - 1 1 BR - 60 2 BR - 6 Total = 67	30-50%	\$10,896,656	Wells Fargo Paul Shipstead (619) 699-3135 Paul.Shipstead@WellsFargo.com	Alliant Capital Apryll Bashore (949) 923-7802 apryll.bashore@alliantcapital.com	MHP; San Diego Housing Commission Debbie Ruane (619) 578-7566 debbier@sdhc.org	2007	No	On time/on budget

**Developer Experience
Community HousingWorks Relevant Project Descriptions**

	Development Name/Address:	Type/ Tenant Mix:	Role:	Other Team Members:	Unit Count by Type:	Affordability (AMI):	Completed Value:	First Mortgage Lender & Contact	Tax Credit Investor & Contact	Public Agency Partner & Contact(s)	Completed/ Rehabbed in:	RDA area	On time/On budget
	North Santa Fe 301 North Santa Fe Avenue Vista, CA 92084	Family / 10 apartments reserved for Transition Age Youth (TAY)	Owner/ Developer	Arch.: Rodriguez Associates Architects and Planners, Inc. GC: Sun Country Builders	1 BR 1BA - 18 2 BR 1 BA - 29 3 BR 2 BA - 21 Total = 68	30-60% AMI	\$20,200,000 (without land valued at \$4 million)	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	City of Vista (RFQ, ground lease) John Meyer (760) 639.6191 jmeyer@ci.vista.ca.us City of Carlsbad (\$370,000 HOME) Deborah K. Fountain (760) 434-2935	2015	Yes	Early/under budget
Projects in Construction or Pipeline													
	North Park Seniors 4200 Texas Street San Diego, CA 92104	Seniors	Owner/ Developer	Arch.: Rodriguez Associates, Architects and Planners GC: Sun Country Builders	Studio - 7 1 BR 1BA - 66 2 BR 1 BA - 3 Total = 76	50-60% AMI	\$28,300,000	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	US Bank Sebastian Glowacki (303) 585-4230 sebastian.glowacki@usbank.com	San Diego Housing Commission Ted Miyahara (619) 578-7548 tedm@sdhc.org	Est 2018	Yes	4% Award; break ground July 2016
	Mission Cove Seniors 3200 Mission Avenue (Mission Cove Way) Oceanside, CA 92058	Seniors	Owner/ Developer	Arch.: Joseph Wong Design Associates GC: Sun Country Builders	Studio - 28 1 BR 1BA - 104 2 BR 1 BA - 6 Total = 138	30-60% AMI	\$26,715,000 (without land)	TBD	TBD	City of Oceanside (RFQ, ground lease, Predev and infrastructure loans) Margery Pierce (760) 435-3398 MPierce@ci.oceanside.ca.us	Est 2018	Yes	9% Award June 2016; break ground Dec 2016
	Cypress Cove 260 N. Midway Drive Escondido, CA 92027	Family	Owner/ Rehab Developer	Arch.: John Stewart Co. Architecture GC: Sun Country Builders	1 BR 1BA - 50 2 BR 1 BA - 100 3 BR 2 BA - 50 Total = 200	50-60% AMI; HOME funds	\$42,000,000	Union Bank Johanna M. Gullick (310) 551-8967 Johanna.Gullick@uboc.com	US Bank Sebastian Glowacki (303) 585-4230 sebastian.glowacki@usbank.com	City of Escondido, Karen Youel (760) 839-4518 Kyouel@ci.escondido.ca.us	Est 2016	No	4% Award 6/2015; completion end of 2016
	Parks at Fig 4085 Fruit Avenue Fresno, CA 93705	Family	Owner / Rehab Developer	Arch.: John Stewart Co. Architecture GC: TBD	1 BR 1BA - 76 2 BR 1 BA - 232 3 BR 2 BA - 58 Total = 200	50-60% AMI	\$41,600,000	Freddie Mac TEL Jones Lang LaSalle Tim Leonard (817) 310-5800 Tim.leonhard@am.jll.com	TBD	N/A no public funds	Est 2018Q1	N/A	CDLAC / TCAC late 2016
	Sun Ridge 1265 Monument Boulevard Concord, CA 94520	Family	Owner / Rehab Developer	Arch.: John Stewart Co. Architecture GC: TBD	1 BR 1BA - 84 2 BR 1 BA - 100 3 BR 2 BA - 14 Total = 198	50-60% AMI	\$49,897,000	Freddie Mac TEL Jones Lang LaSalle Tim Leonard (817) 310-5800 Tim.leonhard@am.jll.com	TBD	N/A no public funds	Est 2018 Q4	N/A	CDLAC / TCAC 2017Q1
	Paradise Creek I and II 2120 Hoover Avenue, National City, CA 91950	Family	Co-Owner / Co- Developer	Arch.: Pyatok Associates GC: VCC	Studio - 6 1 BR 1BA - 45 2 BR 1 BA - 85 3 BR 2 BA - 65 Total = 201	30-60% AMI	\$106,062,000	Ph I: Union Bank Jonathan Klein (925) 947-2461 Jonathan.Klein@unionbank.com Ph II: TBD	Ph I: Union Bank Jonathan Klein (925) 947-2461 Jonathan.Klein@unionbank.com Ph II: TBD	City of National City Brad Raulston (619) 336-4256 braulston@nationalcity.ca.gov	Ph I: Dec 2016; Ph II: Dec 2017	Yes	Ph I under construction; Ph II break ground Q3 2016

**Developer Experience
Mercy Housing California
Relevant Project Descriptions**

Mercy Housing CA	Development Name/Address:	Type/ Tenant Mix:	Role:	Other Team Members:	Unit Count by Type:	Affordability (AMI):	Completed Value:	First Mortgage Lender & Contact	Tax Credit Investor & Contact	Public Agency Partner & Contact(s)	Completed/ Rehabbed in:	RDA area	On time/On budget
	Edith Witt Senior Community 66 9th Street San Francisco, CA 94103	Seniors	Owner / Developer	Arch.: Kaplan McLaughlin Diaz Architects GC: Cahill Construction Partner: Catholic Charities CYO (service provider)	Studios - 20 1 BR - 86 3 BR - 1 Total = 107	20-50% AMI	\$49,440,000	Union Bank Jonathan Klein (925) 947-2461	RBC Capital Markets Stacie Altmann 916-705-8635	San Francisco Redevelopment Agency/Mayors Office of Housing and Community Development Olson Lee (415) 701-5509	2010	Yes	On time / on budget
	Vera Haile Senior Housing 121 Golden Gate San Francisco, CA 94102	Seniors	Owner / Developer	Arch.: Hardison Komatsu Ivelich & Tucker GC: Nibbi Brothers General Contractors Partner: St. Anthony Foundation	Studios - 43 1 BR - 46 2 BR - 1 Total = 90	<20-50% AMI	\$43,844,000	Silicon Valley Bank Christine Carr (415) 764-3124	NEF (National Equity Fund) Todd J. Fabian (213) 240-3144 tfabian@nefinc.org	City of San Francisco/Mayors Office of Housing and Community Development Olson Lee (415) 701-5509	2014	No	On time / on budget
	Mission Creek 225 Berry Street San Francisco, CA 94158	Seniors	Owner/ Developer	Arch.: Hardison Komatsu Ivelich & Tucker GC: Cahill Contractors, Inc.	1 BR 1BA - 139 Total = 139	<20-50% AMI	\$42,883,000	Citibank Merle Malakoff (415) 658-4309	NEF (National Equity Fund) Todd J. Fabian (213) 240-3144 tfabian@nefinc.org	San Francisco Redevelopment Agency/Mayors Office of Housing and Community Development Olson Lee (415) 701-5509	2006	Yes	On time / on budget
	Marlton Manor 240 Jones Street San Francisco, CA 94102	Rehab / Formerly homeless	Owner / Rehab Developer	Arch.: Gelfand Partners Architects GC: LEM Construction Partners: AF Evans Development, Agape Outreach Center	Studio - 140 1 BR - 10 2 BR - 1 Total = 151	<30% AMI and formerly homeless	\$32,972,522	SAMCO/Citibank Merle Malakoff (415) 658-4309	Alliant Monique Hastings (818) 668-6800	San Francisco Redevelopment Agency/Mayors Office of Housing and Community Development Olson Lee (415) 701-5509	2003	No	On time / on budget
	Madonna Residence 350 Golden Gate Avenue, San Francisco, CA 94102	Rehab / Senior Women	Owner/ Rehab Developer	Arch.: Hardison Komatsu Ivelich & Tucker GC: Nibbi Brothers Contractors, Inc. Partners: St. Anthony Foundation	Studio - 70 Total =70	30-40% AMI	\$13,948,000	St. Anthony Foundation Seller Carryback Traci Lewis (415) 592.2758	NEF (National Equity Fund) Todd J. Fabian (213) 240-3144 tfabian@nefinc.org	San Francisco Redevelopment Agency/Mayors Office of Housing and Community Development Olson Lee (415) 701-5509	2012	No	On time / on budget

**Developer Experience
Mercy Housing California
Relevant Project Descriptions**

Mercy Housing CA	Development Name/Address:	Type/ Tenant Mix:	Role:	Other Team Members:	Unit Count by Type:	Affordability (AMI):	Completed Value:	First Mortgage Lender & Contact	Tax Credit Investor & Contact	Public Agency Partner & Contact(s)	Completed/ Rehabbed in:	RDA area	On time/On budget
	The Arlington Hotel 468-488 Ellis Street San Francisco, CA 94102	Historic Rehab	Owner/ Rehab Developer	Arch.: Gelfand Partners Architects GC: Swinerton Builders	Studio - 153 1 BR - 1 Total = 154	25-40% AMI and formerly homeless with mental health/substance abuse issues	\$39,753,048	Wells Fargo Lori Saito (415) 801-8521	N/A - federal funds replaced LIHTC Equity through ARRA	San Francisco Redevelopment Agency/Mayors Office of Housing and Community Development Olson Lee (415) 701-5509	2013	No	On budget; delayed due to limited exploration during predevelopment, resulting in unforeseen structural issues
	10th and Mission Family Housing 1390 Mission Street San Francisco, CA 94103	Family / 20% of units serve the formerly homeless	Owner / Developer	Arch.: Kaplan McLaughlin Diaz Architects GC: Cahill Construction Partner: Catholic Charities CYO (service provider)	1 BR - 34 2 BR - 42 3 BR - 60 Total = 136	15-45% AMI and 20% formerly homeless	\$69,750,000	Union Bank Jonathan Klein (925) 947-2461	RBC Capital Markets Stacie Altmann 916-705-8635	San Francisco Redevelopment Agency/Mayors Office of Housing and Community Development Olson Lee (415) 701-5509	2009	Yes	On time / on budget
	Mercy Gardens 540 Lewis Street San Diego, CA 92103	Historic Rehab / Disabled individuals with HIV/AIDS	Owner / Rehab Developer	Arch.: People's Housing GC: DPR Construction	Studio - 10 1 BR - 12 2 BR - 1 Total = 23	<30-50%, disabled individuals with HIV/AIDS	\$3,842,000	HUD Section 811 Larry Ferguson (415) 489-6618	N/A	CDBG, San Diego Housing Commission Cissy Fisher (619) 231-9400	2002	No	On budget / Delayed occupancy due to unforeseen fire code issues
	Cantabria Senior Homes 645 Via Cantabria, Encinitas, CA 92024	Seniors	Owner / Developer	Arch.: Studio E GC: Southern Sun Contractors	1 BR - 44 2 BR - 1 Total = 45	<50% AMI	\$11,250,000	HUD Section 202 Larry Ferguson (415) 489-6618	N/A	City of Encinitas Community Services Department (760) 633-2710	2005	No	On time / on budget
	1880 Pine St. San Francisco, CA 94109	Seniors/Disabled	Owner / Rehab Developer	Arch.: Paulett Taggart Architects GC: Nibbi Brothers	Studio - 97 1 BR - 15 2 BR - 1 Total = 113	<50% AMI	\$37,871,000	Bank of America Ari Beliak, (415) 913-3215	Bank of America Ari Beliak, (415) 913-3215	San Francisco Housing Authority, Barbara T. Smith, (415) 715-5200	2017 (projected)	No	TBD - in construction



Tom Gammieri
Chief Executive, Sr. VP
Scripps Mercy Hospital
4077 Fifth Avenue
San Diego, CA 92101

May 9, 2016

Mercy Housing California
Attn: Sister Amy Bayley
1360 Mission Street, Suite 300
San Francisco, CA 94103

Dear Sister Amy:

Scripps Health understands that Mercy Housing California (MHC) and Community Housing Works (CHW) have partnered together to respond to an RFQ for the acquisition and rehabilitation of Kimball/Morgan Towers in National City. This will provide the opportunity to rehabilitate the real estate and reinvigorate programming for over 300 low income senior households in National City, something we greatly support. We understand that this site presents a tremendous opportunity to provide enriched services to residents in this community, and we are excited about the prospect of engaging with the experienced and capable MHC/CHW team.

Scripps Health provides a wide variety of services in the San Diego region from hospital based care to home health, from primary care to specialty care. Many of the patients served by Scripps Health live in low income households and the thoughtful development of facilities and programs is of importance to us. With our breadth of service and diversity of population, Scripps Health is vitally interested in creative service delivery models that coordinate safe, high quality housing with the provision of health care, to improve the quality of life of our community.

Our connection to Mercy Housing dates from the mid-nineties when Mercy secured HUD funding to rehabilitate an unused building on the campus of Scripps Mercy Hospital in San Diego to provide 23 units of affordable housing for person with HIV/AIDS. The on-site partnership continues to this day.

Mercy Housing has been at the forefront of providing innovative, service-enriched housing for senior populations for more than thirty years. We see the connection between healthcare and housing as very beneficial to promoting health in our community. The National City Kimball/Morgan Tower development provides a key opportunity to further explore innovative programs. Scripps Health looks to working with Mercy Housing to serve the low-income seniors of the San Diego area and to develop local and national models that explore the positive relationship and opportunities between housing and health care.

Sincerely,

A handwritten signature in blue ink that reads "Tom Gammieri".

Tom Gammieri
Chief Executive, Sr. VP



May 5, 2016

Mr. Carlos Aguirre
Community Development Manager
Community Development Commission
Housing Authority of the City of National City
140 E. 12th St., Suite B
National City, CA 91950

RE: Kimball-Morgan RFQ: Team of Community HousingWorks / Mercy Housing

Dear Mr. Aguirre:

The city has issued a Request for Qualifications (RFQ) for a development team to acquire and renovate the Kimball and Morgan affordable housing seniors' towers in National City. The towers provide homes for 300 low-income senior residents of the city, and it's important to the community that these apartments be preserved as viable homes for residents. It's also of concern to the community that, whomever the city chooses as the new owner, renovate and operate the apartments in a sustainable manner, provide resident services focused on community values including health issues, and is a viable part of the community.

Recently, we met with the development team of two experienced and strong non-profits - Community HousingWorks and Mercy Housing California. We learned of the national recognition of Mercy Housing California in initiatives for health in housing and their strong track record of senior affordable housing including resident services designed for seniors. EHC already knows of Community HousingWorks, their commitment and deep roots in the San Diego region, their successful affordable housing developments, and their integrity in working with communities to be part of the neighborhood.

We recommend that the city strongly consider selection of the team of Community HousingWorks and Mercy Housing California as the development group for the acquisition and renovation of the Kimball-Morgan senior towers in National City. We are confident that this team will provide a financially strong project for the city, be inclusive of the community, and provide sustainable homes and resident services for the senior of Kimball and Morgan towers for years to come.

Please let me know if there are any questions.

Sincerely,

Diane Takvorian
Executive Director



SDOP San Diego Organizing Project
A Member of the PICO National Network
Transforming People, Changing Communities

4305 University Avenue, Suite 530
San Diego, CA 92105
619 285 0797 tel
619 285 9283 fax
www.sdop.net

May 2, 2016

Mr. Carlos Aguirre
Community Development Manager
Community Development Commission
Housing Authority of the City of National City
140 E. 12th St., Suite B
National City, CA 91950

RE: Kimball-Morgan RFQ: Selection of Community HousingWorks / Mercy Housing

Dear Mr. Aguirre:

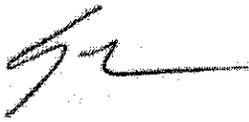
San Diego Organizing Project (SDOP) is vitally interested in affordable housing National City residents of all age and income groups, including seniors. We are aware that the two senior housing towers adjacent to Kimball Park, Kimball and Morgan, are home to more than 300 aged residents, and the towers are in need of renovation to preserve them for these current and future residents. The city has recognized this preservation need and issued a Request for Qualifications (RFQ) for a development team to acquire, renovate and operate the towers.

SDOP knows that there are likely several qualified development teams who could complete the real estate transaction and the renovations. But it's important to our community that, whomever the city chooses, is also an organization that is present in the National City community, is experienced in managing affordable senior apartments and providing services consistent with the needs of the community.

Recently, we met with the development team of two strong and experienced non-profits developers - Community HousingWorks and Mercy Housing California. We have known CHW for years and have strong confidence in their ability to do what they say they will do. They are nationally awarded for sustainable developments and we have seen their strong commitment to this community in working on Paradise Creek. We learned of Mercy's experience and national reputation in managing and providing strong resident services focused on seniors. Further, we learned of Mercy's work with health in housing and how those are so important for seniors. This team seems aligned with the work that SDOP has done for years in National City.

As the city reviews the development teams responding to your RFQ, we **recommend that you strongly consider the team of Community HousingWorks and Mercy Housing California** based on their proven track record of real estate experience, resident services for seniors, and their overall community compatibility.

Thank you for your consideration.

A handwritten signature in black ink, appearing to be 'Kevin Malone', written in a cursive style.

Kevin Malone, Executive Director
San Diego Organizing Project
(619) 285-0797 / www.sdop.net



May 3, 2016

National City Community Development Commission
c/o Carlos Aguirre, Community Development Manager
City of National City
140 E. 12th St., Suite B
National City, CA 91950

Re: Community HousingWorks' Statement of Qualifications for Development Opportunity within the City of National City

Dear Esteemed Commissioners:

Union Bank is the construction and permanent lender and/or tax credit equity investor on 11 affordable housing transactions developed by Community HousingWorks (CHW). CHW is a valued affordable housing development partner, and we provide them top tier terms in financing their developments.

Community HousingWorks has a superior track record for financial performance, high quality design, and meaningful resident services. They are experienced in HUD contracts and renovations and consistently demonstrate the ability to solve problems with the experience to adeptly navigate entitlement, relocation, and building challenges. Their projects are well managed, constructed on time and on budget and with great attention to detail. In addition, they are a leader in sustainability and the design and construction of energy-efficient buildings.

CHW is particularly strong in navigating the complex financial structures required to develop innovative affordable communities. They've proven especially successful obtaining the grants and financing to quickly propel projects forward. Their leadership team is experienced and has the capacity to deliver a tremendous project that will enhance National City for years to come.

Union Bank would be pleased to consider partnering with Community HousingWorks on the proposed senior development in National City. If there are any questions, please contact me at 310-551-8969 or I can be reached by email at jessica.mackenzie@unionbank.com

Sincerely,

A handwritten signature in black ink, appearing to read 'Jessica Mackenzie', written over a light gray rectangular background.

Jessica Mackenzie
Director
Community Development Finance

May 6, 2016

Mr. Carlos Aguirre
Community Development Manager
Community Development Commission
Housing Authority of the City of National City
140 E. 12th St., Suite B
National City, CA 91950

RE: Kimball-Morgan RFQ: Recommendation of Community HousingWorks

Dear Mr. Aguirre:

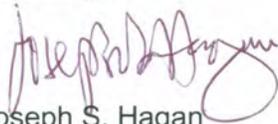
National Equity Fund (NEF) has worked with Community HousingWorks (CHW) as an equity partner for over 15 years; we are /have been the low income housing tax credit investor in twelve of their successful developments. That includes: La Costa Paloma, a 180 apartment community in Carlsbad, CA that CHW and Mercy Housing California completed in 2005 as co-general partners; and, SOLARA in Poway, CA—a project that was nationally recognized as the innovative icon for sustainability.

We chose to invest in CHW developments time and time again because they deliver what they say, complete their projects on-time and on-budget, and operate them successfully. Recently, CHW's financial strength and development success caused us in the NEF/Morgan Stanley Fund to provide an equity investment—not tax credit purchase, but actual equity- of \$13 million to help CHW purchase a community of 198 apartments in Northern California.

I strongly recommend the team of Community HousingWorks and Mercy Housing California for selection as the development team for the acquisition and renovation of the Kimball-Morgan senior towers in National City. I am confident that the talented and innovative team will provide the best renovation and operations of the towers for the senior residents, and provide the best value for the city.

Please let me know if there are any questions.

Sincerely,



Joseph S. Hagan
President & Chief Executive Officer

May 9, 2016

Community Development Commission
Housing Authority of the City of National City
140 E. 12th St., Suite B
National City, CA 91950

RE: Morgan and Kimball Towers RFQ

To Whom It May Concern:

I am writing in support of Community Housing Works and their response to your request for qualifications. As both an agency lender and bond underwriter, RED Capital Group has been structuring transactions involving Fannie Mae, FHA, bonds, and/or LIHTC since 1990. A majority of our transactions involve the preservation of properties with Section 8 rental assistance, such as Morgan and Kimball Towers. I personally have specialized in such transactions for fifteen years, and have been with RED since 1997.

We have completed two preservation transactions with Community Housing Works, both involving project-based Section 8 contracts and LIHTC. From initial financial structuring through closing, and continuing through substantial rehabilitation (in one case exceeding \$65,000 per unit), Community Housing Works has demonstrated the highest level of sophistication and professionalism. They have strong relationships throughout the affordable housing industry, enabling them to work effectively with federal, state and local governments and housing programs.

RED's national client base includes both profit-motivated and non-profit developers large and small. With a financially sophisticated development team and a strong network of bank and agency lenders, equity investors, and legal professionals, Community Housing Works' capabilities are among the best in the affordable housing industry.

I'm pleased to provide this letter of support. If you have any questions or would like to discuss further, please don't hesitate to contact me at 619-471-0117 or nahamilton@redcapitalgroup.com.

Sincerely,



Nicholas A. Hamilton
Managing Director

May 5, 2016

Doug Shoemaker
Mercy Housing of California
1360 Mission Street, Suite 300
San Francisco, CA 94103

Re: RFQ for Morgan and Kimball Towers Rehabilitation and Recapitalization

Dear Mr. Shoemaker:

We understand that Mercy Housing of California (“Mercy Housing”) is responding to a Request for Proposal regarding the Morgan and Kimball Towers Rehabilitation and Recapitalization project in National City, CA. Mercy Housing has shared the Request for Proposal with Bank of America Merrill Lynch (the “Bank”).

Based on our experience, Mercy Housing is a highly capable real estate development firm with access to the financial resources necessary to successfully complete the proposed project. The Bank has a long and successful history with Mercy Housing, and we currently have debt exposure of over \$100 million on ten projects.

The Bank has worked with Mercy Housing on a number of complex financings with ground leases in urbanized areas that have various types of HUD rental subsidies. Specifically, the Bank recently closed three RAD conversion projects in San Francisco with total exposure of over \$52 million, and we have issued commitments for an additional three RAD conversion projects with total additional exposure of over \$75 million.

We support Mercy Housing’s efforts to rehabilitate and recapitalize the Morgan and Kimball Towers project and welcome the opportunity to provide the project financing to do so. Please note that this letter does not represent an offer or commitment by the Bank for the proposed financing, nor does it define any terms or conditions of a loan commitment. Should you have any questions, please feel free to contact me at (415) 913-3215 or ari.beliak@baml.com.

Best regards,



Mr. Ari Beliak
Senior Vice President
Bank of America Merrill Lynch
Community Development Banking

Wells Fargo Community Lending and Investment
333 Market Street, 18th Floor
San Francisco, California 94105
(415) 801-8520



Wells Fargo Community
Lending and Investment

May 3, 2016

Carlos Aguirre
Community Development Manager
City of National City
120 East 12th Street, Suite B
National City, CA 91950

Alfredo Ybarra
Director
City of National City
120 East 12th Street, Suite B
National City, CA 91950

Dear Mr. Aguirre:

We understand that Mercy Housing California (“Mercy”) is submitting an application to the Community Development Commission of the Housing Authority of the City of National City to rehabilitate Morgan and Kimball Towers, two (2) nine-story senior housing complexes on a 5.87 acre site, comprising of 303 units located at 1317 D Avenue and 1415 D Avenue in National City, California, respectively. Wells Fargo Affordable Housing Community Development Corporation (“Wells Fargo”) would like to express our highest regards for Mercy as a developer, operator, owner and partner to Wells Fargo in numerous communities throughout the State of California, including the cities of San Francisco, Los Angeles, Sacramento, San Lorenzo, Rancho Cordova, and Wheatland.

Wells Fargo is a leader in the affordable housing finance industry in California and throughout the nation with one of the largest geographic footprints in the country, serving individuals and families in areas of need nationwide. In 2014, Wells Fargo provided a total of \$6.6 billion in debt and equity investments nationally to support affordable housing, job creation, community service and economic development. In California, since 2009, Wells Fargo has committed more than \$600 million in direct equity investments and \$700 million in loans.

Wells Fargo particularly values our partnerships with Mercy because of the high quality that the organization places on design and construction of each affordable community, their commitment to affordable tenants, and their ongoing management of the property; each property is as attractive at the Grand Opening as it is at the end of the compliance period.

We consider Mercy to be one of the top affordable housing developers in the country based on experience, track record and financial strength. Our experience with Mercy always exceeds expectations, and we look forward to another opportunity to partner with Mercy in providing safe, decent, affordable housing in another community. We therefore highly recommend Mercy and their project proposal. Please feel free to contact me if you would like to discuss our experience with Mercy in more detail.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy J. McCann".

Timothy J. McCann
Senior Vice President – Regional Equity Manager
Wells Fargo Bank, N.A.
333 Market Street, 18th Floor
MAC# A0119-183
San Francisco, CA 94105
Office: (415) 801-8520
Mobile: (704) 957-7234
Email: tim.mccann@wellsfargo.com



Community Capital

May 5, 2016

Community Development Commission
Housing Authority of the City of National City
140 E 12th Street, Suite B
National City, CA 91950

Re: Mercy Housing

To Whom It May Concern:

On behalf of Citi Community Capital ("CCC"), the community development lending and investing group of Citi, I am pleased to provide this letter of reference for Mercy Housing, Inc., a national nonprofit organization ("Mercy").

CCC has an approximate 30 year history of providing financing for Mercy projects. For the past ten years I have been the manager of CCC's relationship with Mercy Housing California ("MHC"), the largest regional division of Mercy. During that time I have personally worked with MHC staff from all three of their California offices – Los Angeles, San Francisco and Sacramento.

Citi's current relationship with Mercy includes 39 facilities with \$74 million exposure. The great majority (35 facilities, \$41 million exposure) are for affordable housing properties in California. Of these, 38 facilities are in their permanent financing phase, after successfully converting from their original construction phase. All 38 are performing as agreed. Additionally, at this time, Citi is working on arranging financing for two additional Mercy projects in California with an estimated \$58 million new exposure, including financing for the acquisition and renovation of an occupied senior housing property.

Over this long and productive relationship history, we have found Mercy to be consistently committed, passionate and professional. They have proven time and again to have the organizational capacity and financial strength to earn our highest regard as a developer, owner and operator of affordable housing properties.

If you have any questions or need anything further, please don't hesitate to contact me by phone at (415)658-4309 or via email at merle.d.malakoff@citi.com. I would be delighted to elaborate on my long and very positive experience with Mercy.

Sincerely,

CITI COMMUNITY CAPITAL

A handwritten signature in blue ink, appearing to read "Merle Malakoff". The signature is fluid and cursive, written over the printed name and title.

Merle Malakoff
Director

DEVELOPER PROFILE: COMMUNITY HOUSINGWORKS

CONTENTS

- Staff Resumes
- List of Awards, Grants Composition
- Relevant Project Experience – Detailed Project Descriptions
- Press
- Financials

KEY PERSONNEL

Community HousingWorks' (CHW) success is in its team. With over 30 years of combined private sector development experience and over 50 years of affordable housing finance, development and operations experience, our team of professionals delivers unparalleled expertise in project management, finance, site acquisition, entitlements and asset management. Our team adds tremendous value and vision to the industry while offering deep financial experience working with local and state housing programs, federal low-income housing tax credits, tax-exempt bonds both public and private offerings, and the laying of HUD program financing and regulatory agreements.

Susan M. Reynolds
Chief Executive Officer

Sue Reynolds has led Community HousingWorks as President and CEO since 1997. Under her leadership, the organization has become a nationally-recognized multifamily developer, homeownership lender, and an innovator in community-based programs that strengthen communities and families' financial independence. Since 1997, CHW has increased its operating budget and the number of apartments it has developed by a factor of six, and initiated after-school, financial education and leadership training programs that reach thousands, and expanded to a countywide area. CHW's homeownership programs provide first mortgage and down payment loans, realty services, foreclosure prevention and education to thousands of families each year.



Sue Reynolds' thirty years of housing and community development experience include leadership in administering housing programs, policy development and advocacy, tax credit, HUD preservation and financial consulting, training programs for nonprofit housing developers, and community planning and organizing. She has been a part of such nationally recognized community development organizations as the Pratt Institute Center for Community and Environmental Development and the California Housing Partnership Corporation. She currently serves on the boards of directors of Rural Housing Coalition of California, the Center for Policy Initiatives, and on the Torrey Pines Bank CRA Advisory Board. Ms. Reynolds was also a founder and long-time board member of San Diego's nonprofit housing coalition, the San Diego Housing Federation.

Susan Reynolds received her Bachelor of Arts from Ohio State University, and a Masters in Urban Planning from Columbia University.



Brian Kay, CPA
Chief Financial Officer

Mr. Kay is a Certified Public Accountant with over eighteen years of combined public, private and nonprofit accounting and finance expertise. Brian is responsible for CHW's financial reporting, planning, analysis and risk management. He brings a holistic approach to the CFO role supervising a team of five accountants, human resources, and information technology systems. Before joining Community HousingWorks in 2012, his career highlights include leadership positions within several diverse San Diego organizations. Most recently with Five Point Capital, Inc., he completed a loss to profit turnaround story culminating in an owner acquisition. Mr. Kay also led the financial aspect of Anonymizer, Inc.'s sell-side transaction to Abraxas Corporation at a multiple of 16.5x's EBITDA. While at Provide Commerce (formerly Proflowers), he managed growth from start up to over \$100 million annual sales and played a key role in the company's successful initial public offering (IPO). Brian holds a BA in Economics and Business from Westmont College in Santa Barbara, CA.



Anne B. Wilson
Senior Vice President - Housing and Real Estate Development

Ms. Wilson joined CHW in 2002 and is responsible for overseeing real estate development and finance and supervises a staff of fourteen. She has managed the development of over 2,000 apartments including residential and mixed-use, new construction, acquisition, preservation and rehabilitation. Prior to joining CHW, MS. Wilson was the founding director for the San Diego programs of both the Local Initiatives Support Corporation (LISC) and the Corporation for Supportive Housing. Under her leadership, LISC invested working capital and equity in San Diego's emerging nonprofit housing developers. She also led the creation of LISC's Affordable Housing Development Training Program, which has been the premier comprehensive training in housing finance and development for nonprofit developers on the west coast. Ms. Wilson's experience includes eight years with the City of Boston's Redevelopment Agency and Neighborhood Development Division. Ms. Wilson has extensive contacts in affordable housing development throughout the nation, is a member of the Urban Land Institute, Lambda Alpha and has served full terms on the boards of directors of Housing California and the San Diego Housing Federation. Ms. Wilson received her Master's in City Planning from the Massachusetts Institute of Technology, where she held a fellowship at the Center for Real Estate Development and received the Charles Abrams Scholarship from the American Planning Association.



Mary Jane Jagodzinski
Vice President - Development

Ms. Jagodzinski joined Community HousingWorks in 2003, following 15 years in commercial development and consulting. At CHW, Ms. Jagodzinski is responsible for managing all aspects of real estate development and supervising development staff. Her projects have been nationally recognized for innovation in design, sustainability and HUD finance, including: Turnagain, a complex HUD finance acquisition/renovation, which was nationally recognized by the *Novogradac Journal of Tax Credits* with a “2010 Development of Distinction, Innovative HUD Finance” award; and SOLARA, a sustainable near net zero community which was awarded a ULI Award of Excellence – The Americas. Prior to CHW, Ms. Jagodzinski’s experience included: regional head of a national developer’s commercial development group where, in joint ventures with an institutional investor she developed over 500,000 sf of retail, office, hotel and mixed-use projects; Vice President of a national engineering/environmental firm providing advisory services to investment/commercial banks and the GSE’s; and, entitlement consultant for several large master plan developments. Previously, she held senior positions with the State of California, including: Executive Director of the California Debt Limit Allocation Committee (CDLAC); and, Principal at Assembly Ways and Means Committee, as committee expert in taxes, bonds and housing. Mary Jane Jagodzinski received her Bachelor of Arts (Economics, Honors) from CSU Sacramento, and her Master in Business Administration from the Harvard Graduate School of Business Administration. She is a member of the Board of Directors of the San Diego Housing Federation (past President, 2014-16), is a member of the Resident Council of ULI San Diego-Tijuana, and has served as an invited member of the CEC’s Affordable Housing Advisory Committee for the New Solar Homes Partnership.



David Gatzke
Vice President - Acquisitions

David Gatzke joined Community HousingWorks in 2007, and is responsible for identifying and securing acquisition of multi-family development sites and acquisition/rehabilitation properties. He is also responsible for managing feasibility review process as well as leading entitlement efforts for acquisition/rehab and new construction developments. Mr. Gatzke has over 20 years of land development and project management experience. Prior to joining CHW, he was responsible for the planning and land development activities of multiple master-planned communities in San Diego and Riverside Counties. In addition, he has led the acquisitions and entitlement efforts of an infill homebuilder, and provided multi-disciplinary land analysis as a consultant to major



institutional and private landowners. Mr. Gatzke has extensive experience in obtaining challenging entitlements, including securing permits under California and Federal Clean Water Acts and Endangered Species Acts. David Gatzke received his Bachelor of Arts from the University of California, Los Angeles and his Masters of Urban Planning from the University of Washington's College of Urban Design and Planning.

Sylvia Martínez

Senior Project Manager

Sylvia Martinez joined CHW in 2011, with over twenty years of experience in housing and community development throughout California. She has directed the development of over 800 affordable units. Her developments have achieved national recognition in sustainable affordable housing, such as LEED Platinum and LEED Project of the Year. At CHW, Ms. Martinez completed Avocado Court for disabled veterans and families in Escondido, the Kalos Apartments in San Diego, and brought her finance and green credentials to revitalize three older existing affordable properties. She is the construction team leader for the 76-unit LGBT Senior Apartments, a unique transit-oriented development in San Diego.



Sylvia Martinez received her bachelor's degree from Stanford University, and holds a Master's in Public Policy and Urban & Regional Planning from the Woodrow Wilson School of Public and International Affairs at Princeton University. She is also a LEED Associated Professional.

Lisa Huff

Project Manager

Lisa Huff has over eleven years of experience in affordable housing and community development. As a Project Manager at Community HousingWorks, Lisa is responsible for managing all aspects of the affordable housing development process from project conception through construction, lease-up and occupancy.



Lisa joined the team at CHW in 2012 where her work to date has included execution of the Azusa Apartments project with competitive 9% low income housing tax credits, a HUD 221(d)(4) mortgage, and a new 20-year project based section 8 contract. The successful acquisition rehab project gained national recognition with awards from Affordable Housing Finance Magazine, The Affordable Housing Tax Credit Coalition, Southern California Association of Non Profit Housing, and Novogradac.



Prior to joining Community HousingWorks in 2012, Lisa worked as a Senior Development Officer for Father Joe's Villages in San Diego obtaining financing to develop 225 units of affordable and permanent supportive housing at three developments in the City of San Diego: 15th and Commercial, 16th and Market, and Boulevard Apartments. She has experience accessing multiple affordable housing financing programs including FHA 221d4, Low Income Housing Tax Credits, Tax Exempt Bonds, San Diego Housing Trust Fund, Redevelopment, CA Multi-family Housing Program, Federal Home Loan Bank Affordable Housing Program, CA Mental Health Services Act, CA Transit Oriented Development, CA Infill Infrastructure Grant Program, HUD-SHP and others.

Ms. Huff received her Bachelor of Arts in Political Science from the University of California San Diego.

Marc Welk
Project Manager

Marc Welk has over six years of experience in affordable housing and community development. As a Project Manager at Community HousingWorks, Marc is responsible for managing all aspects of the affordable housing development process from project conception through construction, lease-up and occupancy. Prior to joining Community HousingWorks in 2015, Marc was a Project Manager with AMCAL Multi-Housing, Inc. in Agoura Hills. He has experience accessing multiple affordable housing financing programs including Low Income Housing Tax Credits, Tax Exempt Bonds, Freddie MAC TEL, Housing & Community Investment Department of Los Angeles Affordable Housing Trust Funds, Federal Home Loan Bank Affordable Housing Program, CA Mental Health Services Act, CA Transit Oriented Development and others. Mr. Welk received his Bachelor of Arts in Urban Planning from the University of Southern California.]



Rosemary Stabrawa
Senior Vice President of Real Estate Assets & Community Programs

Rosemary Stabrawa, Senior Vice President, Real Estate Assets & Community Programs, is a leader in her field, having designed an innovative, nationally recognized, asset management department for Community HousingWorks, a San Diego based nonprofit. She excels at financial management that maximizes net cash flow, while carrying out CHW's mission--provide housing and programs that allow people to move up in the world. Ms. Stabrawa has 25 years of experience working in property and asset management, and in designing services for residents in rental communities. She oversees



all aspects of CHW's diverse multifamily rental portfolio of family, senior and supportive housing communities, including acquisitions, design, lease-up, oversight of property management, financial and physical operations, risk management, strategic planning and resident services. She is a leader in developing sustainable procedures and specifications for improvements to CHW's existing portfolio.

Ms. Stabrawa has a B.A. in art and psychology and holds IREM's ARM designation, is a NCP (National Compliance Professional)-Executive and CHAM participant.

Jorge Riquelme

Senior Vice President, Achieve Programs

As Senior Vice President of Achieve Programs, Jorge leads the transformative programs that help Community HousingWorks' residents achieve their dreams and change their futures. He has been a leader in the non-profit community for over a decade both nationally and internationally. Prior to his current position, Jorge was the Executive Director at Bayside Community Center. Jorge joined Community HousingWorks after a life-changing journey on a month-long, 500-mile walk across northern Spain, called the Camino de Santiago. Reflecting on his journey, Jorge says, "Life looks very different at four kilometers per hour." The phrase represents Jorge's insight on the importance of community, friendship, and the connections we all have with one another. Jorge is excited to bring this perspective to our communities. Jorge has a Bachelor of Arts in Sociology from the University of California at San Diego and holds a Masters in Sociology from State University of New York at Binghamton.



CHW BOARD

Officers

Michael Innis-Thompson, Chair – Michael is Senior Vice President–Head of Community Lending & Industry Relations with Union Bank. He is responsible for directing and managing the Community Reinvestment Act (CRA) and Multi-Cultural lending strategy for the Bank’s Consumer Lending Group and, leading engagement of strategic relationships with key industry organizations. In 2010, he was named Chief Compliance Officer for the Bank’s Consumer Lending group. Prior to joining Union Bank, Michael spent four years with Bank of America in leadership roles as Business Development Executive and Home Loans and Fair Lending Executive; six years with Freddie Mac where he served as Senior Director, Expanding Markets; Director Affordable Lending Sales; and Product Marketing Director. His earlier experience includes Vice President, Fair Lending Risk Management at Wells Fargo Home Mortgage and Vice President, Regulatory Compliance for Mellon Mortgage Company. Michael holds a Bachelor of Arts degree in Mathematics from Rutgers University. He has served our Board since 2012.

Melba Novoa, Vice Chair – Melba is the Manager of Community Engagement at Reuben H. Fleet Science Center. Melba brings her skills as a public relations and communications professional in both Spanish and English to her CHW Board role. Prior to her move to San Diego, Melba served as Director of Programming for Family Theatre Productions. There she developed, planned and executed educational radio dramas, documentaries, public service announcements, marketing campaigns and TV programming targeted to Hispanic audiences. She has released over 300 programs to date, many of them award-winning. A native of Mexico City, Melba received her B.A. and M.A. from USC’s Annenberg School for Communication and Journalism. Melba has served on the Board since 2013.

Stephen Baker, Treasurer – Stephen is Senior Vice President, Western Regional Manager of BBVA Compass Consumer Finance. Stephen has more than 20 years of leadership experience in the banking and financial services industries. Prior to BBVA Compass, he held senior line and management positions at JPMorgan Chase, Wells Fargo and Ford Motor Credit Company. He has leadership experience in commercial and consumer banking, real estate lending, construction finance, operations, credit and risk management. He is active in the greater San Diego business community in addition to his participation with other community service organizations as a Board Member and fundraising campaigns. Stephen has served on our Board since 2011.

Robert Gottlieb, Secretary – Robert brings more than thirty years of real estate financial experience to Community HousingWorks. Robert has been employed with H.G. Fenton Company since 1990 and has been the chief financial officer since 1998. He is responsible for accounting, tax, treasury, business systems and finance functions of H.G. Fenton Company which is one of the San Diego region’s largest real estate organizations, with 3,500 apartment homes and over 4.5 million square feet of office and industrial space to their credit. His accomplishments have included strategic plan



development, the transition from an operating company to being exclusively a real estate company, and consolidation and implementation of numerous related corporations. Robert holds an undergraduate economics degree from UCLA, a master's degree in business from SDSU, and is also a CPA. His other involvements have included being a Board Member of The Grauer School as well as being involved in community and trade associations. He has served on the Board since 2013.

Members

Albert Graff – Albert is a retired business executive who leads an active church and volunteer life. He is a Deacon with the Diocese of San Diego serving principally the spiritual and temporal needs of the Latino community of St. James and St. Leo Catholic Churches. In addition, he is a Director of St. Leo's medical and dental programs, is the co-founder of Esperanza International, serves on the Board of the Community Resource Center and the Mexican American Educator Guidance Associates, and is a member of the San Dieguito Interfaith Ministerial Association. He has a Bachelor of Science degree in Mechanical Engineering from the University of California, Berkeley, CA. He was a founding member of the Esperanza Housing and Community Development Corporation Board, one of our founding organizations, and has served on the Board since 1992.

Cristal Salinas – Cristal is a Director in Regulatory Affairs for Labeling Development and Technical Publications at Novartis Vaccines & Diagnostics. Her mix of finance, operational and strategic expertise provides important contributions to the Board. Cristal has held positions of management responsibility in operations and project management in a variety of industries including biotech, technology, and financial services. She has successfully lead and implemented projects ranging from \$100,000 to multi-million dollar projects and was awarded with the Exception Performance Awards by both Kyocera Communications Incorporated and Hologic | Gen-Probe Incorporated. Cristal received an M.B.A. with an emphasis in Finance from the University of Redlands in 2010, and is a Whitehead Leadership Society Member. She has served on the Board since 2013.

Fanik Jama – Fanik is a Somali interpreter at Partnership for the Advancement of New Americans (PANA). As a long-time Somali community leader and CHW resident, and as a previous on-site property manager at Bandar Salaam, a CHW rental community in City Heights, he brings experience as a leader in the community to our Board. As a quad lingual speaker, he has developed relationships with community organizers and the Somali community at large. A graduate of Gahayr University of Somalia, Fanik strives to strengthen relationships and bridge new ones in fostering positive community involvement. Fanik has served on the Board since 2016.

Gustavo Santiago-Ruiz – Gustavo joined the board as a resident of Orange Place, a CHW rental community in Escondido. He contributes his unique perspective and experience as a CHW resident to the group. Gustavo is an active member of the Organization Committee for the City of Oceanside, striving to improve the city where he is currently a business partner. An active community volunteer, Gustavo



has participated in the student union and other on-campus organizations at Cal State San Marcos, working to improve community alliance through campus events. Gustavo has served on the Board since 2015.

Karen Bucey – Karen is an urban enthusiast, City Heights activist and urban planner. As Chair of the City Heights Redevelopment Area Project Area Committee, she led community input into eight million dollars a year of public investment into San Diego’s gateway immigrant community. Karen is a Community Planner for the City of San Diego, drawing on her past experience as a Senior Land Use and Environmental Planner for TRS Consultants. Professional affiliations include the American Planning Association (AICP) and Association of Environmental Professionals (AEP). Her other community involvements have included a mayoral appointment to the San Diego Relocation Appeals Board, San Diego Downtown Rotary, San Diego’s Pride Festival and the Azalea Park Neighborhood Association. She holds a degree from San Diego State University in Public Administration and City Planning. A volunteer with Community HousingWorks for over 10 years, Karen has served on the Board since 2006.

Rosalia Salinas – Rosalia is a Retired Senior Director of the Leadership & Accountability program with San Diego County Office of Education. She holds a background in education as a High School Teacher, Vice Principal and Curriculum Coordinator. As Executive Director of the California Language Minority Project, Rosalia led a state-wide project focused on state-recommended core curriculum for language minority students which led to a three county Title VII Grant. There she also developed the first statewide CA Spanish Language Literature Institute. Rosalia has served as President of CA Association for Bilingual Education; a member of the Mexican-American Advisory committee to the Superintendent, the San Diego Unified School District and the SD Mayor’s Latino Advisory Board. She has served on our Board since 2010.

Steve Siemers – Steve is an Assistant Vice President at California Bank & Trust, an active home and commercial real estate lender, and a long-time advocate for lender involvement in affordable home lending: NMLS ID 594409. In the mid-1990’s he helped to create one of San Diego’s first 100% home financing products, a 90% first mortgage product paired with Community HousingWorks’ HOOP loan. A long-time treasurer for the organization, he has served on the Board since 1996, through our co-founder San Diego Neighborhood Housing Services.



AWARDS

Community HousingWorks (CHW) has been recognized nationally, statewide and within the San Diego region for excellence in development. The recognition acknowledges not only the physical product, but also our ability to engineer innovative financing and to pioneer new technologies. We are proud of the following awards recognizing our real estate development work:

Highlights

Urban Land Institute, “Award of Excellence - The Americas,”
SOLARA, Poway, California, 2008

Urban Land Institute, Case Study C037021
SOLARA, Poway, California, 2008

Affordable Housing Finance Magazine, “Readers’ Choice Awards
for Nation’s Best Affordable Housing: Best Overall Development,”
SOLARA, Poway, California, 2007

Affordable Housing Finance Magazine, “Readers’ Choice Awards for Nation’s Best
Affordable Housing Developments: Best Preservation Project,”
Azusa Apartments, Azusa, California, 2015

Affordable Housing Finance Magazine, “Readers’ Choice Awards, Finalist, Preservation
of Affordable Housing,”
Poway Villas, Poway, California, 2013

Affordable Housing Tax Credit Coalition, “Charles L. Edson Tax Credit Excellence
Award: HUD Preservation,”
Azusa Apartments, Azusa, California, 2015

Affordable Housing Tax Credit Coalition, “Charles L. Edson Tax Credit Excellence
Award: HUD Preservation,”
Poway Villas, Poway, California, 2013

Novogradac Journal of Tax Credits, “Developments of Distinction, Innovative HUD
Financing,” *Turnagain Apartments*, Fallbrook, California, 2010

Pacific Coast Builders Conference, “Gold Nugget Grand Award, Senior Housing,”
North Park Senior Apartments, San Diego, California, 2015



Pacific Coast Builders Conference, “Gold Nugget Grand Award, Affordable,”
SOLARA, Poway, California, 2008

National

Affordable Housing Finance, “Best Master Plan Community Project, Nominee,”
La Costa Paloma, Carlsbad, California, 2006

Affordable Housing Tax Credit Coalition, “Charles L. Edson Tax Credit Excellence
Award,” *SOLARA*, Poway, California, 2007

American Institute of Architects, “National Honor Award,”
Orange Place Townhomes, Escondido, California, 1997

American Planning Association, “Davidoff Planning Award,”
Marisol Apartments, Oceanside, California, 1998

American Institute of Architects, “National Honor Award,”
Daybreak Grove, Escondido, California, 1994

American Institute of Architects, “National Honor Award,”
Sunrise Place, Escondido, California, 1995

Fannie Mae Foundation, “Award of Excellence,”
Bandar Salaam Apartments, San Diego, California, 2003

Fannie Mae Foundation, “Honorable Mention,”
Marisol Apartments, Oceanside, California, 1998

Great Western Bank, “National Housing Award,”
Overall Performance, 1998

Home Depot Foundation, “Award of Excellence - Runner Up,”
SOLARA, Poway, California (Case Study), 2007

Novogradac Journal of Tax Credits, “Developments of Distinction, Honorable Mention,
LIHTC Development that Best Preserves Existing Affordable Rental Housing,”
Azusa Apartments, Azusa, California, 2016

Regional

American Institute of Architects, “Citation Award,”



Las Casitas, Daybreak Grove, and Esperanza Gardens, 1990, 1991 and 1995

American Institute of Architects, “Award of Merit,”
Daybreak Grove, Escondido, 1993

American Institute of Architects, “Best Project Award,”
Marisol, Oceanside, 1997

American Society of Civil Engineers, Region 9, “Sustainable Technology Project of the Year,”
SOLARA, Poway, California, 2008

American Planning Association, “Planning Project Award,”
Cedar Nettleton, Vista 1996

American Planning Association, “Leadership Award,” 1995

American Public Works Association- San Diego / Imperial Chapter,
“Project of Year, Structures over \$8 million,” *SOLARA,*
Poway, California, 2007

American Society of Civil Engineers - SD Chapter, “Outstanding Project,”
SOLARA, Poway, California, 2008

Bank of America, “Community Hero Award”
CHW Residents

Bank of America, “Neighborhood Excellence Initiative Award” and grant of \$200,000,
Mega-Dreams Program Pilot, 2007

CADER (California Association Distributed Energy Resources), “Award of Recognition,”
SOLARA, Poway, California, 2007

California League of Cities, “Helen Putnam Quality Award,”
SOLARA, Poway, California, 2008

California League of Cities, “Helen Putnam Quality Award,”
Calle Montecito Revitalization, 1999

California League of Cities, “Helen Putnam Quality Award,”
Marisol Apartments, Oceanside, California, 1998

Fannie Mae Foundation, “Best Practices Program” *CHW*
Financial Fitness Training, (2005-2006)



Pacific Coast Builder's Conference, "Gold Nugget Award of Merit,"
Fallbrook View, Fallbrook, California, 2005

Pacific Coast Builder's Conference, "Gold Nugget Award of Merit,"
Hillside Village, Poway, California, 2004

Pacific Coast Builders Conference, "Gold Nugget Award of Merit, Sustainable,"
SOLARA, Poway, California, 2008

Pacific Coast Builder's Conference, "Gold Nugget Award of Merit,"
Park View Terrace, Poway, California, 1999

San Diego American Planning Award, "Award of Merit- Green Category,"
SOLARA, Poway, California, 2008

San Diego Architectural Foundation, "Community Visionary Award:
Finalist,"
SOLARA, Poway, California, 2008

San Diego Housing Federation, "SDG&E Energy Efficiency & Sustainability Award,
Retrofit,"
Poway Villas, Poway, California, 2013

San Diego Housing Federation, "Housing Project of the Year, Rehabilitation,"
Poway Villas, Poway, California, 2013

San Diego Housing Federation, "Special Recognition"
SOLARA, Poway, California, 2008

San Diego Housing Federation, "SDG&E Energy Efficiency Award"
SOLARA, Poway, California, 2007

San Diego Housing Federation, "Community Development Project," 1999

San Diego Housing Federation, "Resident Leadership," 1998

San Diego Housing Federation, "Project of the Year," 1995

San Diego Housing Federation, "Project of the Year,"
Hillside Village, Poway, California, 2004

San Diego Housing Federation, Best Affordable Housing Advocate, 1993

SANDEE (San Diego Excellence in Energy), "Special Achievement in Energy by a
Nonprofit,"
SOLARA, Poway, California, 2008



Southern California Association of NonProfit Housing (SCANPH), “Homes Within Reach: Project of the Year,”
Azusa Apartments, Azusa, California, 2015

Urban Land Institute SD/TJ Chapter, “Smartest Project”
SOLARA, Poway, California, 2007

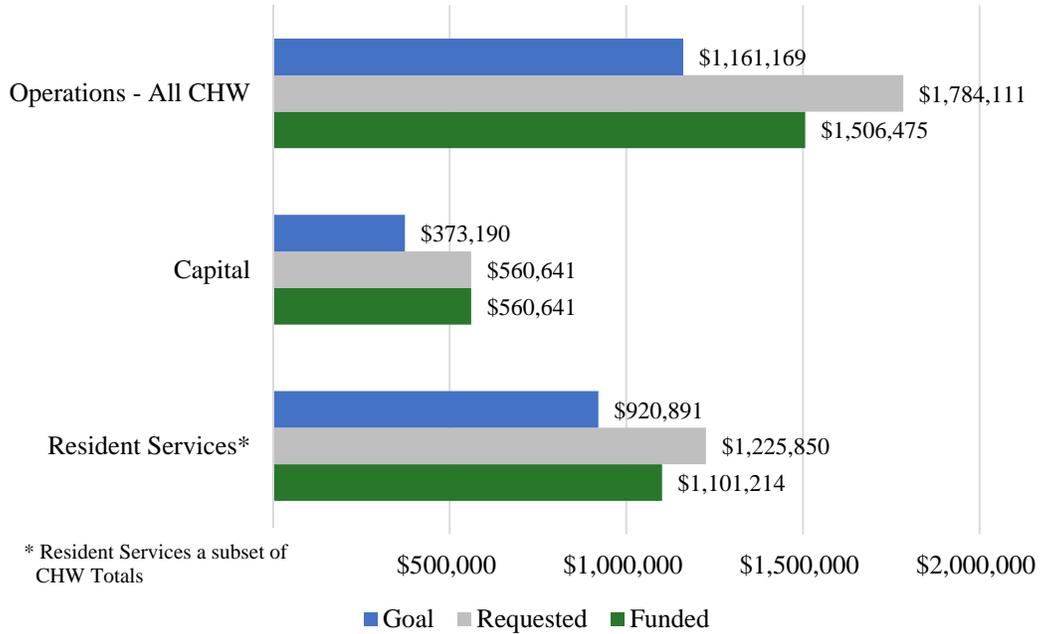
Small Business Administration, “Minority Business Award,” CHW Microenterprise Program

San Diego Housing Federation, “Community Development Program of the Year,”
Leadership Training Program, 2004



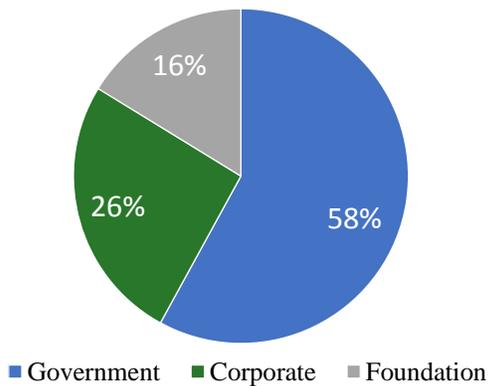
CHW GRANT EXPERIENCE

2015 Grant Fundraising Results

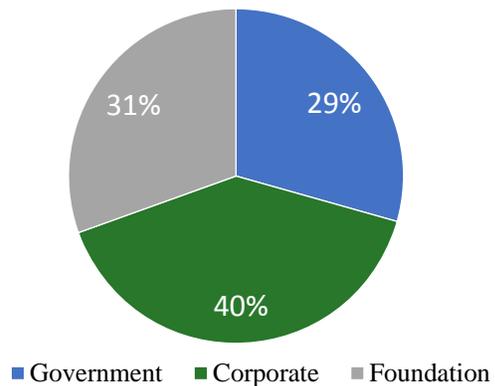


2015 Grant Funding Sources

CHW Organization-Wide Funding Sources (2015)



CHW Resident Services Funding Sources (2015)



- Average government grant in 2015: \$74,904
- Average corporate grant in 2015: \$28,048
- Average foundation grant in 2015: \$47,961



LA COSTA PALOMA APARTMENTS

1953 Dove Ln. | Carlsbad, CA 92009



Highlights

- Inclusionary, affordable multifamily rental development that overlooks the fourth fairway of La Costa Resort, a world class PGA golf resort in Carlsbad, CA
- Multi-purpose community building with learning center, onsite resident programs, and computer lab
- Other amenities include three playgrounds, central courtyard with recreation area, BBQ and picnic areas, and exercise facility
- Sustainable features include dual-pane Energy Star rated windows, Energy Star appliances
- Added solar photovoltaic in 2016 to offset energy costs

Description

CHW and Mercy Housing developed La Costa Paloma, completing the affordable multifamily community in 2005. This large-scale development of 180 apartments on 13 acres is seamlessly integrated into the prestigious and upscale master planned community of The Villages of La Costa. Located within blocks of the City of Carlsbad's Dove library, the development is within walking distance of shopping, services, and commuter buses. The design style of La Costa Paloma is California Mediterranean, with graceful archways, stucco exteriors, iron Juliet balconies, and concrete tile roofs. Seven two- and three-story residential buildings are arranged around the central courtyard area designed for family recreation. The community building provides a gathering place for residents and hosts CHW's Learning Center programs where CHW resident services coordinators offer access to computers and educational programs.

Details

Type	New Construction, Family
CHW Role	Owner Co-developer with Mercy Housing Service Provider
Apartments	180 Apartments
	32 1-BR Apartments
	39 2-BR Apartments
	79 3-BR Apartments
	30 4-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ Citibank▪ National Equity Fund▪ RECMC Loan▪ City of Carlsbad
Completed	2005
Awards	Affordable Housing Finance, "Best Master Plan Community Project, Nominee," La Costa Paloma, Carlsbad, California, 2007

THE GROVES APARTMENTS

700 E. Mountain St. Pasadena, CA 91104
965 N. Raymond Ave. Pasadena, CA 91103



Mountain St. – Before Renovation

Highlights

- Successfully preserved affordable apartments that were at risk of converting to market-rate apartments
- Rehab will modernize the community space located at the Mountain St. site with a learning center, leasing office, community room with kitchenette, and resident community gardens at each site
- Interior apartment renovations will include new resilient flooring throughout the apartments, water fixtures, Energy Star appliances, refurbished showers, low-VOC paint, and dual pane energy efficient windows
- Building renovations will include new cool roof with solar hot water panels and energy efficiency upgrades

Description

Acquired by CHW in 2015, The Groves is a scattered site development with one property located at 700 East Mountain Street (26 apartments) and 965 North Raymond Avenue (18 apartments). The East Mountain Street was built in 1956 and The Groves North Raymond site was built in 1963. The two sites are located 0.8 miles from each other and are walking distance to a variety of amenities, including the Pasadena Area Rapid Transit System (ARTS), LA Metro bus routes, McDonald Park, grocery stores and Madison Elementary School.

CHW is currently renovating the community, focusing on apartment livability and energy efficiency upgrades, building envelope, and site improvements.

Details

Type	HUD Preservation, Family
CHW Role	Owner Developer Service Provider
Apartments	44 Apartments 8 Studios 6 1-BR Apartments 30 2-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ Berkeley Point Capital/Freddie Mac TEL▪ City of Pasadena HOME▪ Union Bank▪ U.S. Department of Housing and Urban Development Section 8
Completion Date	Fall 2016

AZUSA APARTMENTS

805 S. Cerritos Avenue | Azusa, CA, 91702



Highlights

- Successfully preserved affordable apartments
- Improved energy efficiency by 27%
- Fully renovated interiors using sustainable & durable building materials
- Reconfigured & upgraded community building with new after school learning center
- Solar thermal & photovoltaic systems for common area energy production
- New central courtyard with modern play structure & recreation area
- Water-wise landscaping & irrigation; new resident organic garden

Description

Azusa Apartments was originally financed and built in 1971 with funds from the U.S. Department of Housing and Urban Development (HUD). When the original owner put the property up for sale, certain HUD restrictions could expire and put the tenants at risk of losing their affordable rents and being displaced from their homes. In 2013, CHW purchased the 88-home rental community through the use of federal and state tax Low Income Housing Tax Credits, a federally-insured mortgage, and a long-term HUD project-based rental assistance contract. Total acquisition and development cost for Azusa Apartments was \$30 million; \$6.5 million of this was directly invested in rehabilitation and is estimated to generate \$4.5 million in indirect and direct spending and create between 90 to 130 jobs in the local economy. CHW's renovations included making improvements to major systems, energy and water conservation, and new interiors and apartment upgrades.

Details

Type	HUD Preservation, FHA 221d, Family
CHW Role	Owner Developer Service Provider
Apartments	88 Apartments
	8 1-BR Apartments
	30 2-BR Townhomes
	42 3-BR Townhomes
	8 4-BR Townhomes
Financing Sources	<ul style="list-style-type: none">▪ Union Bank▪ Red Mortgage Capital, LLC (HUD 221d4)▪ U.S. Department of Housing and Urban Development Section 8▪ PVCHA▪ US Bank▪ NeighborWorks® Capital
Completed	2015
Awards	Charles L. Edson Tax Credit Excellence Award <i>Affordable Housing Finance</i> Readers' Choice Awards Finalist Southern California Association of Nonprofit Housing Project of the Year

LOS ROBLES APARTMENTS

1475 Oak Drive | Vista, CA 92084



Highlights

- \$1.2 million invested in green upgrades: 125 kW solar photovoltaic (solar) electrical system provides 100 percent of resident and common area electrical energy
- Gas and water consumption each reduced by over 50%
- Participant in SDG&E's Energy Upgrade California program, improving energy efficiency by over 35%
- Domestic solar hot water system
- Energy star appliances
- Low-e (emissive) windows
- Organic fruit and vegetable garden for resident use

Description

In 2013, CHW acquired and wholly rehabilitated Los Robles Apartments, adding a third HUD Preservation to CHW's portfolio at the time. CHW upgraded the 40-year-old apartment community with energy-saving features and developed a new community building and community amenities. The investment completely revitalized and updated the community. Site improvements include the addition of drought tolerant landscaping, creation of a community garden for residents, bike racks, BBQ and picnic areas for family gatherings, car ports, safer and more accessible sidewalks, repaving, and tree replacements. The play area was completely transformed and upgraded with new equipment from recycled materials. The solar power system enables Los Robles to produce nearly all its electrical needs on site, saving over \$70k per year, and to reduce its gas and water consumption by over 50%. Los Robles participated in SDG&E's Energy Upgrade California program and exceeded a 35% improvement in energy efficiency.

Details

Type	HUD Preservation, Family
CHW Role	Owner Developer Service Provider
Apartments	76 Apartments
	16 1-BR Apartments
	40 2-BR Apartments
	20 3-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ Union Bank▪ California Community Reinvestment Corporation▪ California Municipal Finance Authority▪ SDG&E's Energy Upgrade California
Completed	2013
Awards	San Diego Housing Federation, Housing Project of the Year, Rehabilitation, and SDG&E Energy Efficiency & Sustainability Award

POWAY VILLAS APARTMENTS

13001 Bowron Rd. | Poway, CA 92064



Highlights

- Successfully preserved affordable apartments
- Major renovation of apartments including energy efficiency and water conserving features
- Project Based Section 8 Certificates for all residents
- New 2,100 square foot community building with CHW’s award winning Learning Center programs, property management office, maintenance room, a new laundry room, computer center for adults and children and a multipurpose meeting room with kitchen and patio
- Walking/jogging path with parcourse equipment and bike racks to promote healthy activities for both adults and children
- Energy Upgrade California certification

Description

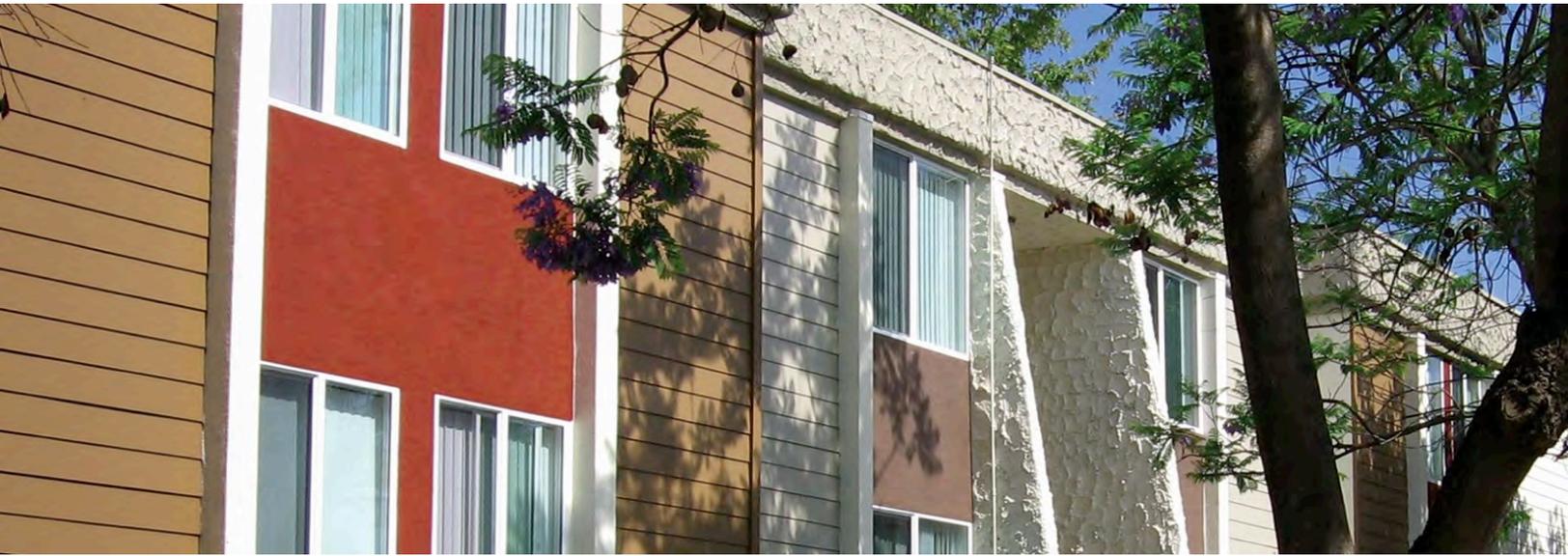
Poway Villas features 60 apartments in eight residential buildings on 3.13 acres in the heart of Poway, walking distance to the library, parks, schools, City Hall and shopping and entertainment. CHW purchased the community in November 2011 and completed comprehensive renovations in 2012, improving energy and water efficiency, upgrading the apartments, and providing new amenities for the residents, including a new community center. CHW designed the renovation with upgrades of a new “cool roof” and insulation, addition of a solar hot water system, new high efficiency heat/air conditioning systems, and water conservation features including “smart” drip irrigation for the California native and naturalized plant landscape. Part of the Energy Upgrade California program, the renovation was estimated to reduce energy by as much as 40%.

Details

Type	HUD Preservation, Family
CHW Role	Owner Developer Service Provider
Apartments	60 Apartments
	16 1-BR Apartments
	20 2-BR Apartments
	24 3-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ Union Bank▪ Poway Villas Community Housing Association▪ U.S. Department of Housing and Urban Development Section 8▪ LISC▪ Energy Upgrade California
Completed	2012
Awards	Charles L. Edson Tax Credit Excellence Award: HUD Preservation San Diego Housing Federation Housing Project of the Year and SDG&E Energy Efficiency & Sustainability Award, Retrofit

TURNAGAIN APARTMENTS

920 E. Mission Rd. | Fallbrook, CA 92028



Highlights

- Successfully preserved affordable apartments
- Apartment interior renovations improved energy and water efficiency
- New community center and access to all amenities, including a play area and Learning Center with CHW's award-winning programs
- Water-wise landscaping and storm water management
- Improved energy by 25% and gas by almost 50%
- Safety improvements, including hard-wired smoke detectors, new fire service, improved fire access, and elimination of fire-risk trees
- New resident organic garden

Description

Turnagain Apartments features 80 apartments in nine residential buildings on 3.95 acres in Fallbrook, CA. Constructed in 1974, the apartments were in need of renovation and system upgrades. With the support of the Turnagain Arms Community Housing Associates and the Turnagain residents, Community HousingWorks raised capital for the major rehabilitation and to achieve operational sustainability through a complex combination of tax credits and HUD programs. Financing closed on October 3, 2008, the day when the New York Times described the financial climate as on the “edge of the abyss.”

The renovations used integrated green design to preserve structures and provide new amenities. These included energy and water efficiency updates to the apartments and substantial community improvements, including a new community center with access to programs that support resident success.

Details

Type	HUD Preservation, Family
CHW Role	Owner Developer Service Provider
Apartments	80 Apartments
	28 1-BR Apartments
	41 2-BR Apartments
	10 3-BR Apartments
	1 4-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ Union Bank▪ Red Capital Group PNC Multifamily Capital Inst. Fund▪ Turnagain Arms Community Housing Associates▪ U.S. Department of Housing and Urban Development
Completed	2009
Awards	<i>Novogradac Journal of Tax Credits</i> Developments of Distinction, Innovative HUD Financing San Diego Housing Federation Housing Project of the Year - Rehabilitation

ALABAMA MANOR APARTMENTS

3836 Alabama St. | San Diego, CA 92104



Highlights

- Successfully preserved affordable apartments
- Provides 67 homes and onsite services to support low-income seniors and disabled residents
- Retrofitted the community center and four apartments to ADA standards, creating more accessibility
- Provided substantial renovations, including roof repairs; replacement and repairs of mechanical, electrical and plumbing systems; and renovated interiors using sustainable & durable building materials
- Added solar thermal energy production
- Fully gated property with a telephone entry system and 24-hour video surveillance

Description

Alabama Manor is a 67-apartment community in the North Park area of San Diego that provides homes and onsite services to seniors 55 and over. CHW purchased and renovated the community in 2006, preventing it from being converted to market-rate homes and preserving the affordability to residents.

The rehabilitation included roof repairs, replacement and repairs of mechanical, electrical and plumbing systems, installation of new low-E windows, and select kitchen and bathroom upgrades. CHW retrofitted four of the rental homes to ADA standards while an additional four rental homes were retrofitted to hearing and vision impairment standards. In addition to the individual apartments, the community center and entrance was also retrofitted to ADA/FFHA standards, creating more accessibility. In 2015, CHW added solar thermal to help offset energy costs.

Details

Type	Preservation, Seniors
CHW Role	Owner Developer Service Provider
Apartments	67 Apartments 1 Studios 60 1-BR Apartments 6 2-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ California Housing Partnership Corporation▪ San Diego Housing Commission
Completed	2007



NORTH SANTA FE APARTMENTS

301 North Santa Fe Ave. | Vista, CA 92084



Highlights

- Transit-oriented development, located across from the Sprinter station and near employment, schools, and shopping
- 10 homes reserved for vulnerable youth aging out of foster care, with services provided by Vista-based North County Lifeline
- Sustainable energy and water efficient design, with solar thermal and photovoltaic systems, Energy Star appliances, and drought-resistant landscaping
- Multi-purpose community building with learning center, computer lab, and CHW’s resident programs
- 201 GreenPoint Rated (Platinum: 140)

Description

North Santa Fe Apartments is a 68 apartment community located on North Santa Fe Avenue, directly across the street from the Vista Transit Station served by NCTD’s Sprinter train and BREEZE buses. The 1.4 acre transit-oriented development is located in one of the few North County SANDAG Smart Growth areas, and is part of the city’s Downtown Specific Plan. The community includes three stories of apartments with a mix of one-, two- and three-bedroom homes, with podium construction over subterranean parking. The state-of-the-art community building includes a computer room, reading nook, and a community meeting room with a kitchen. Additional amenities include bike storage, barbeque area and a laundry facility. As a pedestrian-friendly community connected to the neighborhood, North Santa Fe Apartments offers resident easy access to public transportation, nearby employment, schools, and shopping.

Details

Type	New construction, Family	
CHW Role	Owner Developer Service Provider	
Apartments	68	Apartments
	18	1-BR Apartments
	29	2-BR Apartments
	21	3-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ City of Vista (ground lease)▪ Union Bank▪ City of Carlsbad CDBG▪ NeighborWorks® America▪ Federal Home Loan Bank of San Francisco	
Completed	2015	



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NORTH PARK SENIOR APARTMENTS

4200 Texas Street | San Diego, CA 92104



Highlights

- Transit-oriented new construction
- Designed in collaboration with the San Diego LGBT Community Center to provide an affirming and supportive environment for all seniors
- Provides large community space for meetings, events, and senior services provided by the San Diego LGBT Community Center
- Incorporates sustainability features including a solar thermal system, water-saving fixtures, and energy-efficient design
- Provides indoor and outdoor recreational areas and a second story courtyard that overlooks the neighborhood

Description

North Park Senior Apartments is a current development of 76 senior apartments on a 0.56 acre infill site at Texas Street and Howard Avenue in the North Park neighborhood of San Diego. The development is conveniently located near rapid transit stops, employment, shopping centers, a park, a recreation center, and full-service grocery stores in a highly desirable San Diego submarket.

The transit-oriented design provides a large open plaza at the northeast corner of Texas and Howard and significantly enhances the pedestrian experience along Texas Street.

The community will be open to all seniors, but CHW intends to create an environment welcoming to LGBT seniors who have challenges finding LGBT-affirming housing. CHW has partnered with the San Diego LGBT Community Center to provide onsite services.

Details

Type	New Construction, Seniors
CHW Role	Owner Developer
Apartments	76 Apartments 7 Studios 66 1-BR Apartments 3 2-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ San Diego Housing Commission▪ Low Income Housing Tax Credits▪ City of San Diego bond funds▪ FHLB Affordable Housing Program
Completion Date	Projected for 2017
Awards	Pacific Coast Builders Conference, “Gold Nugget Grand Award, Best Senior Housing Community – On the Boards,” LGBT Affirming Senior Housing, San Diego, California, 2015 Circulate San Diego 2015 Momentum Award for Smart Growth

MISSION COVE APARTMENTS

3200 Mission Ave. | Oceanside, CA 92058



Highlights

- CHW and National CORE are co-developers of this 14.5 acre master plan infill development in Oceanside
- Mission Cove will feature 288 affordable homes for families, seniors, veterans, and youth aging out of foster care
- CHW is the developer and owner of the 138 apartment senior development
- 20% of the senior apartments will be dedicated to those with supportive needs, with at least half of those for homeless veterans
- The senior community will include a shared community space, Adult Day Care, and a resident organic garden that is shared with the family developments

Description

CHW and National CORE have broken ground on the sitework phase at Mission Cove Apartments, a community in Oceanside that will provide 288 high-quality affordable apartment homes for families, seniors, veterans and youth aging out of foster care. NCRC will develop and own 150 affordable family apartments plus 10,000 sf retail and an on-site Child Care Center as well as resident services center. CHW will develop/own 138 affordable seniors apartments, including 20% of apartments for special needs, with at least half of those for homeless veterans. CHW has proposed including an Adult Day Care within the seniors complex in addition to on-site resident services for seniors. Through provisions in DDA, Seniors development will follow the first phase of family development.

Details

Type	New Construction, Seniors	
CHW Role	Owner Service Provider	
Apartments	138	Apartments
	28	Studios
	104	1-BR Apartments
	6	2-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ City of Oceanside (ground lease)▪ LISC Predevelopment grant to CHW▪ Construction Permanent Loan TBD▪ Low Income Housing Tax Credit TBD	
Completion Date	Projected for 2018	

PARADISE CREEK APARTMENTS

2120 Hoover Ave. | National City, CA 91950



Highlights

- Mixed-use transit-oriented development
- Paradise Creek will provide 201 affordable rental homes and a new public park adjacent to Paradise Creek
- Located in close proximity to the Trolley, high frequency transit lines, and major employment centers
- Sustainability features include high energy efficiency and healthy indoor air quality materials, low impact landscape
- Registered as LEED-ND and LEED for Home and winner of the 2012 USGBC Affordable Green Neighborhoods Grant
- Received the Silver Catalyst Award from California's Sustainable Strategies Pilot Program

Description

Recognized as the transformative cornerstone of National City's Old Town neighborhood revitalization, this transit-oriented community development project will remediate old underground contamination, build 201 affordable rental homes and a new 3.9 acre public park adjacent to Paradise Creek. and will be a catalyst to future revitalization of the Westside Old Town of National City.

In late 2008, National City selected partners CHW and Related California as the development team for the Paradise Creek development. Phase I (109 apartments including the leasing and community center) is under construction for completion in December 2016. Phase II (92 apartments) will move forward in 2016 Q2 for completion in 2017.

Details

Type	New Construction, Family	
CHW Role	Owner Co-developer with Related California Service Provider	
Apartments	201	Apartments
	6	Studio Apartments
	45	1-BR Apartments
	85	2-BR Apartments
	65	3-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ Union Bank (Phase I)▪ National City Redevelopment Agency▪ California Proposition 1C Infill Infrastructure Grant (IIG) and Catalyst Grant▪ AHSC Cap and Trade (Phase II)▪ Federal EPA/HUD/DOT Sustainable Communities Partnership Pilot Grant	
Completion Date	Phase I: December 2016 Phase II: December 2017	

KALOS APARTMENTS

3795 Florida St. | San Diego, CA 92104



Highlights

- High-density, transit-oriented design
- US Green Building Council LEED Platinum Certification
- Low water use – 56% less than a typical building
- Healthy, durable, and sustainable material choices
- On-site solar thermal and photovoltaic energy production
- Community building with after school learning center programs

Description

Located just two blocks west of Park Boulevard and within walking distance of high-use transit lines, major employment centers and neighborhood amenities, Kalos' 83 new apartments replaced a large dirt lot and eight buildings with many illegally-subdivided units whose health and safety code violations plagued the residents and neighbors. Originally approved for 72 luxury condominiums, CHW used the density bonus ordinance to build additional apartments, while still reducing the height of the building in order to preserve neighboring views.

Kalos offers healthy amenities to its residents including a welcoming and open central staircase, tot lot, two courtyards, a multi-purpose community center with kitchen, computer lab, children's library, teen center, a laundry room and bike storage.

In response to San Diego's desert climate, Kalos uses 56% less water than a typical residential community through sustainable landscape, efficient irrigation systems, and low-flow plumbing fixtures. Kalos achieves more than a 40% energy savings above code requirements (Title 24) and has both rooftop solar PV and solar thermal.

Details

Type	New Construction, Family
CHW Role	Owner Developer Service Provider
Apartments	83 Apartments
	24 1-BR Apartments
	32 2-BR Apartments
	27 3-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ Union Bank▪ San Diego Housing Commission▪ San Diego Redevelopment Agency
Completed	2013
Awards	USGBC Affordable Project of the Year, 2013 <i>Affordable Housing Finance Magazine, Merit Finalist – Green, 2014</i> San Diego Housing Federation, "Housing Project of the Year, New Construction, 2014"



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AVOCADO COURT APARTMENTS

215 E. El Norte Pkwy. | Escondido, CA 92026



Highlights

- New construction featuring 36 apartments, with eight apartments set-aside for homeless disabled veterans
- Energy-efficient, sustainable development that exceeds CA Title 24 energy code by 25%
- Incorporates innovative features including on-site solar thermal domestic hot water, high-efficiency lighting and low-water use planting to save resident operating costs
- Amenities include a multi-purpose community building with learning center, computer lab, management office, kitchen, and meeting rooms; and a 9,000 sf garden that serves both residents and the larger community
- Certification from the GreenPoint Rated Program

Description

Avocado Court is a transit-oriented, infill development that offers close proximity to employment, schools, transit and neighborhood services. The development transformed four vacant single family homes into a vibrant residential community with 36 apartments, a community center, and a large organic garden open to the whole community. Avocado Court has eight units dedicated to disabled veterans who have been chronically homeless. These highly-affordable homes offer veterans the opportunity to pay no more than 30% of their income towards housing. Onsite services offered at Avocado Court are critical to these residents' stability.

CHW joined with Geo-Power Systems Co. Ltd. to install a new green energy technology, using energy from shallow underground piping to heat and cool the new community center. The community is CHW's first Green Point Rated development.

Details

Type	New Construction, Family
CHW Role	Owner Developer Service Provider
Apartments	36 Apartments
	12 1-BR Apartments
	12 2-BR Apartments
	12 3-BR Apartments
Financing Sources	<ul style="list-style-type: none">▪ Bank of America/Merrill Lynch▪ City of Escondido Community Development Commission▪ HUD McKinney-Vento Supportive Housing Program▪ HUD Neighborhood Stabilization Program▪ Federal Home Loan Bank of San Francisco, Affordable Housing Program▪ The Kendeda Fund/LISC Green Development Center
Completed	2013
Awards	Affordable Housing Finance, Merit Finalist – Family, 2014



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David S. Broder

Columnist



Homes for Everyone

By David S. Broder

Sunday, August 7, 2005; Page B07

CARLSBAD, Calif. -- When 38-year-old Chris Uthe moved into the swanky resort community of La Costa this spring, it was a bigger deal for her than for many of her neighbors in their million-dollar homes. Uthe, who has multiple sclerosis, uses a wheelchair and is living on her disability benefits, was one of the first residents of La Costa Paloma, an affordable housing complex set right in the midst of one of America's plushest golf and tennis resorts.

"It's been an absolute life-saver for me," she told a visiting reporter. "I was living in senior citizen housing in San Diego -- a 14-story building with just two elevators. Now I'm surrounded by young people. I have my own patio, which gives me privacy but also allows me to visit with my neighbors, and the apartment I'm in has a lowered sink and a huge bathroom, big enough for me to turn my chair around."

La Costa Paloma is a handsome, 180-unit complex of two- and three-story stucco structures, whose exterior design and architecture mirror nearby private homes. It was built by two nonprofits, San Diego-based Community HousingWorks and Mercy Housing, a national organization, on land donated by the commercial developer in fulfillment of the Carlsbad requirement for inclusionary housing.

That ordinance, passed unanimously by the Republican-dominated city council in 1993 and enforced with minimal controversy for a dozen years, requires developers of new homes to include 15 percent below-market units in every new project.

Deborah Fountain, head of the housing and redevelopment department for this city of 95,000, said the ordinance has produced 1,500 units in a dozen sites. It offers a model solution for a growing national problem, the shortage of affordable housing close to the jobs people hold.

By requiring the affordable housing to be built on the same timetable as the market-price homes, Carlsbad has largely avoided outbreaks of NIMBYism, of older residents objecting to lower-income families moving in. There was a protest from neighbors of La Costa Paloma, Fountain said, but the threat of a lawsuit disappeared after meetings convinced homeowners that parking would be adequate and the architecture in keeping with the surrounding neighborhoods. "Facts overcome fears," she said.

Fountain credits much of the success of this and other affordable-housing projects to the skills of the nonprofits that arrange the financing and manage the units. "They are very

strict" about banning trash and graffiti and other blemishes, she said, "often more than the managers of the market-rate projects."

In this case, Community HousingWorks and Mercy Housing tapped a variety of sources for the \$23 million project. Morrow Development, which built the surrounding homes, contributed the land, the city of Carlsbad put in \$2 million from its housing fund, and loans came from Citibank, Fannie Mae and other sources.

That makes it possible to rent the units, ranging from one bedroom to four, for \$600 to \$1,100 a month, well below the \$1,500-to-\$2,000 range for the typical two-bedroom in Carlsbad.

Sue Reynolds, executive director of Community HousingWorks, said that more than 2,000 people applied for the 180 units and that many of those who were in the first wave of new residents in June "had tears in their eyes when they walked into their brand-new homes."

Because both parents work in so many of the households, an after-school program opened immediately in the newly built community room, equipped with computer terminals for the youngsters.

While Carlsbad was a pioneer in requiring that developers ensure that a portion of the new units be affordable, Reynolds and Fountain both said that economic forces are bringing other communities to the same policy.

"Our employers want affordable housing for their workers," Fountain said. "We did a survey and found that 70 percent of the people who work in Carlsbad live somewhere else. That means they are spending the money they earn here somewhere else."

Reynolds noted that the shortage of affordable housing has become a barrier to economic development in much of the San Diego area, as elsewhere in the country. "All the people in service jobs would like to live close to their work," she said, "but instead, they are forced onto the highways, adding to the congestion."

A survey last month by the San Diego Association of Governments -- a regional body -- found that traffic and housing costs rank as the two biggest problems for residents, with more than half the respondents saying they might leave the area because housing is unaffordable.

Inclusionary housing requirements cannot solve the whole problem. But Carlsbad leaders are convinced that the policy makes sense. And Chris Uthe is very glad it exists.

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Developer Closes First Freddie Mac Bridge-to-Resyndication Loan



An affordable housing developer has become the first to use the Freddie Mac Bridge-to-Resyndication loan program to acquire an existing 366-unit affordable housing asset in Fresno, Calif.

San Diego-based Community HousingWorks (CHW) used the bridge loan, which has a taxable ARM loan structure to acquire The Parks at Fig Garden. The loan was originated by Oak Grove Capital. Simultaneously with closing, Oak Grove Capital executed an 18-month forward interest rate lock on a Freddie Mac Tax-Exempt Loan (TEL) program.

The transaction comes at a time when affordable housing owner-operators have been facing stiff competition from market-rate buyers for the purchase of existing affordable housing assets, says Tim Leonhard, managing director of affordable housing at Oak Grove Capital.



NiaThe Parks at Fig Garden in Fresno, Calif., is the first Central Valley acquisition for San Diego-based Community HousingWorks.

Conventional buyers have a big advantage over affordable buyers because they can often close on a deal in approximately 45 to 60 days. In comparison, it can take affordable housing owner/operators six to nine months to close because they are preparing plans to acquire the asset, perform an extensive rehab, and invest the proceeds of new low-income housing tax credits (LIHTCs) into the development, he says.

“We needed to find a way to get these type of properties into the hands of long-term affordable housing owner-operators or we are at risk of losing the desperately needed affordable housing stock,” Leonhard says.

The Bridge-to-Resyndication concept grew out of conversations at Freddie Mac’s Affordable Housing Advisory Council meeting in late April, according to Leonhard, a member of the council.

Freddie Mac leaders then developed a way to provide short-term acquisition financing so borrowers could quickly acquire existing LIHTC properties at or near the end of their initial 15-year compliance period and position those properties for recapitalization using LIHTCs and tax-exempt financing while eliminating interest rate risk on the ultimate permanent loan facility

Leonhard calls the Bridge-to-Resyndication loan a “product enhancement.” Freddie Mac took its existing conventional “value add” loan product and its existing TEL program and adapted them to fill a unique and important need in the industry.

The Parks at Fig Garden is CHW’s first acquisition in the state’s Central Valley.

“The Bridge-to-Resyndication loan is specifically designed to fill a relatively short but critical phase in these complicated transactions,” says Dave Gatzke, vice president of acquisitions at CHW. “Its competitive pricing and terms help our work by lowering the cost of capital and allowing us to invest more in property rehabilitation.”

For The Parks at Fig Garden transaction, the bridge loan of \$14.45 million was sized to 85% of the property purchase price and has an 18-month interest-only term at an interest rate at closing of 2.49% (2.30% over 30-day LIBOR). No interest rate cap was required on the floating-rate loan. The TEL interest-rate lock was in an amount not to exceed \$18.54 million, with an all-in rate of 4.42%. Upon closing of the TEL, the loan will have a 16-year term with an initial 24 months of interest only followed by a 35-year amortization period. Additionally, the TEL interest-rate lock offered the flexibility of a 15% downward resizing without penalty, should certain loan sizing assumptions change between the time of initial closing and the closing of the TEL.

“It is great to see the ingenuity, innovation, and focus that Oak Grove and the Freddie Mac Targeted Affordable Housing team bring to the affordable housing space, and we are grateful for our partnership with Oak Grove,” says David Brickman, executive vice president and head of Freddie Mac Multifamily, in a statement. “We are looking forward to the second, third, and 27th creative bridge loan closings with Oak Grove.”

Leonhard also expects to see many more deals utilize the same execution. “I think it’s going to be in very high demand, particularly in high-cost markets that are in desperate need of the creation and preservation of affordable housing stock,” he says.

Donna Kimura is deputy editor of Affordable Housing Finance. She has covered the industry for more than a decade. Before that, she worked at an internet company and several daily newspapers. Connect with Donna at dkimura@hanleywood.com or follow her [@DKimura_AHF](https://twitter.com/DKimura_AHF).

SoCal Nonprofit Balances New Construction, Acq-Rehab Work



When California dissolved its redevelopment agencies (RDAs), developer Community HousingWorks had to look at its business plan and rethink how it would grow.

The San Diego nonprofit made a strategic decision to pursue acquisitions as part of its multifamily line of business in addition to its new construction, transit-oriented affordable housing projects.

“It’s very important to keep a balance there. There needs to be a healthy balance of new projects that won’t need attention physically for the next 15 to 20 years and acquisitions that have different needs,” says Anne B. Wilson, senior vice president of housing and real estate finance. “In spite of the loss of the RDAs, we can keep that balance.”



Courtesy Community HousingWorksOnce completed this summer, the 68-unit, transit-oriented North Santa Fe Apartments in Vista, Calif., will serve families and youths aging out of foster care.

Its multifamily division executed on that balance in 2014. It acquired its largest single community with 200 apartments, acquired and rehabilitated an 88-unit project, and broke ground on two 9% low-income housing tax credit developments.

“We have been building that up for a couple of years, but it takes time to get your foot into the acquisitions market,” says Wilson. “I think we’ve been very successful of making acquisitions and competing in that marketplace.”

The coming year also will see more of that combination of work. The nonprofit plans to celebrate the completion of two new construction projects and close the financing and start renovations on 448 units in five projects.

The 1970s-era Cypress Cove Apartments, the 200-unit project it acquired last year, is slated to undergo a significant rehab this year with the help of tax credits and tax-exempt bonds.

“We are really excited to rehab the project and extend its life for affordable housing for another 50-plus years,” says Dave Gatzke, vice president of acquisitions.

One of its new construction developments that is expected to be completed by July 1 is the 68-unit North Santa Fe Apartments in Vista, Calif. The apartments will be for families earning 30% to 60% of the area median income, with 10 units set aside for youths aging out of the foster care system.

“As a principle, CHW likes to set aside a portion of our homes to help serve special-needs groups,” says Wilson.

To continue that mission, the nonprofit recently received unanimous approval from the city of San Diego Planning Commission and City Council for its proposed affordable seniors housing development that will provide a supportive environment for lesbian, gay, bisexual, and transgender older adults.



Rendering by Joe Cordelle; architecture by Rodriguez Associates Architects & Planners. Community HousingWorks is partnering with the San Diego LGBT Community Center to design affordable apartments in an affirming environment for lesbian, gay, bisexual, and transgender seniors.

This project will be the first of its kind in San Diego and one of the first in the nation. “A lot of studies have indicated that the first generation of LGBT are now seniors who have lost family connections,” says Wilson. “It will be open to everyone, but it’s a special population target, and we’re really proud of being part of that effort.”

The nonprofit is working with the San Diego LGBT Community Center to design the project, which isn’t expected to break ground until 2016. It will feature a 76-unit seniors building and a 118-unit multifamily building in the city’s North Park neighborhood.

This development also uses an affordable housing density bonus, which requires the provision of affordable housing in market-rate development to help make the affordable housing feasible.

“I’m thrilled that this mixed-income approach allows us to bring both high-quality market-rate development to North Park and offset the gap in funding we have in building affordable housing,” says Gatzke.

Regardless if a development is new construction or acq-rehab, the nonprofit puts its residents first. Last year, it launched its Rental Home Stability Program pilot to help low-income families achieve financial security and prevent eviction.

CHW’s property management partner identifies families at risk of eviction and offers flexible payment plans and other financial supports. Forty-four households potentially facing eviction entered the program in the

first year, with 75% staying in their homes, 11% moving, and only 14% being evicted. This has resulted in an estimated savings of more than \$150,000.

“It’s the best thing for people and the properties,” Wilson says. “A great number of people with a helping hand can stay in their housing.”



HOUSING PRESERVATION NEWS

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Turnagain Apartments: A case study in preserving affordable housing in San Diego County

Editor's Note: This case study examines the financing challenges of rescuing older HUD-assisted properties without the support of full Section 8 rents and highlights the complexity of refinancing LIHPRHA/Title VI properties and the need for new policies from HUD.



Project Background

Turnagain Apartments is an 80-unit family apartment development located in Fallbrook, California (San Diego County). Turnagain Apartments, originally called Turnagain Arms, was built in 1974 by Spieker Properties, a private, for-profit developer using a [Section 236\(j\)](#) subsidized mortgage.

In 1978, Turnagain was awarded a contract for 22 [Section 8](#) units through the Loan Management Set Aside (LMSA) program, which was established to provide rent subsidies that can help prevent subsidized mortgage defaults. Despite the extra rent from the market rate payments HUD made for these 22 Section 8 apartments, Turnagain's financial and physical condition continued to decline. As the Section 8 contract neared the end of its initial 20-year term in 1998, Turnagain was at risk of converting to market rate rents as the Section 236 rents had dropped far below market and the owner was eyeing the prospect of obtaining market rents.

A few years earlier in 1992, Congress had established the Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA) to provide tools to preserve buildings in this situation. Also known as Title VI, LIHPRHA was designed to encourage partnerships involving residents and nonprofit housing developers and to incentivize owners to stay in the HUD programs. To take full advantage of the program's benefits, the Turnagain residents asked San Diego based [Community HousingWorks](#) (CHW) to help them establish the Turnagain Arms Community Housing Association (TACHA), a single-asset nonprofit. With assistance from CHW, TACHA succeeded in purchasing Turnagain Arms in 1995.

However, despite some rehabilitation work done following the 1995 purchase, TACHA found that Turnagain's budget-based Section 236 financing structure did not provide enough funding for it to adequately maintain the aging building. CHW helped the residents to realize that the property needed to be refinanced in order to rehabilitate the 30-year old building or they would risk losing their homes. They also pointed out that maximizing the chances for refinancing would require the residents to transfer full control to CHW.

Financing Challenges and Innovations

With help from CHPC and an experienced HUD attorney, CHW developed a tax-exempt bond financing structure that included a seller take-back loan from TACHA for the sale of the building, [Low-Income Housing Tax Credits](#) (LIHTC) and leveraged Section 8 rents. Two of the key elements of the financing structure were renewing the existing Section 8 contract with a rent increase and securing Enhanced Section 8 Vouchers (EVs) for the 58 apartments not already funded under the existing Section 8 contract.

Mark up to Budget - Using Section 8 Rents as Revenue to Service Bond Debt

For the 22 existing Section 8 units, CHW and CHPC used Chapter 15 of HUD's [Section 8 Renewal Policy](#) to secure a 20-year contract renewal with a budget-based rent increase for capital repairs. CHPC worked with staff from HUD's LA office to secure a Section 8 rent increase of approximately 35 percent for the 22 apartments covered by the contract. This additional income enabled CHW to secure a secondary loan of \$791,000.

Enhanced Vouchers - Protecting Existing Tenants and Generating Income for Services

HUD provides EVs to protect residents of HUD-assisted properties when the owner decides to opt-out of a Section 8 contract or to prepay a subsidized loan. EVs enable the owner to increase rents while ensuring that residents receiving them pay no more than 30 percent of their income for housing. While CHW is a mission-driven organization committed to maintaining rents at affordable levels, it was essential to the financial viability of the property to find a way to raise the rents of the 58 apartments without Section 8 from the extremely low levels that had been maintained under the 236 mortgage regulations to Tax Credit rents ranging from 50 to 60 percent Area Median Income (AMI). EVs protected the residents against unaffordable rent increases and generated additional revenue to cover operating expenses and make payments on the seller take back note, which the residents had agreed would be dedicated to paying for tenant services.

Overcoming Obstacles

To obtain the EVs for the 58 non-Section 8 households, CHW first had to demonstrate that a nonprofit that purchases a for-profit Section 236 development has a right to prepay the mortgage and, in turn, receive EVs. While CHW felt they had the ability to prepay the Section 236 contract as a matter of right, HUD Headquarters staff initially argued that prepayment of the 236 contract required HUD Secretary approval and was subject to Section 250a of the National Housing Act (12 U.S.C. §1715z-15), which limits and conditions how units can be prepaid. After hearing from the offices of Senator Diane Feinstein and Congressman Darrel Issa, who represents the Turnagain residents, HUD relented and approved the release of the EVs.

Ultimately, CHW was successful in securing both the Section 8 budget-based rent increase and the Enhanced Vouchers. This funding combined with the other financing elements enabled CHW to acquire Turnagain Arms, now known as Turnagain Apartments, in October 2008. CHW noted that this project would not have been possible without the commitment of Union Bank of California and RED Capital. As of today, the rehabilitation of Turnagain Apartments is well underway.

Sources of Funds: Permanent	Amount	Uses of Funds	Amount
Union Bank -- TCAC Rent Loan	\$3,200,000	Acquisition	\$7,007,184
Union Bank -- Section 8 Loan	\$791,000	Construction/Financing	\$4,444,596
Seller Take Back Loan	\$6,388,767	Architect, Survey & Engineering	\$325,400
GP Loan (using NWA grant funds)	\$200,000	Relocation and Marketing	\$411,800
Income from Operations (during rehab)	\$560,817	Reserves	\$628,584
Tax Credit Equity -- RED Capital	\$4,107,171	Costs of Issuance/Financing/Legal Fees	\$404,871
--	--	Developer Fee	\$1,057,530
--	--	Other Costs	\$967,790
Total Sources	\$15,247,755	Total Development Costs	\$15,247,755

About Community Housing Works (chworks.org)

Community HousingWorks is a San Diego non-profit that helps people and neighborhoods move up in the world by providing a full range of housing options combined with training and support. CHW develops affordable apartments, offers first-time homebuyer loans and provides other community training and support services.

PRESERVATION SERVICES FOR NONPROFIT AND LOCAL GOVERNMENT STAFF

CHPC provides financial consulting, technical assistance, and training to help nonprofit and government agencies build and preserve affordable homes for California families and seniors. For more information, please contact our Housing Policy Manager, Marilyn Wacks at mwacks@chpc.net or (415) 433-6804 x313.

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Nonprofit Uses Financing Partnerships to Preserve At-Risk Property Despite Competition

Azusa Apartments is an 88-apartment affordable housing development located in Azusa, California, a Los Angeles-area suburb. The property was built in 1971 subsidized by a [U.S. Department of Housing and Urban Development \(HUD\) Section 236 loan](#). After the loan reached the end of its 40-year term in 2012, the property owners engaged in an aggressive competitive sales process in an attempt to maximize profits.



CHW's Azusa Apartments, located in Azusa, CA.

A variety of factors made Azusa apartments a particularly attractive acquisition target: the property's location near L.A. job centers, the extension of a nearby rail transit line, strong rental market conditions, and a [Section 8 project-based rental assistance](#) (PBRA) contract with HUD that provides income-based rental subsidy for very low-income households in 81 of the 88 units. Through its financing partnerships and effective use of its own resources, [Community](#)

[HousingWorks \(CHW\)](#) prevailed in the cut-throat competition and completed an extensive rehabilitation that has earned multiple awards including [Affordable Housing Finance Magazine's Readers' Choice Award for Preservation](#) and SCANPH's 2015 Multifamily Project of the Year.

Financing Partnerships and Organizational Fund Help CHW Beat the Competition

Nonprofit, preservation-oriented buyers can be at a disadvantage when competing for acquisition of at-risk affordable properties because they often are forced to rely on public funds or other sources that are difficult to access quickly to complete a purchase. Dave Gatzke, CHW's Vice President for Acquisitions, solved this problem by pledging equity from CHW's own Housing Futures Fund to leverage acquisition financing via CHW's membership in the [NeighborWorks America](#) network and a strong relationship with [U.S. Bank](#). CHW's quick work in assembling the acquisition financing made it possible to close the sale in less than six months - a key factor in being selected in the competitive market for the property. Gatzke comments, "To be competitive in the [Azusa] marketplace, CHW knew that it had to execute and close quickly. The cooperation from U.S. Bank and [NeighborWorks Capital](#) allowed us to be successful. I think everyone recognized the importance of preserving this important affordable housing for 88 deserving households, and worked together to make it happen."

CHW Works with CHPC, Union Bank, and Red Capital to Finance Rehabilitation

CHW worked with the [California Housing Partnership Corporation \(CHPC\)](#) to develop the financing plan for Azusa Apartments. The development was able to compete successfully on its second attempt for 9% Low Income Housing Tax Credits through the at-risk set aside. While a light rehabilitation with 4% LIHTC credits might have been feasible for a buyer with a shorter investment horizon, CHW knew that obtaining 9% LIHTC would be necessary in order to perform the much deeper revitalization the 40-year-old property needed to increase durability, substantially reduce utility expenses, and improve the resident experience.

The LA HUD Multifamily team led by Tom Azumbrado helped Azusa Apartments secure a [Mark-Up-to-Market](#) increase of the Section 8 PBRA contract to post-rehabilitation rents, which provided over 50% of the capital for the purchase and renovation by increasing the size of the first mortgage that could be leveraged. CHW was also able to obtain three additional project-based tenant protection vouchers through a special first-come, first-served program authorized by Congress for properties with recently matured mortgages to assist income qualified tenants in the few units that did not have rental assistance. Finally, CHW secured a 221(d)4 FHA insured mortgage commitment with [Red Capital](#) serving as the lender.

CHPC then assisted CHW in negotiating a favorable sale of the 9% Tax Credits to [Union Bank](#). Union Bank's familiarity with FHA requirements made them an excellent partner for the project. The FHA structure does not allow for a large construction loan, so Union Bank agreed to an aggressive schedule of paying in 70% percent of the Tax Credit equity during construction, thereby providing a de facto construction funding source. CHW then used its internal Housing Futures Fund to advance construction payments in advance of receipt of Union Bank's equity payments. CHW's cumulative advances from the Fund exceeded \$2 million at some points during construction.

Sources	Amount
Red Capital FHA 221d4 taxable loan	\$16,077,000
Sponsor Loan	\$1,500,000
Income from Operations	\$160,669
Union Bank LIHTC Equity Investment	\$12,386,270
TOTAL	\$30,123,939

Uses	Amount
Land/Acquisition	\$18,425,000
Rehabilitation	\$6,483,859
Relocation	\$536,618
Design, Engineering, Local Permits	\$473,403
Reserves	\$399,300
Financing Costs	\$1,456,848
Legal, Consulting, Dev. Fee, Other Soft Costs	\$2,348,911
TOTAL	\$30,123,939

Working with Residents to Ensure a Smooth Rehabilitation

Key to CHW's success was early communication with residents several months before the rehabilitation began and hiring a dedicated staff member to manage tenant noticing and coordination. To further reduce the impact on tenants, CHW renovated the property in phases of four to six apartments per week and gave each household a stipend based on family size to cover lodging and meals for the time they would be out of their apartment. CHW also hired movers and provided packing supplies in order to minimize disruption to residents.

Azusa Apartments Sustainably Rehabilitated and Preserved for the Long Term



Residential improvements to Azusa Apartments include seismic improvements to the residential structures, new kitchen and bathroom cabinets, new countertops, Energy Star appliances, new through-wall combined air-conditioning and heating units, new bath tub and shower surrounds, interior flooring, paint, fixtures, hard-wired smoke detectors and CO2 detectors, patio fencing, energy efficient windows, and a new "cool" roof to reduce cooling costs. The residential upgrades reduced energy use by 27% and provide healthier homes for residents.



Site improvements include a refurbished ADA accessible community building that provides new community gathering spaces and improved space for resident services. A new play area, new picnic and barbecue facilities, and a community garden provide additional improvements for residents. Solar photovoltaic and domestic solar hot water systems

offset the common area electricity and gas use, increasing energy efficiency and lowering operating costs. An improved irrigation system, trimming of mature trees, drought-tolerant landscaping and use of artificial turf have reduced water use by 34%.

The award winning preservation purchase and recapitalization of Azusa Apartments demonstrates that with the right financing tools and partners, mission-driven nonprofit affordable developers such as CHW can successfully compete against better-capitalized bidders to acquire and preserve at-risk affordable developments in a competitive market. The development's extensive rehabilitation exemplifies a strategy of long-term investment in livability and sustainability, ensuring that existing housing can serve low-income households for years to come while reducing greenhouse gas emissions.

For more information about the California Housing Partnership, please visit our website at www.chpc.net.

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May. 6, 2015

CHW Finishes Redevelopment of LA County Affordable Housing

By Dees Stribling, Contributing Editor

Azusa, Calif.—Community HousingWorks (CHW) has completed work on the redevelopment of the 88-unit Azusa Apartments. In doing so, the San Diego-based affordable housing developer was able to preserve the property's affordable status. It's open to families and individuals with incomes of up to 60 percent of area median income (which is \$49,800 for a family of four in LA County.)

Azusa Apartments was originally developed in 1971 using a HUD Section 236 loan and project-based rental assistance, and was refinanced in 1995 with a HUD Section 241(f) loan. The affordability restrictions requiring occupancy by low and very low income persons had expired by 2013, and the existing owner was eligible to pre-pay the 241(f) loan, which would allow the property to become market rate. Also, the existing Section 8 HAP Contract was on a one-year term, which was set to expire in late 2013 with no requirement for the owner to renew.

CHW competed with over two dozen purchase offers to acquire the property in July 2013. The purchase was financed with bridge loans from U.S. Bank, NeighborWorks Capital and PVCHA.

After winning an allocation of highly competitive 9 percent tax credits, CHW financed the renovations with an FHA 221(d)(4) mortgage from RED Capital, low income housing tax credit equity from Union Bank, a 20-year renewal of a Project-Based Rental Assistance contract and FHA mortgage insurance from HUD, and a CHW sponsor loan with funds from NeighborWorks America. Total acquisition and development cost for Azusa Apartments was \$30 million.

CHW completely modernized Azusa Apartments, making improvements to major systems, energy and water conservation, and new interiors and apartment unit upgrades. According to the company, the renovation achieved a 27 percent improvement in energy efficiency in the units, while new solar photovoltaic system and domestic solar hot water panels now reduce the common area utility costs by 50 percent.

Tags: [affordable housing](#), [Azusa Apartments](#), [Community HousingWorks](#)

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Posted on: December 15, 2015

AFFORDABLE HOUSING FINANCE

CHW Opens Transit-Oriented Development

By [Donna Kimura](#)

The new North Santa Fe Apartments provides residents with both affordable housing and access to public transportation in Vista, Calif.

Developed by nonprofit Community HousingWorks (CHW), the project features 68 affordable homes for families and youths aging out of foster care. Located directly opposite light-rail station and transit center, the development is a prime example of transit-oriented development.



Designed by Rodriguez Associates Architects and Planners, North Santa Fe Apartments is located opposite the North County Transit District's Vista Transit Center in Vista, Calif.

"Building these affordable apartment homes next to transit, jobs, and shopping centers helps working-class families, seniors, and young people save money, and reduces greenhouse gas emissions by decreasing the use of automobiles," said Sue Reynolds, president of CHW, [a leading affordable housing developer](#).

Residents have easy access to public transportation, employment, schools, and shopping. Most families living in the community are expected to own one car, far less than many California families, according to the developers.

The community, which replaces a dirt lot that was vacant for more than decade, is designed with green and sustainable features, including a solar power system, Energy Star appliances, energy-efficient systems, and drought-resistant landscaping. The city of Vista provided a 62-year ground lease for the site.

North Santa Fe is home to working families and individuals. CHW has targeted 10 apartments for young adults aging out of the foster-care system.

More than housing, the development provides key services for its residents. With the support of North County Lifeline, the young people aging out of foster care (ages 18 to 24) who live at North Santa Fe receive educational and related services.

"More than half of young people who leave the foster-care system become homeless after two years being on their own," said Don Stump, executive director of North County Lifeline. "This community provides a stable home, services, and resources so young people transitioning to adulthood can complete their education and work toward their next stage in life."

Residents living at North Santa Fe Apartments also benefit from CHW's nationally recognized after-school programs and adult classes and coaching, designed to help residents gain financial stability, enhance their quality of life, and achieve next-generation success.

The community includes three stories of apartments with a mix of one-, two-, and three-bedroom homes, with podium construction over subterranean parking. The building includes a computer room, a reading nook, and a community meeting room with a kitchen. Additional amenities include bike storage, a barbeque area, and a laundry facility.

The \$20.5 million development, without land costs, was financed largely with low-income housing tax credits from the California Tax Credit Allocation Committee. Union Bank is the investor for the \$16.6 million of housing credits as well as the construction and permanent lender.

"Union Bank is proud to be investing in our seventh Community HousingWorks development—North Santa Fe Apartments. This new community will add transit-oriented affordable housing to Vista," said Annette Billingsley, head of Community Development Finance for Union Bank. "Community HousingWorks continues to create developments that break new ground in affordable housing, and North Santa Fe Apartments is yet another great example of CHW's commitment to innovation."

The city of Carlsbad provided \$370,000 of Community Development Block Grant funds. Financing also included NeighborWorks funds, which will be replaced by \$670,000 of Federal Home Loan Bank of San Francisco Affordable Housing Program funds at conversion. Solar and energy program rebates, together with reimbursement from the city of Vista for community upgrades of the sewer in the public alley, complete the project funding.

Donna Kimura is deputy editor of Affordable Housing Finance. She has covered the industry for more than a decade. Before that, she worked at an internet company and several daily newspapers. Connect with Donna at dkimura@hanleywood.com or follow her [@DKimura_AHF](https://twitter.com/DKimura_AHF).

Community Housing Works
Balance Sheet
As of 12/31/2015
(In Whole Numbers)

	Prior Period Balance	Current Period Balance	Current Period Change
Assets			
Current Assets			
Cash and cash equivalents	3,393,932	8,366,939	4,973,008
Investments	433,339	172,743	(260,596)
CHW-HRED Collateral Account	352,746	353,452	706
Loan activity receivable	100,000	100,000	0
Accounts receivable	1,568,317	2,062,261	493,943
Grants and contracts receivable	117,526	65,389	(52,137)
CHW advances receivable	2,834,502	6,558,224	3,723,722
Intercompany receivable	2,795,859	15,182	(2,780,677)
Investment -Single Family ARR Property	1,122,607	0	(1,122,607)
Contributions receivable	185,592	143,084	(42,508)
Prepays and deposits	1,592,564	95,392	(1,497,172)
Total Current Assets	<u>14,496,984</u>	<u>17,932,666</u>	<u>3,435,682</u>
Non Current Assets			
Net Loans receivable	0	1,399,493	1,399,493
Deferred partnership receivable	0	0	0
Developer fee receivable	1,631,175	2,412,371	781,196
Related party receivable	9,375,634	7,949,145	(1,426,490)
Interest receivables on deferred loan	0	43,273	43,273
Investments in limited partnerships	3,748,644	6,880,371	3,131,727
Capitalized development costs	0	0	0
Total Non Current Assets	<u>14,755,454</u>	<u>18,684,653</u>	<u>3,929,199</u>
Fixed Assets			
Land	240,807	240,807	0
Building and improvements	744,920	744,920	0
Furniture, furnishings and equipment	311,838	308,207	(3,631)
Accumulated depreciation	(598,555)	(644,251)	(45,695)
Total Fixed Assets	<u>699,010</u>	<u>649,684</u>	<u>(49,326)</u>
Total Assets	<u><u>29,951,448</u></u>	<u><u>37,267,003</u></u>	<u><u>7,315,555</u></u>
Liabilities			
Current Liabilities			
Accounts payable	986,927	364,457	(622,470)
Intercompany payable	1,518,302	15,892	(1,502,410)
Current accrued liabilities	272,620	289,287	16,667
Prepaid rent and security deposits	1,920	3,485	1,565
Current portion of notes payable - (CV NSP/WAMU #1/CDFI...)	0	0	0
Current deferred revenue	129,726	46,953	(82,773)
Total Current Liabilities	<u>2,909,496</u>	<u>720,074</u>	<u>(2,189,422)</u>
Non Current Liabilities			
Non current deferred revenue	427,020	382,067	(44,953)
Notes payable	7,790,650	7,990,561	199,911
Accrued interest payable	163,766	153,802	(9,964)
Total Non Current Liabilities	<u>8,381,436</u>	<u>8,526,430</u>	<u>144,994</u>
Total Liabilities	<u><u>11,290,932</u></u>	<u><u>9,246,504</u></u>	<u><u>(2,044,428)</u></u>
Net Assets			
Beginning net assets	18,660,516	18,660,516	0
Current year excess (deficit)	0	9,359,983	9,359,983
Total Net Assets	<u><u>18,660,516</u></u>	<u><u>28,020,499</u></u>	<u><u>9,359,983</u></u>
Liabilities and Net Assets	<u><u>29,951,448</u></u>	<u><u>37,267,003</u></u>	<u><u>7,315,555</u></u>

Community Housing Works
Balance Sheet
As of 3/31/2016
(In Whole Numbers)

	Prior Period Balance	Current Period Balance	Current Period Change
Assets			
Current Assets			
Cash and cash equivalents	8,366,939	5,375,630	(2,991,309)
Investments	172,743	172,761	18
CHW-HRED Collateral Account	353,452	353,628	176
Loan activity receivable	100,000	50,000	(50,000)
Accounts receivable	2,062,261	2,186,406	124,146
Grants and contracts receivable	65,389	13,556	(51,833)
CHW advances receivable	6,558,224	7,155,952	597,728
Intercompany receivable	15,182	17,724	2,542
Investment -Single Family ARR Property	0	0	0
Contributions receivable	143,084	143,084	0
Prepays and deposits	95,392	86,412	(8,980)
Total Current Assets	<u>17,932,666</u>	<u>15,555,155</u>	<u>(2,377,512)</u>
Non Current Assets			
Net Loans receivable	1,399,493	1,222,660	(176,833)
Deferred partnership receivable	0	0	0
Developer fee receivable	2,412,371	2,412,371	0
Related party receivable	7,949,145	7,214,565	(734,579)
Interest receivables on deferred loan	43,273	43,273	0
Investments in limited partnerships	6,880,371	9,505,461	2,625,090
Capitalized development costs	0	0	0
Total Non Current Assets	<u>18,684,653</u>	<u>20,398,331</u>	<u>1,713,678</u>
Fixed Assets			
Land	240,807	240,807	0
Building and improvements	744,920	744,920	0
Furniture, furnishings and equipment	308,207	308,207	0
Accumulated depreciation	(644,251)	(644,251)	0
Total Fixed Assets	<u>649,684</u>	<u>649,684</u>	<u>0</u>
Total Assets	<u><u>37,267,003</u></u>	<u><u>36,603,169</u></u>	<u><u>(663,834)</u></u>
Liabilities			
Current Liabilities			
Accounts payable	364,457	245,254	(119,203)
Intercompany payable	15,892	18,409	2,517
Current accrued liabilities	289,287	279,308	(9,979)
Prepaid rent and security deposits	3,485	3,485	0
Current portion of notes payable - (CV NSP/WAMU #1/CDFI...)	0	0	0
Current deferred revenue	46,953	46,953	0
Total Current Liabilities	<u>720,074</u>	<u>593,409</u>	<u>(126,665)</u>
Non Current Liabilities			
Non current deferred revenue	382,067	382,067	0
Notes payable	7,990,561	7,423,574	(566,987)
Accrued interest payable	153,802	153,802	0
Total Non Current Liabilities	<u>8,526,430</u>	<u>7,959,444</u>	<u>(566,987)</u>
Total Liabilities	<u><u>9,246,504</u></u>	<u><u>8,552,853</u></u>	<u><u>(693,652)</u></u>
Net Assets			
Beginning net assets			
	28,020,499	28,020,499	0
Current year excess (deficit)			
	0	29,818	29,818
Total Net Assets	<u><u>28,020,499</u></u>	<u><u>28,050,317</u></u>	<u><u>29,818</u></u>
Liabilities and Net Assets	<u><u>37,267,003</u></u>	<u><u>36,603,169</u></u>	<u><u>(663,834)</u></u>

Community Housing Works

Statement of Revenues and Expenditures - 00 agency summary 2013 - Unposted Transactions Included In Report

From 1/1/2015 Through 12/31/2015

(In Whole Numbers)

	Current Period Actual
Public Support Revenue	
Public Support	
Government grants and contracts	2,098,517
Contributions (non government grants & contracts)	920,556
Contributions (non-grant contribution)	<u>245,866</u>
Total Public Support	3,264,939
Revenue	
Program services fee	1,434,412
Developer fee	5,065,134
RE Broker/Origination/Counseling Fee	24,989
Asset management fee	925,178
Interest	672,157
Other Revenue	<u>2,854,247</u>
Total Revenue	10,976,118
Gross Profit from SF Sales	
SF Sales Price	3,735,006
SF ARR Cost of Home Sales	<u>(1,210,000)</u>
Total Gross Profit from SF Sales	2,525,006
Property operations	
Revenue	<u>10,095</u>
Total Property operations	<u>10,095</u>
Total Public Support Revenue	<u>16,776,158</u>
Expense	
Personnel	
Salary/Wages	4,045,263
Payroll tax	325,579
Employee benefits	482,326
Contract services	<u>103,714</u>
Total Personnel	4,956,882
Operating Cost	
Occupancy	411,076
Insurance	47,163
Supplies & other admin cost	395,332
Travel	45,930
Professional fees	205,494
Interest	327,843
Depreciation	49,326
Contribution to others	1,000
Gain/loss on investment	<u>77,494</u>
Total Operating Cost	1,560,658

Community Housing Works

Statement of Revenues and Expenditures - 00 agency summary 2013 - Unposted Transactions Included In Report

From 1/1/2015 Through 12/31/2015

(In Whole Numbers)

	Current Period Actual
Program Cost	
Program activities	248,053
Total Program Cost	248,053
Property Operating Cost	92,263
Total Expense	<u>6,857,856</u>
Excess (deficit) before allocations and capital items	9,918,303
Allocations	(281,622)
Excess (deficit) before capital items	<u>10,199,925</u>
Capital Items	
Capital Expense	839,942
Total Capital Items	<u>839,942</u>
Excess (deficit)	<u><u>9,359,983</u></u>

Community Housing Works

Statement of Revenues and Expenditures - 00 agency summary 2013 - Unposted Transactions Included In Report
 From 1/1/2016 Through 3/31/2016
 (In Whole Numbers)

	Current Period Actual
Public Support Revenue	
Public Support	
Government grants and contracts	664,872
Contributions (non government grants & contracts)	129,522
Contributions (non-grant contribution)	45,180
Total Public Support	839,574
Revenue	
Program services fee	460,295
Developer fee	204,000
RE Broker/Origination/Counseling Fee	1,992
Asset management fee	266,550
Interest	123,949
Other Revenue	68,833
Total Revenue	1,125,619
Total Public Support Revenue	1,965,193
Expense	
Personnel	
Salary/Wages	886,965
Payroll tax	102,704
Employee benefits	124,641
Contract services	15,191
Total Personnel	1,129,501
Operating Cost	
Occupancy	87,582
Insurance	4,410
Supplies & other admin cost	91,234
Travel	5,870
Professional fees	36,338
Interest	57,367
Contribution to others Gain/loss on investment	200
Total Operating Cost	4,365
Program Cost	287,365
Program activities	32,309
Total Program Cost	32,309
Property Operating Cost	36,199
Total Expense	1,485,375

Community Housing Works

Statement of Revenues and Expenditures - 00 agency summary 2013 - Unposted Transactions Included In Report

From 1/1/2016 Through 3/31/2016

(In Whole Numbers)

	<u>Current Period Actual</u>
Excess (deficit) before allocations and capital items	479,818
Excess (deficit) before capital items	<u>479,818</u>
Capital items	
Capital Fund	450,000
Total Capital items	<u>450,000</u>
Excess (deficit)	<u><u>29,818</u></u>

**DEVELOPER PROFILE:
MERCY HOUSING CALIFORNIA**

CONTENTS

- Corporate and Staff Resumes
- Relevant Project Experience – Detailed Profiles
- List (partial) Completed Development
- Community Planning Case Study
- Press
- Financials

MISSION: To create stable, vibrant and healthy communities by developing, financing and operating affordable, program-enriched housing for families, seniors and people with special needs who lack the economic resources to access quality, safe housing opportunities.

ABOUT US

- Mercy Housing was founded in 1981 by the Sisters of Mercy, Omaha as a concrete, organized response to the affordable housing crisis in that community. Since then, we have become one of the nation's largest nonprofit affordable housing organizations.
- Mercy Housing has regional offices across the nation that are responsible for the organization's local real estate development, Resident Services and fundraising activities. Each office is directed by a regional board and a regional president.
- Mercy Housing provides loans to community developers through the Mercy Loan Fund, which has loaned \$263 million that has been leveraged into \$1.7 billion of affordable housing financing and 19,000 homes for 53,200 people.
- Mercy Housing Management Group, our professional property management division, provides services to maintain the quality of our properties and currently manages more than 17,519 units at 289 properties throughout the country.
- Through Mercy Portfolio Services we assist communities across the U.S. in addressing economic and housing crises through foreclosure purchase, redevelopment lease purchase options, asset management, land banking, education and resale at affordable prices.
- Recognizing that shelter alone is not sufficient for residents' success and well-being, Mercy Housing offers Resident Services at our properties across the country. Strong Resident Services programming is one of the many things that makes Mercy Housing unique and contributes greatly to alleviating poverty.
- Honoring our founders, Mercy Housing is sponsored by nine communities of Catholic Sisters who support Mercy Housing by giving time and resources to support our mission.

FACTS

Mercy Housing serves more than **152,600 people** on any given day.

We have participated in the development, preservation and/or financing of more than **45,800 affordable homes**.

7,618 homes are currently in pre-development, construction or concept phase.

Mercy Housing has developed more than **\$2.8 billion** in affordable real estate.

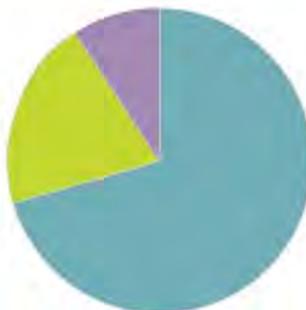
Mercy Housing employs **1,286 people** nationwide.

Mercy Housing has a presence in 41 states and 200+ cities.



RESIDENTS

FAMILIES (70%)
SENIORS (21%)
SPECIAL NEEDS (9%)



Resident Annual Median Income

\$18,779 FAMILY

\$11,861 SENIOR

\$9,289 SPECIAL NEEDS

NATIONAL SENIOR MANAGEMENT TEAM

Jane Graf PRESIDENT & CEO

Jane Graf was named President and CEO of MHI in 2014. Graf joined Mercy Housing as the President of the California region, before serving as the COO and then President of Mercy Housing, Inc. Graf was named President and CEO of MHI in 2014. Over the course of the past 20 years, her role at Mercy Housing has included responsibility for growing the entire Western Region comprised of California, Washington and Idaho. That oversight resulted in the development of more than 12,000 units of affordable housing in the 3 states. Jane has worked in not-for-profit housing since 1978, and has worked with Catholic Charities of the Archdiocese of San Francisco, and as the founder of Specialized Housing, Inc.

Chris Burckhardt CHIEF OPERATING OFFICER

Chris Burckhardt comes to Mercy Housing with more than 20 years of progressive business, consulting and technology experience. Before coming to Mercy Housing, Burckhardt was a Senior Vice President and Chief Information Officer for Pulte Financial Services where he was responsible for enterprise level technology platforms and corporate level planning and execution. He was also responsible for planning, budgeting and management of strategy and technology programs with annual budgets of \$15 to \$20 million.

L. Steven Spears CHIEF FINANCIAL OFFICER & SENIOR VICE PRESIDENT

L. Steven Spears joined Mercy Housing with more than 30 years of experience in financial services. He is responsible for ensuring the integrity of financial reports and strategic financial planning for Mercy Housing, as well as playing a leading role in setting the overall strategic direction for the organization and assuring the long-term financial sustainability and growth of Mercy Housing. Before Mercy Housing, Spears served as Chief Deputy of the California Housing Finance Agency (CalHFA), and was on the Board of Directors of the national Council of State Housing Agencies.

Michele Mamet CHIEF ADMINISTRATIVE OFFICER

As Chief Administrative Officer, Michele Mamet provides leadership and vision for the organization's Human Resources initiatives and oversees the Legal and Risk Management activities. Before joining Mercy Housing, Mamet served as the Vice President of Human Resources for Prologis, and as Vice President of Operations Development for Pulte Mortgage.

Cindy Holler SENIOR VICE PRESIDENT OF REAL ESTATE STRATEGY

Cindy M. Holler is responsible for overseeing the implementation of a Chicago and Milwaukee regional strategy for creating a continuum of affordable housing options. Under her leadership, Mercy Housing is working with hundreds of partners to fulfill the ten year Moving Forward Together campaign to build or preserve 7,500 affordable homes, create 8,000 jobs, and ultimately prevent homelessness for 20,000 people. Prior to joining Mercy Housing Lakefront, Holler was a National Director for Housing and Community Development for Fannie Mae, served as the COO at Shorebank Development Corporation in Chicago, and was the Executive Director of New Cities Redevelopment Corporation.

Melissa Clayton SENIOR VICE PRESIDENT OF PORTFOLIO MANAGEMENT

Melissa Clayton serves as Mercy Housing's Senior Vice President of Portfolio Management. She joined the organization in 2012 and brings to her role more than 23 years of experience in the field of property management and asset management. In her current position, Clayton has responsibility for all facets of the National Portfolio which include asset management on the company's two billion dollar diverse multi-family portfolio and all real estate transactions which includes asset refinances and dispositions.

MERCY HOUSING CALIFORNIA (MHC)...



...is the largest division of Mercy Housing, Inc., a national nonprofit that provides affordable homes and life-changing services to people in need, touching more than 151,000 lives every day.

Mercy Housing California creates homes for...

- **Working poor families with children**, where the parents are nursing assistants, teachers' aides, security guards and others who make up any thriving community.
- **Seniors with limited incomes** who want to age with dignity in their own homes.
- **Individuals with special needs**, including homeless veterans, former foster children and people living with HIV/AIDS, mental health concerns or other challenges.



QUICK FACTS

The median annual income for a Mercy Housing California household is **\$14,400**, less than one quarter of the statewide median annual household income.

From 2000 to 2012, median rent in California rose **20%**, while median income fell **8%**. That means more Californians sacrifice food, health care and other essentials for shelter.

On one night in January 2013, more than **15,000** veterans were homeless in California.

But home is just the beginning.

Many MHC residents have faced tough times because of poverty, illness or other obstacles and have been forced to defer their dreams. They need a hand up from partners who believe in them. That's why MHC offers abundant, free, onsite services. Depending on each community's needs, services may include:

- **Health and Wellness:** Help for seniors to live independently, including nutrition and exercise classes, disease management and social activities. For people with special needs—recovery groups, life planning, and more.



- **Education:** Free after-school programs for children, emphasizing academics, arts and higher education. For adults, computer classes, GED support and similar services.
- **Economic Development and Housing Security:** Job hunting and financial management skills, homeownership planning, and other programs.
- **Community Engagement:** Candidate forums, voter registration, concerts, community festivals and much more.

THE MISSION OF MERCY HOUSING CALIFORNIA...

...is to create stable, vibrant and healthy communities by developing, financing and operating affordable, program-enriched housing for families, seniors and people with special needs who lack the economic resources to access quality, safe housing opportunities.

Stories from the Mercy Housing Family

A young survivor of domestic violence struggles to make a home for her toddler son in a shelter. Nearly convinced by her abusive partner that she deserves nothing better, she is about to return to him. Just then an apartment opens in MHC's 10th and Mission Street family community. She takes it and immerses herself and her son in the resident programs. Today he is a thriving first grader, she has a job she loves, and both are safe.

After many years homeless in L.A. County, a Vietnam vet moves into MHC's new El Monte Veterans' Village this March. The first thing he does after his first good night's sleep in years, he says, is get down on his knees and thank God for his own home.

A Bay Area man loses his job after decades of work because he can no longer meet the physical demands. He spends seven years alone on the streets. But everything changes when he moves into MHC's Mission Creek Senior Community: he makes friends, puts himself under a doctor's care and pursues his passion for art. "Without Mercy," he says, "I would be totally alone in the world."



A BROAD AND DEEP COMMITMENT, A PROVEN RECORD

Over the past 33 years, Mercy Housing has participated in the development, preservation and/or financing of more than 45,800 affordable homes in 41 states. Mercy Housing California has created more than 11,000 homes with services in 36 counties. More than 22,000 Californians will fall asleep in Mercy homes tonight.

	APARTMENT HOMES IN OPERATION IN CA TODAY		APARTMENT HOMES IN THE PIPELINE TO BE BUILT	
	Number of Communities	Number of Homes	Number of Communities	Number of Homes
Bay Area (San Rafael to Santa Cruz)	60	4,000	18	2,048
Central California (Redding to Bakersfield)	38	2,300	7	479
Southern California (Santa Barbara to San Diego)	15	970	4	276

References

The following references will attest to Mercy Housing's outstanding quality and performance. Additional references are available upon request.

Financial References

1. Ari Beliak, Relationship Manager
Bank of America Merrill Lynch
Community Development Banking
555 California Street, 6th Floor, San Francisco, CA 94104
(415) 913-3215
ari.beliak@baml.com

Bank of America has provided construction and permanent financing, as well as LIHTC equity, for numerous rental housing developments.

2. Tim McCann, Vice President
Wells Fargo
Community Lending and Investment Division
333 Market Street, 18th Floor
San Francisco, CA 94105 (415) 975-6334
tim.mccann@wellsfargo.com

Wells Fargo has provided construction and permanent financing, as well as LIHTC equity, for numerous rental housing developments.

3. Merle Malakoff, Relationship Manager
Citibank
Community Development Department
1 Sansome Street, 26th Floor, San Francisco, CA 94104
(415) 658-4309
merle.d.malakoff@citi.com

Citibank has provided construction and permanent financing for numerous rental housing developments.

Testimonials

We believe that no one can attest to Mercy Housing's qualifications and capacity as well as our partners. The following quotes testify to the quality of a Mercy Housing partnership.

"We see the partnership among Mercy Housing, Cottage Housing, and our residents like intertwining threads which together are much stronger than their individual capacities. All three do what they do best while relying upon the others' strengths, experience, and expertise."-- Robert Tobin, Executive Director, Cottage Housing

"Together, Mercy Housing and the city developed a design that reflected the input received from the surrounding community. By keeping a close working relationship throughout construction, we ensured that the finished product was well received as a complement to the historic neighborhood and met our collective financial goals."-- Lisa Stipkovich, Executive Director, Anaheim Redevelopment Agency

"When targeting the highest users of the healthcare system in San Francisco, supportive housing has been shown to reduce overall governmental expenditure, reduce mortality and improve quality of life. Nowhere is this impact greater than Mission Creek."-- Joshua Bamberger, Medical Director, Housing and Urban Health, San Francisco Dept. of Public Health

"Mercy Housing is probably one of the best partners Dignity Health has ever had - and I mean it, sincerely. They're easy to work with and they get things done." -- Lloyd Dean, President and CEO, Dignity Health

"St. Joseph Health and Mercy Housing share a history of partnership, and collaboration. The works we've done together fits with our role as a health care provider and a community service organization. The driving force for our collaboration is our shared mission of building healthy communities and serving the economically poor." -- Ron DiLuigi, Vice President, Advocacy & Public Policy, St. Joseph Health System

"Mercy Housing was successful in part because of its prior partnership and its experience with mixed-use affordable developments throughout the City...The San Francisco Redevelopment Agency is very proud of the work done by Mercy Housing and its partners."-- Olson Lee, Deputy Executive Director of Housing, San Francisco Redevelopment Agency



EDWARD HOLDER

Vice President, Real Estate Development

PROFESSIONAL EXPERIENCE

Mercy Housing California

Vice President, Real Estate Development, 2011-Present

Vice President, Business Development, 2007-2011

Joined Mercy Housing California (MHC) in 2007 as Vice President of Business Development. In this role, responsible for the identification of new development opportunities and strategic partnerships in MHC's Southern California, Bay Area, and Sacramento markets. Recently assumed responsibility for Mercy Housing California's real estate department, which includes a development portfolio of over 4700 units.

The Olson Company

Vice President of Development, 2005-2007

Led Olson's East Los Angeles County regional team; Manage development pipeline of 1100 units with a build out value of \$500 million; Develop and implement strategies for land acquisition, land disposition, entitlement, environmental cleanup, and design. Build out pipeline has grown by \$390 million in last 15 months; Achieved significant expansion and recognition within the 710/605 corridor cities; Emphasis on community outreach, engagement, and involvement through local volunteer programs and events. Currently managing four major developments in the cities of Compton (136 townhomes), Santa Fe Springs (346 townhomes), Whittier (280 townhomes), and El Monte (237 townhomes). Region is exceptionally focused on creating strong city relationships, with city partnership projects in the cities of Compton, Irwindale, Whittier, Santa Fe Springs, Montebello, Cerritos, and El Monte.

Director of Development, 2002-2005

In three years, entitled over 740 homes with buildout value of \$350 million in the cities of Carson, Simi Valley, Santa Fe Springs, Irwindale, Compton, and Fullerton. Led entitlements for Fullerton's SoCo Walk, a 120 unit Transit Oriented Development which has received considerable press coverage; Led team that created innovative design and functionality within community. Negotiated Disposition and Development Agreements in the cities of Compton and Irwindale. Led disposition of \$6 million property in Simi Valley, CA. Created Olson's initial pro forma and project management scheduling templates.

J.P. Morgan Securities, Inc.

Associate, Public Finance Investment Banking, 1998- 2000

Raised capital, negotiated with rating agencies and bond insurers, developed financing recommendations, prepared analysis, reviewed legal documents, and formulated investment strategies for public and nonprofit sector clients; Clients included the State of California, Tri-County Metropolitan Transportation Dt. (OR), City of Mission Viejo RDA, and COPIA (Napa Valley).

Analyst, Public Finance Investment Banking 1995-1998

Provided analytical and documentation support to senior bankers; given considerable project management responsibility, including the primary leadership role on a \$30 million financing for the California DWR.

EDUCATIONAL BACKGROUND

Stanford University Graduate School of Business

Masters, Business Administration, 2002

Occidental College

Bachelor of Arts, Economics, 1995



ERIKA VILLABLANCA

Senior Project Developer

PROFESSIONAL EXPERIENCE

Mercy Housing California

Senior Project Developer, April 2013 to Present

Oversees all aspects of the development process of multiple affordable housing and mixed-use projects from conception, through construction completion, and transition to property management. Assists with feasibility analysis of potential new construction and acquisition and rehabilitation projects and assists the senior management staff with strategic decision-making.

East LA Community Corporation, Los Angeles, CA

Senior Project Manager, January 2010 to April 2013

Responsible for all aspects of affordable housing development, including financial feasibility analysis, entitlements, funding applications, loan closings, construction oversight, transition to lease-up, and loan conversions.

Nancy Lewis Associates, Inc., Los Angeles, CA

Assistant Project Manager, October 2005 to January 2010

Oversaw all aspects of affordable multi-family housing development using private and public financing including site searches, funding applications, construction draws, and compliance monitoring. Prepared loan and grant applications for federal, state and local programs such as HUD 811, HUD 202, MHP, City of Industry, MHSA, LAHD Permanent Supportive Housing, AHP, SHP, EHAPCD, CDBG, Low-Income Housing Tax Credits, and tax-exempt bonds.

EDUCATIONAL BACKGROUND

University of California, Berkeley

B.A., Latin American Studies and B.A. Spanish and Portuguese, 1996

University of California, Los Angeles

M.A. Urban Planning and M.A. Latin American Studies, 2005

ROSALBA NAVARRO-JINDRICH

Relocation Manager

PROFESSIONAL EXPERIENCE

Mercy Housing California, San Francisco, California

Relocation Manager, January 2013 to Present

Responsible for creating and executing relocation plans that are in accordance with the various laws governing resident relocation. Accountable for the overall planning, budgeting, staffing, and management of all Mercy Housing California relocation projects. Communicate in detail with residents and Mercy staff. Work well with general contractors, community stakeholders, vendors, government representatives, and all Mercy staff.

Mercy Housing California, San Francisco, California

Housing Developer/Relocation Specialist, December 2002 to December 2012

Responsible for overseeing the development and construction of affordable multifamily housing with strong expertise in occupied rehabs. Experience includes occupied rehabs requiring residential relocations at large special needs, family and senior properties. Duties include: Working with developer and general contractor to assess relocation phasing, timelines and budget, working with residents, service providers and property staff to identify individual relocation needs. Identifying comparable relocation sites and negotiate leases. Hiring and supervising movers and other staff as needed. Assisting residents with all of their relocation needs including setting up phone, cable and mail services. Working with service providers to ensure that residents' needs are met during the construction process. Working with property management staff to determine property operating budget, resident profile, and resident service needs. Outreaching to community to involve them in the development process and gain community acceptance. Develop community design process to include interested community members. Obtaining local jurisdiction planning approvals. Identify, select, contract and coordinate team of development professionals including architect, contractor, engineers and other development team members. Prepare and negotiate contracts, develop and administer development budgets and schedules; provide reporting to multiple funding sources. Oversee construction progress including processing construction change orders and payment applications. Preparing financial analysis and applications for funding, negotiations with lenders, and close loans.

Mercy Housing California, San Francisco, California

Project Assistant, October 1997 to December 2002

Assisted Housing Developers with all aspects of project development and office management duties. Project management duties included: preparing project financial analysis including preparing funding applications, prepared applications for recognition of exemption under Section 501(c)(3) of the Internal Revenue Code for all new projects, performed tasks necessary to obtain local approvals and neighborhood acceptance of proposed housing developments, provided on-going coordination between architects, contractors and other members of the development team, processed pay draws. As the executive assistant to the Housing Development Director, she dealt with all privileged legal and financial matters of the organization.

EDUCATION

Bachelor of Arts, Business Administration, Cañada College w/ a minor in Psychology.

PROFESSIONAL AFFILIATIONS & COMMUNITY INVOLVMENT

Padres Unidos (founding member)

YMCA Mid-Peninsula

Santa Clara County Legal Aid Mediator

San Mateo County Latino Leadership Council

Parents for Excellence in Education (founding member and instructor)



AMY BAYLEY, RSM

Vice President Community Planning

PROFESSIONAL EXPERIENCE

Mercy Housing California, San Francisco, CA

Vice President Community Planning, January 1995 to Present

Responsible for the coordination of Mercy Housing California's (MHC) community planning activities throughout California. This includes the development of community acceptance plans with the project developers, new business development with the Director of Multi-Family Housing and the creation of a variety of opportunities for community participation in the development process including community design activities and local advisory committees. Serves as a lead in community and government relations especially in jurisdictions not previously served by MHC. Board member of the various MHC's HUD 202 entities that own properties and insure that the work is effectively coordinated with that of Mercy Services Corporation and the community. In conjunction with the Regional President and Regional Vice President, works with MHC's Board of Directors and other regional staff to achieve regional and system goals.

Sabbatical: Travel and Study

September 1993 to December 1994

Mercy High School, Burlingame, CA

Principal, August 1971 to August 1993

Mercy High School, San Francisco, CA

Vice-Principal, Curriculum and Student Services

Marian High School, San Diego, CA

College & Academic Counselor & Teacher of English and Religion

EDUCATIONAL BACKGROUND

Russell College, Burlingame, CA

San Francisco State University

University of California, Berkeley, CA

Bachelor of Arts in Humanities

California Standard Teaching Credential-Life

California Administrative Services Credential

PROFESSIONAL AFFILIATIONS & COMMUNITY INVOLVEMENT

Member of Board of Directors, Marian Medical Center, Santa Maria CA

Member of 15 HUD 202 Corporation Boards throughout California, 1995- present

St. John's regional Medical Center, Oxnard, CA, 2001- 2009

Member, Music at Kohl Mansion Board of Directors, 1985 - 1998

Guide, Summer European Tours for High School Students, 1979-1994

Member, Burlingame Chamber of Commerce Women's Forum Executive Board, 1990-1993

Member, St. Mary's Hospital and Medical Center Board of Directors, 1984-1990

Member, Mercy Secondary Education Assoc., Executive Board 1983-1989, President 1987-89

Member, Mercy Education Ministry Committee, 1983-1987



ALVIN TUVILLA

Regional Director of Resident Services

PROFESSIONAL EXPERIENCE

Mercy Housing California, Sacramento, CA

Regional Director of Resident Services - December 2013 to Present

Ensures that family, senior and supportive properties developed by Mercy Housing California (MHC) provide high quality resident programs and services that are congruent with current practices, trends, and standards. Oversees all Resident Services in the California region. Oversees services provided by contracting agencies. Provide leadership and oversight to MHC staff in the implementation of resident programs and services as outlined in the Mercy program model. Consult with Mercy Housing California senior management and real estate development staff during acquisition and housing project development to ensure that effective and creative programs and services are integrated into the project design and budgets. Remain current on local, state and Federal issues related to programs and services in the affordable housing industry and disseminate the information in an effective manner.

Director of Family Services- Mercy Housing California, Sacramento, CA, 2008 to 2013

Resident Services Manager-Mercy Housing California, Sacramento, CA, 2003 to 2008

Health Care Organizer- Mercy Services Corporation, Sacramento, CA, 2001 to 2003

Resident Services Coordinator, Folsom, CA, 1998 to 2001

Counselor/Therapist- White House Counseling Center, San Juan Unified School District, Sacramento, CA, 1999 to 2000

Counselor- River Oak Center for Children, 1997 to 1998

EDUCATIONAL BACKGROUND

California State University Sacramento, Sacramento, CA

- Bachelor of Arts in Child Development
- Master of Science in Counseling with a focus on Marriage and Family Therapy

CURRENT PROFESSIONAL AFFILIATIONS

American Association of Service Coordinators



SAMANTHA HOGG

Director Senior Services, Mercy Housing California

PROFESSIONAL EXPERIENCE:

Mercy Housing California, San Francisco, California
Director Senior Services, Mercy Housing California

December 2012-Present

Samantha Hogg, *Director of Senior Services*, brings over 13 years of experience working with seniors, and 10 years working with Mercy Housing California in Resident Services. Samantha oversees a portfolio of 23 senior HUD 202 properties, 7 mixed-senior supportive properties, and is currently integrating a service model into 6 former San Francisco Housing Authority properties, through the Rental Assistance Demonstration (RAD) program.

Samantha ensures that senior properties developed by Mercy Housing California (MHC) provide high quality resident programs and that services are congruent with current practices, trends, and standards. Samantha has been successful in providing leadership and oversight to MHC staff, and has been leading the integration of evidenced-based programs such as Chronic Disease Self-Management and Matter of Balance workshops throughout the portfolio.

Samantha consults with MHC senior management and real estate development staff during acquisition and housing project development to ensure that effective and create programs and services are integrated into the project design and budgets. Through this work, Samantha continues to work closely with the Mayor's Office of Housing and Community Development and oversees several contracts with the Department of Public Health and the Human Services Agency.

EDUCATION BACKGROUND:

Master of Public Administration
University of San Francisco

2012

Bachelors of Art, Psychology
San Francisco State University

2005

AFFILIATIONS:

Mayoral Appointment to the Long Term Care Coordinating Council San Francisco
America Association of Service Coordinators
LeadingAge California



REVEREND JACQUIE D. HOFFMAN, D. MIN. CAND.

Regional Director of Property Operations

PROFESSIONAL EXPERIENCE**Mercy Housing Management Group, San Francisco, California**

Regional Director, Property Operations, 2010 - present

Responsible for overseeing the properties that Mercy operates in assigned region. Provide high quality property management and resident programs and services to the people who reside in the units. Oversees a major segment of the Mercy Portfolio and has primary accountability for the preparation and performance of the regional Mercy Services Corporation (MSC) and property budgets. Works in collaboration with other Mercy Housing divisions as needed. Responsible for all phases of property management oversight from development through operations including tasks associated with the acquisition, new construction and/or rehabilitation of quality affordable housing units and associated commercial property throughout California. Other responsibilities include review sites for potential housing development; perform preliminary land use analysis to determine site development potential.

Area Director, Property Operations of Operations, 2004 -- 2010

Responsible for overseeing property management services for average of 12 properties in the California area. Expertise as liaison with new property set up, interface with City of SF contracts and transition from development to operations. Generate property budgets and implement systems for Mercy property portfolio; supervise line staff; use knowledge of affordable housing programs and funding mechanisms such as, HUD, Low Income Tax Credits, and Tax Exempt Bonds to evaluate property compliance with regulatory agreements. Work with regional human service providers who provide resources to residents at our properties; apply knowledge of applicable local and federal housing laws including Fair Housing and Landlord Tenant laws for operations of property; work with Resident Services to create and manage quality, resident-driven programs.

Community Operations Manager, Property Operations, November 1999- March 2004

Managed and supervised day to day operations. Hired and supervised on-site staff; prepared budgets and worked with owner representatives. Collected rents, marketed and leased vacant units, handled site posting of rents; reconciled on-site ledgers to main office accounting records; supervised maintenance staff to maintain curb appeal of property and timely completion of unit turns; hired vendors and purchased supplies for site. Responsible for property management functions as well as coordinating on-site resident services, volunteers and/or Resident Council and community activities through collaboration with local service providers and educational institutions.

Resident Services Coordinator, October 1997- November 1999

Responsible for implementation of core programs and community formation at new senior property in Marin County including collecting and recording data to measure program outcomes. Identify human and community service needs of residents. Develop strategies to link residents with needed services, including assistance in overcoming various barriers that might impede access to services. When other services are not available, deliver direct services. Actively participate with other staff in management of the property and coordinated county wide staff team for emergency preparedness and collaboration.

- Senior properties – education, community, health and wellness
- Family properties – education (youth and adult), community, health and wellness, economic development

Property Specific Experience

ARLINGTON HOTEL – Supportive Housing/Special Needs – Mixed – Historic Rehab-174 units conversion to

154 with 7 commercial units- property partners with St. Vincent de Paul for provision of Resident Services through August 2010 when ownership change results in Resident Services provided by Mercy Housing California

- Consulted with owner/ developer to provide property management resource in design and services program configuration
- Performed supervisory oversight of property management in preparation for ownership change and rehab from SRO to SRO efficiencies
- Performed supervisory oversight of tenant file restoration for local regulatory compliance with SF MOH and in preparation for tax credits. Property will be placed in service upon completion of rehab in 2012.
- Performed supervisory oversight of and compliance with reporting and monitoring for multiple local subsidy contracts including SF DPH, SF HSA and SFHA individual Sect 8 vouchers
- Meet and coordinate with property management staff to determine resident profile and service needs
- Meet and coordinate with property owner to present budgets, plan for ownership change, provide reports as needed, assist with audit, ensure proper and current reports to HCD, coordinate adequate provision of resident services on site determine resident profile and service needs
- Hired & trained all property management site staff
- Created framework for community formation of multicultural tenant population
- Perform tasks necessary to obtain local approvals and neighborhood acceptance

MARIA B. FREITAS – Senior – HUD PRAC 202 – 62 units- Resident Services provided by Mercy Services/Mercy Housing California

- Perform tasks necessary to build neighborhood and community acceptance
- Direct service to tenant community
- Supervision and training of site staff
- Report to community task force and board on quarterly basis
- Hired & trained all property management site staff
- Created framework for community formation of multicultural tenant population

LELAND POLK SENIOR COMMUNITY – Senior– Mixed - 72 units with 5 commercial spaces–Historic Rehab- Resident Services provided by Mercy Services/Mercy Housing California

- Consulted with owner/ developer to provide property management resource in design and services program configuration
- Performed supervisory oversight of property management to rent up property according to required timeline
- Performed supervisory oversight for regulatory compliance

MISSION CREEK SENIOR COMMUNITY – Senior Supportive Housing/Special Needs – Mixed – New Development - 140 units with 3 commercial units, SF Public Library and Stepping Stone Adult Day Health on site- Resident Services provided by Mercy Services/Mercy Housing California

- Consulted with owner/ developer to provide property management resource in design and services program configuration
- Hired & trained all property management site staff
- Created framework for community formation of multicultural tenant population
- Performed supervisory oversight of property management to rent up property according to required timeline
- Supervised property management transition of project to operations
- Performed supervisory for regulatory compliance
- Performed supervisory oversight of and compliance with reporting and monitoring for multiple local subsidy contracts including SF DPH and SFHA project based Sect 8 vouchers

Meet and coordinate with property management staff to determine resident profile and service needs
Meet and coordinate with property owner to present budgets, provide regulatory and investor reports as needed, assist with audit, coordinate adequate provision of resident services on site
determine resident profile and service needs
Perform tasks necessary to obtain local approvals and neighborhood acceptance
Mission Creek is frequently considered by SF entities as a prototype for senior housing and often cited as an ideal model

10th & MISSION/EDITH WITT SENIOR COMMUNITY - Family and Senior - Supportive Housing/Special Needs - Mixed - New Development -136 units with 3 commercial units and 107 units with South of Market Health Center Satellite Clinic on site-both properties partner with Catholic Charities CYO for provision of Resident Services

Consulted with owner/ developer to provide property management resource in design and services program configuration
Performed tasks as necessary during construction
Hired & trained all property management site staff
Supervised property management transition of project to operations
Created framework for community formation of multicultural tenant population
Assisted with the coordination with property management staff profile and service needs
Performed supervisory oversight of property management to rent up property according to required timeline
Performed supervisory for regulatory compliance
Performed supervisory oversight of and compliance with reporting and monitoring for multiple local subsidy contracts including SF DPH and SFHA project based Sect 8 vouchers
Meet and coordinate with property management staff to determine resident profile and service needs
Meet and coordinate with property owner to present budgets, provide regulatory and investor reports as needed, assist with audit, coordinate adequate provision of resident services on site
determine resident profile and service needs
Perform tasks necessary to obtain local approvals and neighborhood acceptance

EDUCATIONAL BACKGROUND

University of California-Irvine, CA
Bachelor of Arts, Major in Linguistics
Bachelor of Arts, Major in Spanish Literature

San Francisco Theological Seminary-San Anselmo, CA
Master of Divinity-1997
Doctor of Ministry, Candidate in Pastoral Care and Counseling-2004

PROFESSIONAL AFFILIATIONS & COMMUNITY INVOLVEMENT

Ordained Minister Northern California Nevada Conference-
United Church of Christ - 1998 (4 way Covenant with Mercy Housing)
Board Member, Redwoods Senior Community, Mill Valley, 2000-2005
Committee on Ministry-Section B, Northern California Nevada Conference-
United Church of Christ - 2009-Present



JENNIFER SMITH DOLIN

RELEVANT PROFESSIONAL EXPERIENCE

Mercy Housing California, San Francisco, California

VP of Operations

Jennifer has more than 15 years experience in affordable housing. Jennifer joined Mercy in 2001 as a Project Assistant and quickly grew into project management both at a junior and senior level. In addition to her deep knowledge of affordable housing, her strong communication and organizational skills have led to the Vice President of Operations where she oversees the day to day operations of the Mercy across its three California offices with a particular focus on insuring effective coordination with property management, resident services and asset management.

Housing Developer, June 2005 to February 2014

Project Assistant February 2001- June 2005

Perform all phases of development of affordable housing associated with the acquisition, new construction and rehabilitation of quality affordable housing and commercial units throughout California. Responsibilities include: review sites for potential housing development; perform preliminary land use analysis to determine site development potential; secure local approvals and neighborhood acceptance; prepare financial analysis and secure funding; oversee construction; oversee transition of project to operations; close out project with investors and lenders, including 8609 and final investor pay-in.

1180 FOURTH STREET – Family – New Construction
MADONNA RESIDENCE – Special Needs – Rehab
PHELAN LOOP – Family – New Construction
ARLINGTON HOTEL – Special Needs – Rehab
CARTER TERRACE – Family – New Construction
DUDLEY –Special Needs – Rehab
GARDEN PARK – Special Needs – Rehab
JOHN KING – Senior - New Construction
KENT GARDENS – Senior Property – New Construction
LELAND POLK – Senior Property – Rehab

EDUCATIONAL BACKGROUND

Santa Clara University, Santa Clara, CA

Bachelor of Arts, Major in Business and minor in Theater Arts, 1990

PROFESSIONAL AFFILIATIONS & COMMUNITY INVOLVEMENT

Jesuit Volunteer Corp: East, New York City - Class of 1991

Chamber of Commerce, Leadership San Francisco Program – Class of 2003

Board Member, A Better Way, Foster Care and Adoptive Parent Agency - Present

Mercy Housing California

1360 Mission Street, Suite 300, San Francisco, California 94103 o | 415-355-7100 f | 415-355-7101

mercyhousing.org

Mercy Housing is sponsored by communities of Catholic Sisters

LIVE IN HOPE





DOUGLAS SHOEMAKER

President

PROFESSIONAL EXPERIENCE

Mercy Housing California, San Francisco, California

President, July 2011-Present

Responsible for leading MHC's operations in California including the oversight of affordable housing development, fund raising and resident services. Serves as lead in community and government relations. Works with the Board of Directors and other regional staff to achieve regional and system goals.

Mayor's Office of Housing, San Francisco, California

Director, 2008 to 2011

Led various key mayoral initiatives, including the launch of HOPE SF, San Francisco's groundbreaking effort to revitalize five distressed public housing sites into mixed income communities. Responsible for a wide-range of interagency housing policy work, including the city's Citywide Loan Committee which coordinates funding from four city agencies for affordable housing and supportive housing development. Directed the development of housing plans for the Candlestick Point/Hunters Point Shipyard Plan, Treasure Island, and the Eastern Neighborhoods Plan.

Deputy Director, 2006 to 2008

Managed the strengthening of the City's inclusionary housing ordinance and program management. San Francisco's inclusionary ordinance is now among the most successful inclusionary programs in the country.

Non-Profit Housing Association of Northern California, San Francisco, California

Deputy Director, 2001 to 2006

Directed NPH's policy and advocacy work with housing finance agencies as well as the State Legislature. Served as the Northern California campaign coordinator for Proposition 46, a successful \$2.1 billion affordable housing bond passed by voters in 2002. Supervised regional advocacy work on inclusionary housing.

Mission Housing Development Corporation, San Francisco, California

Project Manager, 1995 to 2000

Developed the first affordable housing community in the Mission Bay neighborhood of San Francisco and helped to develop numerous supportive housing developments in the Mission District and South of Market.

DOUGLAS SHOEMAKER

President

EDUCATION

Duke University

Bachelor of Arts, Comparative Area Studies, 1992

University of California at Berkeley

Studies towards PhD in Latin American History, 1993 - 1995

PROFESSIONAL AFFILIATIONS & COMMUNITY INVOLMENT

Board of Governors for California Housing Consortium

Northern California Leadership Council for Enterprise Community Partners

Treasure Island Development Authority

High Cost Cities Housing Forum

California Association of Local Housing Finance Agencies

Citizen's Advisory Council for the Metropolitan Transportation Commission

Housing California

Bay Area Transportation and Land Use Coalition (TransForm)

Mayor's Transition Team for the San Francisco Housing Authority

San Francisco Board of Permit Appeals



Valerie Agostino

Senior Vice President, Community Impact/Healthcare Partnerships

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San Francisco, CA 94103

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Denver, CO 80202

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www.mercyhousing.org

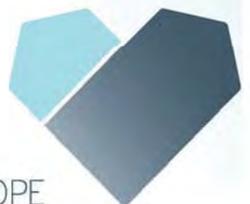
Valerie Agostino is the Senior Vice President, Community Impact and Healthcare Partnerships for Mercy Housing, a national non-profit affordable housing organization.

Val began her career in affordable housing and community services in San Francisco in the late 1970's with Catholic Charities, developing opportunities for very low income, frail elders to live independently in a service enriched supportive community setting.

In 1994, Val joined the staff of Mercy Housing California as the Director of Property Management for the then nascent California organization. In 2001, she was named Chief Operating Officer for Mercy Housing California and spent the following twelve years overseeing various community development, real estate, and resident service activities throughout the state of California.

She was promoted to her current position for the national Mercy Housing organization and is focused on affordable housing as a platform for improved health outcomes for residents.

Current affiliations: Commissioner for the Housing Authority for the City of Berkeley, Member of the National Leading Age Senior Housing Cabinet, Member of the State of California Olmstead Committee. Val has a BA from the University of Massachusetts and completed the Achieving Excellence in Community Development Program at the Kennedy School of Government, a Program of Harvard University and Neighborworks.



Joshua D. Bamberger, MD, MPH
520 The Alameda, Berkeley, CA 94707
415-377-3489
joshdbamberger@gmail.com

SPECIALTIES: Family Practice, Preventive Medicine

CREDENTIALS:

Diplomat, American Board of Family Practice	1992-Present
Medical License, State of California	1990-Present
Secondary School Teaching Certificate, State of Massachusetts	1984

EXPERIENCE:

San Francisco Downtown VA Medical Clinic	2014-present
• Primary care for homeless veterans	

Mercy Housing	2013-present
Chief Medical Consultant	
• National policy leadership to bridge the gap between housing and healthcare	

Institute on Aging	2014-present
Medical Consultant	
• Clinical leadership with the Health Plan of San Mateo to provide housing as an alternative to nursing home services	

San Francisco Department of Public Health	2014-present
Housing and Urban Health, Physician Specialist	
• Supervision of clinical care and research at the Direct Access to Housing program.	

UCSF Department of Family and Community Medicine	2014
Chief Medical Consultant, Glide Medical Clinic	
• Supervision and leadership at a nurse run primary care clinic	

San Francisco Department of Public Health	1990-2014
Assistant Medical Director, Tom Waddell Urban Health Clinic	
• Founder and administrator of a health system providing supportive housing, case management, primary and psychiatric care for approximately 5000 formerly homeless adults	
• National, state and local policy leadership on supportive housing	
• Research, evaluation and grant development on HIV postexposure prophylaxis, substance abuse services, primary care and cost-effectiveness of supportive housing	
• Direct primary care for adults and supervision of over 50 staff	

- United States Interagency Council on Homelessness 2012-2013
Special Advisor to the Executive Director
- Senior advisor on loan to Federal government to develop recommendations and policies to move Federal agencies towards the goal of ending homelessness.
 - Focus on the Veterans Administration and implementation of the Affordable Care Act.
- University of California, Berkeley, School of Public Health 2011-2012
Lecturer and Co-coordinator for Interdisciplinary MPH program
- Direct teaching responsibilities for MPH program
- Project Director and Primary Care Physician 2000-2004
Tom Steel Clinic, Mill Valley, CA
- Administrative oversight and direct primary care for 100 HIV positive individuals in a non-profit clinic in Marin County
- Staff Physician, West Berkeley Family Practice 1995-1998
Berkeley, California
- Primary care for low income families
- Associate Medical Director, 1996-1997
San Francisco General Hospital Homeless Project.
University of California, San Francisco
Department. of Epidemiology and Biostatistics.
- Research in homelessness, HIV and tuberculosis.
- Attending Physician, St. Anthony Free Medical Clinic 1994-1997
San Francisco, California
- Primary care for inner city adults, families and children in a free clinic in San Francisco. Coordinator of pediatric care, 1995.
- Staff Physician, Columbia-Presbyterian/Moscow 1995
- Primary care in Moscow, Russia.
- Assistant Director for Emergency Services, Southern Inyo 1992-1995
Hospital, Lone Pine, California
- Emergency medical care, quality assurance, transfer policy and staff in-service in a one doctor, small town hospital and emergency room in rural California.

TRAINING:

- Residency (Preventive Medicine) 1996-1997
University of California, Berkeley
- Residency (Family Practice) 1989-1992
University of California, San Francisco

San Francisco General Hospital

EDUCATION:

MPH, University of California, Berkeley 1996
 Berkeley, California

MD, New York Medical College, Valhalla, New York 1989
 Alpha Omega Alpha

BA, University of Rochester 1984
 Rochester, New York
 Cum Laude, Honors in Biology, Distinction in Philosophy

ACADEMIC APPOINTMENT

Associate Clinical Professor, Center for Excellence in Primary Care 1997-present
 Department of Family and Community Medicine, UCSF

COMMUNITY SERVICE AND AWARDS:

Beverlee Myers Excellence in Public Health Award 2015
 California Department of Health and Human Services

Founder and Medical Director, Women’s Community Clinic 1998-1999
 San Francisco, California.

- Free care for uninsured women in San Francisco

MAJOR GRANTS:

Grant Title	Position	Agency	Amount	Year
Feasibility of HIV Post-exposure Prevention	Co-Investigator	NIAID	\$3,200,000	1997-2000
Neighborhood Health on Wheels	Medical Director	CDC	\$2,100,000	1998-2003
Registry of Non-Occupational HIV Post-exposure Prophylaxis	Co-Investigator	CDC	\$230,000	1999-2001
Evaluation of Action Point	Co-PI	HRSA/SPNS	\$1,200,000	1999-2003
Action Point/Bayview	PI	SAMHSA	\$1,500,000	2000-2003
HIV Postexposure Prophylaxis after Sexual Assault in California	PI	Ca. DHS	\$30,000	2001
Behavioral Health in Sup. Housing	PI	CSAT	\$1,800,000	2002-2006
Randomized Trial of Adherence Case Management vs. DOT	Co-PI	NIMH	\$2,400,000	2002-2006
Ending Chronic Homelessness	Medical Director	USICH	\$3,600,000	2003-2007
Health and Housing for Alcoholics	Medical Director	HUD	\$990,000	2005-06
Housing re-entry from Jail	Medical Director	DOJ	\$2,800,000	2006-09
Chronic Homeless Initiative	PI	SAMHSA	\$1,450,000	2008-09
Direct Access to Housing Supportive Services Project	PI	SAMHSA	\$476,000	2010-2011
Creating Healthy Futures through Supportive Housing	Medical Director	CSH/SIF	\$1,700,000	2012-2017

OVERVIEW

Mercy Housing Management Group (MHM) – formerly known as Mercy Services Corporation (MSC) was established in 1983 to provide property management services for Mercy Housing’s affordable housing communities. Today, we manage hundreds of properties across the United States for multiple ownership groups with a wide variety of product, regulatory and population types. We are a proven leader in the national market for affordable housing property management. With regional management offices located in nine cities across the nation, we offer a national support structure in Denver, Colorado which includes: real estate accounting, compliance, insurance, marketing, information technology, human resources and resident services.

At each property we manage, we hold true to our operating objectives which include:

- Maximize financial results
- Maintain the property to the owner's standards
- Create and sustain a challenging and rewarding work environment for our associates
- Deliver superior customer service by exceeding expectations

Mercy Housing Management Group currently manages 291 properties serving almost 18,418 affordable apartment homes in 19 states including Arizona, California, Colorado, Georgia, Idaho, Illinois, Iowa, Kansas, Kentucky, Mississippi, Missouri, Nebraska, North Carolina, Ohio, Tennessee, Utah, Washington and Wisconsin.



The Portfolio of Mercy Housing Management Group is comprised of the following finance types:

- 112 Low Income Housing Tax Credit
- 53 Section 8 (HUD)
- 58 Section 202 (HUD Senior)
- 30 Rural Development
- 9 Public Housing Authority
- 7 Section 811 (Senior/Disabled)
- 5 Section 236 (HUD)
- 17 Bond, Commercial, or Other

The resident demographic of MHM is divided into the following:

- 71% Families
- 21% Senior
- 8% Supportive Housing/Transitional

We are poised for continued growth and extended services as a property management organization for third party owners. Since our merger with Rural California Housing Corporation in 2000, we have continued to develop staffing patterns to accommodate steady growth. The properties vary by type of structures, resident population and subsidy program.

With nearly 30 years of experience and a strong local and national presence, Mercy Housing Management Group is the best choice for managing your properties.

NATIONAL SENIOR MANAGEMENT TEAM

In order to effectively provide property management services, we believe the Senior Management Team should be reflective of the organization's core values and experience. The officers below have extensive experience in the property management industry and provide support to associates both nationally and regionally.

Cheryll O'Bryan **President**

Cheryll O'Bryan came to Mercy Housing Management Group in 2007 and currently is responsible for the property management group, MHM, managing approximately 17,000+ units of multi-family rental housing and over 1,300 employees. Over the last three decades, Cheryll has worked with some of the largest for-profit property management companies in the nation and developed successful management platforms in several organizations including Elkor Properties, Equity Residential, NHP Management and Empirian Property Management. Her portfolio oversight has encompassed over 75,000 units in 20 states.

Christopher Reed, C.P.M.®, NAHP-e **Senior Vice President**

Christopher Reed came to Mercy Housing Management Group in 2007 and currently serves as Senior Vice President of Operations, supervising property management operations throughout the U.S. Christopher's experience in the multi-family industry spans 19 years and 22 states. Prior to joining MHM, Christopher

worked with several national real estate companies, including Equity Residential and Lexford Residential Trust, where he provided management oversight in all facets of property management operations for multiple + 10,000 unit portfolios.

Robert Jacoby

Vice President, Procurement

Robert Jacoby is responsible for developing and implementing national purchasing programs focused on process and material standardization in an effort to achieve optimum efficiency and cost reduction. He negotiates national and regional contracts for products and services to ensure all purchases reflect the most favorable combination of price, quality and delivery for all MHM's managed properties. Robert has over 20 years of progressive supply management experience in service, manufacturing and construction environments. Prior to joining Mercy Housing Management Group Robert lead procurement teams for AT&T, MediaOne, Continental Cablevision and Adelphia Communications.

Melanie Kibble, C.P.M. ®

Vice President, Compliance

Melanie Kibble the Vice President of the Compliance Department, based in Denver, CO. Melanie has nearly thirty years' experience in property management and has worked extensively with a wide range of affordable housing programs including most HUD programs, Section 42, Rural Development, RTC, as well as income/rent restricted programs. Prior to her employment with Mercy Housing Management Group, Melanie was the Vice President and Director of Property Management for Urban, Inc., a for-profit Owner/Manager in Denver, Colorado.

Shawn Smitley

Regional Vice President of Property Operations, Southeast

Shawn Smitley is the Regional Vice President of our Southeast portfolio, currently in Georgia, Kentucky, Ohio, Mississippi, North Carolina, South Carolina and Tennessee. Shawn joined Mercy Housing in 2007 as the Controller/Vice President over Real Estate Accounting and oversaw both property operations and development accounting for four years. Shawn's experience includes five years of public accounting with Reznick Group, encompassing Low Income Housing Tax Credit, Historic, New Market and Energy Tax Credits. He is also knowledgeable on HUD, RD, Investor and other regulatory agencies reporting.

Michael Liebe

Regional Vice President of Property Operations, California

Michael Liebe joined Mercy Housing Management Group in 2005 and is currently one of the Regional Vice Presidents over the California portfolio of properties. Michael started his property management career in 2003 with Oakland Community Housing as a Property Supervisor. Before his career change to affordable housing, he worked in the communications industry in a number of product and marketing roles with Telera/Genesys.

Jacquie Hoffman

Regional Vice President of Property Operations, California

Jacquie Hoffman, Regional Vice President of Property Operations, brings over thirteen years' experience with Mercy Housing, in both Property Operations and Resident Services. Jacquie oversees a major segment

of the Mercy Housing California Portfolio including San Francisco and Southern California. Jacquie is an ordained minister in the United Church of Christ.

Danyiel O’Hearn

Regional Vice President of Property Operations, California

Danyiel O’Hearn originally joined Mercy Housing Management Group in 2011 and is currently one of the Regional Vice Presidents over the California portfolio of properties. Danyiel began her property management career in 1994 as site manager, then became a Regional Manager overseeing a portfolio of properties; and then in 2000 became the Director of Property Management for a small management company in California specializing in affordable housing with a small amount of conventional market rate rental housing. Prior to and during her initial tenure to affordable housing she worked as a law enforcement officer in northern California.

Kevin Weishaar

Regional Vice President of Property Operations, Northwest

Kevin Weishaar is the Regional Vice President for the Northwest portfolio, currently in Washington State and consisting of 50 properties and over 2,000 units of Family, Senior, Special Needs, Rural Development, and tax credit affordable homes. Kevin comes to Mercy Housing from American Capital Group, an organization that does both Property & Asset Management for a portfolio of properties throughout the Western US, including both Market-Rate and Affordable. Since 2004, Kevin has served ACG in key roles, including Area Manager, Senior Asset Manager, Director of Operations, Business Development Manager and Designated Broker for their property management group American Property Management encompassing seven states, overseeing the company’s Regional Managers and Facilities Team.

John Hinde

Regional Vice President of Property Operations, Great Lakes

John Hinde is responsible for the oversight of the Great Lakes region including supervision of over 1,400 units located in Illinois and Wisconsin. John comes to Mercy Housing Management Group with extensive experience in all aspects of the real estate business from acquisitions, accounting, finance, project management, development and property management of multi-family residential and commercial. His most recent position was with The Habitat Company as Vice President of Property Management where his portfolio included affordable and conventional multi-family and commercial properties in the Chicago land area.

Shane West

Regional Vice President of Property Operations, Mountain Plains

Shane West is the Regional Vice President of Property Operations for the Mountain Plains region including Colorado, Arizona, Utah, Iowa, Missouri and Nebraska. Shane came to MHM with fifteen years of financial management experience in the commercial banking industry. His experience includes structuring affordable housing financing including LIHTC and double tax exempt, bank-qualified for various housing authorities. During this time, he also served as President/Treasurer for multiple affordable housing, non-profit entities.

Katayoon Montazemi

Area Director of Operations

PROFESSIONAL EXPERIENCE**Mercy Housing Management, Los Angeles, California**

Area Director of Operations, May 2013 to Present

Directly responsible for financial and operational performance of 9 affordable housing projects in Southern California as followings:

3 HUD 202 PRAC/Senior properties:

- Cantebria Sr. Homes – San Diego
- Tierra Del Sol – Cathedral City
- St. Mary Towers – Long Beach (acquisition/rehab)

1 HUD 811 – Mercy Gardens, San Diego

3 Affordable Housing projects in Anaheim

- Linbrook Court Yard – Senior Housing PBV/TBV/Tax Credit
- The Vineyard Townhomes – Multifamily Tax Credit
- CASA Alegre – HOPWA/HOME/Tax Credit

2 Affordable Housing projects in Los Angeles

- Caroline Severance Manor – Supportive Housing
- Jefferson Park Terrace – Multifamily Tax Credit

Responsibilities include:

- Developing effective improvement plans for properties where there is a financial issue;
- Budgeting and forecasting Capital Improvement Plans on annual basis;
- Regularly monitoring acceptable adherence to compliance benchmarks;
- Effectively collaborating across the organization by productive teamwork and cross-functional communication, including communicating key issues to 3rd party stakeholders and Mercy Housing staff and leadership;
- Conducting monthly and quarterly property visits to monitor, identify, address, and resolve current or potential operations/maintenance problems and to identify any tenant concerns;
- Overseeing Capital Improvement projects by effective collaboration with regional and area maintenance specialists;
- Managing various teams, including recruiting/hiring, training/orientation, performance evaluation, and professional improvement plans.

Mercy Housing Management Group, Los Angeles, California

Area Manager Specialist, November 2013 to April 2014

- Managed initial certification process; pre-qualified applications, interviewed applicants prior to move-in, verifications/clarification/evaluation of all the documents submitted to compliance for approval, following the Section 42 guidelines.
- Partnered with Compliance throughout the move-in and re-certification process to assure the process was in accordance with LIHTC and other rental subsidy programs and rent stabilization. Process corrections as necessary.
- Conducted move-in orientation, move-in inspection, executed all leasing documents, and collected all the appropriate funds due prior to releasing the keys to a new resident.
- Functioned as property manager in addressing day-to-day operations of properties; processing receivables, payables, managing tenants relations and requests.

EDUCATION

Master of Business Administration (MBA) with concentration in Leadership and Dispute Resolution
Pepperdine University – Graziadio School of Business and Management 2014

Bachelor of Science in Management
Pepperdine University – Graziadio School of Business and Management 2012

Certifications

Conflict Resolution Consulting

Pepperdine University School of Law-Straus Institute for Dispute Resolution – June 2015

HUD Certified Occupancy Specialist

Affordable Housing Management Association-AHMA – June 2015

Dispute Resolution

Pepperdine University School of Law, Strauss Institute for Dispute Resolution – August 2014

Real Estate Salesperson

State of California - Bureau of Real Estate, License # 01927741

PROJECT PROFILE



Developer Name: Mercy Housing California

<p>Project Name and Address</p>	<p>10th and Mission Family Housing San Francisco, CA</p>
	<p>10th and Mission Family Housing is the new construction of a 136-unit, 12-story building with approximately 3,000 square feet of ground floor commercial space and a 5,700 sf Youth Activity Center operated by Catholic Charities CYO. 10th and Mission serves extremely low and low income families, including 44 units of permanent housing for formerly homeless families, and features over 13,000 sf of secure open space and interior common areas, such as a multi-purpose room; resident computer lab; laundry rooms; and property management and resident services offices. The project is designed to be LEED certifiable to the Silver designation. The site is located in the proposed Mid-Market redevelopment project area of San Francisco and is the sister project of Edith Witt Senior Community, on the same block. 10th and Mission Family Housing and Edith Witt Senior Community together form a marquis intergenerational, affordable housing community in the heart of the Civic Center, close to services and employment centers, 23 MUNI lines and BART. Among other awards, 10th and Mission won Affordable Housing Finance magazine Readers' Choice Award for Best Urban Project and Best Overall Project.</p>
<p>Developer Role</p>	<p>General Partner</p>
<p>Current Project Status</p>	<p>Completed</p>
<p>Total Number of Residential Units</p>	<p>136</p>
<p>Unit Mix</p>	<p>34 1-bedroom, 42 2-bedroom, 60 3-bedroom</p>
<p>Total Residential Square Footage</p>	<p>185,000</p>
<p>Total Square Footage of Commercial Area and Use</p>	<p>3,000 square foot retail; 5,700 square foot youth activity center</p>
<p>Population Served</p>	<p>Low to Extremely Low-Income Families: 15-45% AMI; 20% of units serve the formerly homeless</p>
<p>Construction Type</p>	<p>New Construction; Type I Reinforced Concrete</p>
<p>Green Building Features</p>	<p>Brownfield redevelopment Infill; proximity to transit Cool roof</p>

	<p>Carshare Water efficient landscaping Dual Flush toilets and low flow fixtures Energy use 15% above Title 24 Storage and collection of recyclables Divert 75% of construction waste 25% recycled content concrete (flyash) 20% of materials manufactured locally Indoor Air Quality management plan Low-emitting paints, sealants, composite wood</p>
Construction Start Date	August 2007
Construction Completion Date (estimated)	November 2009
Total Development Cost	\$69,750,000
Development Team	<p>Kaplan McLaughlin Diaz Architects Cahill Construction Mercy Housing Management Group Catholic Charities CYO (service provider)</p>
<p>Financing Sources</p> 	<p>4% Tax Credit Equity RBC Capital Markets Stacie Altmann, Director, 916-705-8635</p> <p>Federal Home Loan Bank's Affordable Housing Program (AHP)</p> <p>San Francisco Redevelopment Agency/ Mayor's Office of Housing and Community Development Olson Lee, Director of MOHCD (415) 701-5509</p> <p>Multifamily Housing Program (MHP) Cal. Dept. of Housing and Community Development</p> <p>Tax Exempt Bond Construction Loan Union Bank Jonathan Klein, VP, (925) 947-2461</p>
Budget/Schedule Variance	On budget; on schedule
Urban Redevelopment Area	Yes

PROJECT PROFILE



Developer Name: Mercy Housing California

<p>Project Name and Address</p>	<p>Mission Creek (aka Mission Bay) 225 Berry Street, San Francisco, CA 94158</p>
 	<p>Mission Creek is the result of Mercy Housing California’s collaboration with the San Francisco Redevelopment Agency, the San Francisco Department of Public Health, the San Francisco Public Library, and North of Market Adult Day Care Center. In cooperation with these organizations MHC developed 139 units of affordable senior housing, an Adult Day Health Center, ground floor retail space, and the newest branch of the San Francisco Public Library. The development was accomplished through an air rights subdivision, and the library was turned over to the city upon completion. The community serves extremely low to very low income Seniors, many of which are at risk of homelessness, and many units are set aside for residents with HIV/AIDS. Olson Lee, the Agency’s Deputy Executive Director of Housing said, “Mercy Housing was successful in part because of its prior partnership and its experience with mixed-use affordable developments throughout the City...The San Francisco Redevelopment Agency is very proud of the work done by Mercy Housing and its partners.” The Redevelopment Agency selected Mercy Housing to develop 1180 4th Street, a marquee sister project in the same neighborhood. Mission Creek has won 13 design awards and recognitions, including the Golden Nugget Award for Best Affordable Housing, Best Senior Housing, and Best Mixed Use Project and Affordable Housing Finance Magazine Reader’s Choice Award for Best Urban Project.</p>
<p>Developer Role</p>	<p>Sponsor/General Partner</p>
<p>Current Project Status</p>	<p>Complete</p>
<p>Total Number of Residential Units and Density</p>	<p>139 units; 139 units per acre</p>
<p>Unit Mix</p>	<p>139 1-bedrooms</p>
<p>Total Residential Square Footage</p>	<p>166,000</p>
<p>Total Square Footage of Commercial Area and Use</p>	<p>10,048 sf -- Adult Day Health Center, OPUS Sales Office & Philz Coffee Shop. Public library developed but not included in square footage.</p>
<p>Population Served</p>	<p>Low-income Seniors: less than 20-50% AMI</p>
<p>Green Building Features</p>	<ul style="list-style-type: none"> • Infill/TOD • Brownfield redevelopment • Bicycle storage • Native drought resistant landscaping • Efficient irrigation • Steel studs

	<ul style="list-style-type: none"> • Energy Star clothes washers • Piped for graywater reclamation • Low flow fixtures • Exterior sun shade system for Library • 40 kilowatt photovoltaic system • Linoleum kitchen floors • Bamboo baseboards • Low VOC paints and construction adhesives
Construction Type	New Construction; Type I Reinforced Concrete
Construction Start Date	May 2004
Construction Completion Date	March 2006
Total Development Cost	\$42,883,000
Project Team	Hardison Komatsu Ivelich & Tucker (Architect) Cahill Contractors, Inc. Mercy Housing Management Group North of Market Adult Day Care Center [501(c)(3) Service Provider] San Francisco Public Library (Partner)
Financing Sources 	Affordable Housing Program Tax Exempt Bond Construction/Perm Loan Citibank Reference: Merle Malakoff, Director, (415) 658-4309 4% Tax Credit Equity National Equity Fund Reference: Todd Fabian, VP, (213) 240-3144 Grant (for non-profit spaces) Northern California Community Loan Fund Multifamily Housing Program Cal. Dept. of Community Development San Francisco Redevelopment Agency/Mayors Office of Housing and Community Development <ul style="list-style-type: none"> • CDBG • Hazardous Materials Mitigation Loan, • HOPWA Reference: Olson Lee, MOHCD Director (415) 701-5509 HUD Project Based Section 8
Budget/Schedule Variance	On schedule; on budget
Urban Redevelopment Area	Yes

Project Profile



Developer Name: Mercy Housing California

Project Name and Address	The Arlington Hotel 468-488 Ellis Street, San Francisco, CA
	<p>Mercy Housing California (MHC) fully recapitalized and renovated the Arlington Hotel with a \$39 million budget in order to preserve the housing of an existing community of very low-income residents. The renovations provided the century old building with all new building systems and allowed MHC to expand common areas to facilitate an enhanced program of supportive services and activities and allowed the addition of private kitchenettes and bathrooms to all units. In order to complete the renovations, tenants were relocated within the building and off-site as needed. Tenant assessments were made by MHC’s relocation staff to determine how to accommodate the specific relocation needs of each tenant. After the completion of renovations, all vacant units were leased to formerly homeless individuals with chronic disabilities through the Mayor’s Office of Housing and Department of Public Health’s LOSP program. The property has a team of 3 full-time supportive services staff on-site who closely collaborate with the Department of Public Health’s SF FIRST intensive case management team to ensure the stability of the new and existing residents.</p>
Developer Role	General Partner/Sponsor
Current Project Status	Completed
Total Number of Residential Units and Density	154 units, 208 units per acre
Unit Mix	153 studios and one 1-bedroom
Total Residential Square Footage	32,227
Population Served	Extremely low income tenants in the 25% AMI to 40% AMI bracket and formerly homeless individuals with mental health or substance abuse issues
Construction Type	4-Story Building, Occupied Historic Rehab
Construction Start Date	November 2011
Construction Completion Date	April 2013
Total Development Cost	\$39,753,048

Development Team	Gelfand Partners Architects Swinerton Builders Mercy Housing Management Group
Financing Sources 	Cal. Dept. of Community Development <ul style="list-style-type: none"> • Multifamily Housing Program (MHP) • CHRP-R loan • SUHRP loan Affordable Housing Program (AHP) of the Federal Home Loan Bank San Francisco Seismic Loan Program Mayors Office of Housing and Community Development/City of SF Loan and Option Grant Olson Lee, MOHCD Director (415) 701-5509 Replacement for 4% LIHTC Equity <ul style="list-style-type: none"> • Federal TCAP funds • Federal 1602 funds Construction Loan Wells Fargo Lori Saito, VP, 415-801-8521
Budget/Schedule Variation	On budget; because the building was occupied, demo/exploration was limited during predevelopment, resulting in unforeseen structural issues that caused schedule delays.
Urban Redevelopment Area	No

Project Profile



Developer Name: Mercy Housing California

<p>Project Name and Address</p>	<p>Edith Witt Senior Community 66th 9th Street, San Francisco, CA 94103</p>
	<p>Edith Witt Senior Community is the result of a collaborative effort by Mercy Housing California, the San Francisco Redevelopment Agency, the San Francisco Department of Public Health, Catholic Charities CYO and the South of Market Health Center. This striking, new, 11-story high rise apartment building for very low-income seniors is located in the heart of San Francisco’s Civic Center, close to services and employment centers, 23 MUNI lines and BART.</p> <p>The community is composed of 107 studio and 1-bedroom units, including 27 units of permanent housing for the formerly homeless. The community also features a satellite health clinic for residents only, a community room, computer lab, secured parking, and 4,000 sf of landscaped outdoor space. The project is designed to be LEED certifiable, approximately to the Silver designation. Edith Witt is on a 12,750 sf lot ground leased from the San Francisco Redevelopment Agency and is the sister project of 10th and Mission on the same block. Edith Witt is Mercy Housing’s second HUD Section 202/4% tax credit mixed finance project; HUD 202 financing was used for 96 of the units.</p>
<p>Developer Role</p>	<p>Sponsor/Managing Member</p>
<p>Current Project Status</p>	<p>Completed</p>
<p>Total Number of Residential Units and Density</p>	<p>107 units; 365 units/acre</p>
<p>Unit Mix</p>	<p>20 Studios; 86 1-BR; 1 3-BR Manager’s Unit</p>
<p>Total Residential Square Footage</p>	<p>88,000</p>
<p>Population Served</p>	<p>Low Income Seniors: 20%-50% SF AMI</p>
<p>Construction Type</p>	<p>New Construction; Type 1 Reinforced Concrete</p>
<p>Green Building Features</p>	<p>Brownfield redevelopment Infill; proximity to transit Cool roof Water efficient landscaping Dual Flush toilets and low flow fixtures</p>

	<p>15% more energy efficient than Title 24 Storage and collection of recyclables Divert 75% of construction waste 25% recycled content concrete (flyash) 20% of materials manufactured locally Indoor Air Quality management plan Low-emitting paints, sealants, composite wood</p>
Construction Start Date	June 2008
Construction Completion Date	July 2010
Total Development Cost	\$49,440,000
Development Team	Kaplan McLaughlin Diaz Architects Cahill Construction Mercy Housing Management Group Catholic Charities CYO (service provider)
Financing Sources 	Federal Home Loan Bank's Affordable Housing Program (AHP) HUD Section 202 HUD Project Rental Assistance Contract Larry Ferguson, Supervisory Project Manager, (415) 489-6618 4% Tax Credit Equity RBC Capital Markets Stacie Altmann, Director, (916) 705-8635 San Francisco Redevelopment Agency/Mayor's Office of Housing and Community Development Olson Lee, MOHCD Director (415) 701-5509 Tax Exempt Bond Construction Loan Union Bank Jonathan Klein, VP, (925) 947-2461
Budget/Schedule Variation	On budget/on schedule
Urban Redevelopment Area	Yes

Project Profile



Developer Name: Mercy Housing California

<p>Project Name and Address</p>	<p>Madonna Residence 350 Golden Gate Avenue, San Francisco, CA 94102</p>
 	<p>The Madonna Residences was originally built in 2000 for low-income senior women, with public services on the ground floor and resident services on the second floor. Mercy Housing California (MHC) completed an occupied rehab of the building in 2012 and redeveloped the property by increasing the unit count by 19 to reach a total of 70 residential units. The kitchens of all units were expanded to install ranges and circulating exhaust systems, refrigerators and new storage areas for clothes. The lounge rooms, common area restrooms and other storage spaces on the 3rd through 5th floors were also converted to create an additional 8 residential units. All units and interior common spaces were painted and the building exteriors were painted and sealed. A photovoltaic system and a hot water system were also installed to reduce the utility costs. This property continues to serve its original senior women population as well as new disabled and special needs referrals making between 30-40% of Area Median Income. The Madonna houses three convenient social service organizations on the ground floor: AIDS Housing Alliance, Stepping Stone’s Golden Gate Adult Day Health, and the St. Francis Living Room. MHC provides a full-time on-site service coordinator to connect residents with these and other tailored resources in the service-rich neighborhood. With an abundance of linked and community programming, the new Madonna is planned with ample spaces to accommodate and promote resident participation, reduce isolation, improve health, and afford residents every opportunity to age in place.</p>
<p>Developer Role</p>	<p>Sponsor/General Partner</p>
<p>Current Project Status</p>	<p>Completed</p>
<p>Total Number of Residential Units</p>	<p>70</p>
<p>Unit Mix</p>	<p>70 studios</p>
<p>Total Residential Square Footage</p>	<p>25,437 sf</p>
<p>Total Square Footage of Commercial Area and Use</p>	<p>9,082 sf of commercial space including: commercial kitchen, AIDS Housing Alliance program space, an Adult Day Health center, and the St. Francis Living Room</p>

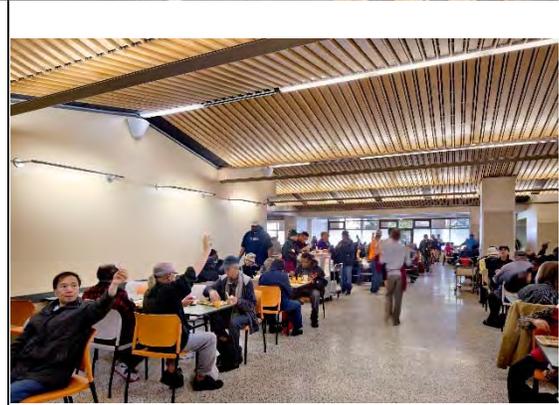
Population Served	Very Low Income Seniors at 30%-40% of AMI
Construction Type	Occupied Rehab
Construction Start Date	December 2011
Construction Completion Date	August 2012
Total Development Cost	\$13,948,000
Development Team	Hardison Komatsu Ivelich & Tucker (Architect) Nibbi Brothers Contractors, Inc. Mercy Housing Management Group St. Anthony Foundation (Partner)
Financing Sources	<p>San Francisco Mayor's Office of Housing and Community Development Olson Lee, MOHCD Director (415) 701-5509</p> <p>9% Tax Credit Equity National Equity Fund Reference: Todd Fabian, VP, (213) 240-3144</p> <p>St. Anthony Foundation Seller Carryback</p>
Budget/Schedule Variation	On budget/on schedule
Urban Redevelopment Area	No



PROJECT PROFILE



Developer Name: Mercy Housing California

<p>Project Name and Address</p>	<p>Vera Haile Senior Housing 121 Golden Gate, San Francisco, CA</p>
 	<p>Mercy Housing California and St. Anthony Foundation partnered on this redevelopment of 121 Golden Gate Avenue. The new development includes a new larger space for St. Anthony Dining Room, a social work center on the 2nd floor, and affordable senior housing above, all within a new ten story building. St. Anthony Foundation owns and operates the dining room and social work center, and through an air rights subdivision, Mercy Housing developed eight floors of affordable housing, a total of 90 units, for very low income persons 62 years or older. Financing for the housing includes the HUD Section 202 program, 4% Low Income Housing Tax Credits, City “soft” loans, and tax exempt bond construction and permanent debt. The Federal Section 202 grant comes with rental subsidy, allowing the future residents to pay just 30% of their income for rent and utilities. 18 of the units serve formerly homeless seniors. The St. Anthony Foundation’s component was financed through a significant capital campaign and New Markets Tax Credits.</p>
<p>Developer Role</p>	<p>Sponsor/General Partner</p>
<p>Current Project Status</p>	<p>Complete</p>
<p>Total Number of Residential Units and Density</p>	<p>90 units, 277 units/acre</p>
<p>Unit Mix</p>	<p>43 studios, 46 1-bedroom, and 1 2-bedroom manager unit</p>
<p>Total Residential Square Footage</p>	<p>66,588 sf</p>
<p>Total Square Footage of Commercial Area and Use</p>	<p>Approximately 40,000 sf; St. Anthony Dining Room and social work center developed under separate ownership</p>
<p>Population Served</p>	<p>Low-income Seniors: less than 20-50% AMI</p>
<p>Green Building Features</p>	<ul style="list-style-type: none"> • LEED accredited professionals integrated into design team • Infill development in close proximity to transit and neighborhood amenities • Storm water reclamation • Energy efficient lighting

	<ul style="list-style-type: none"> • Efficient irrigation and drought tolerant landscaping • Solar hot water pre-heat • Integrated recycling facilities • Indoor Air Quality / Environmental Quality includes low / no VOC paints, finishes and flooring and enhanced ventilation system
Construction Type	New Construction; Type I Reinforced Concrete
Construction Start Date	August 2012
Construction Completion Date	September 2014
Total Development Cost	\$ 43,844,000
Project Team	<p>Nibbi Brothers General Contractors Mercy Housing Management Group Hardison Komatsu Ivelich & Tucker St. Anthony Foundation</p>
Financing Sources 	<p>Affordable Housing Program</p> <p>City of San Francisco/Mayors Office of Housing and Community Development Reference: Olson Lee, MOHCD Director (415) 701-5509</p> <p>HUD 202 Reference: Larry Ferguson, Supervisory Project Manager, (415) 489-6618</p> <p>4% Tax Credit Equity National Equity Fund Reference: Todd Fabian, VP, (213) 240-3144</p> <p>Tax exempt bond construction/perm loan Silicon Valley Bank Reference: Christine Carr, Community Development Finance Manager, 415-764-3124</p>
Budget/Schedule Variance	On schedule; on budget
Urban Redevelopment Area	No

PROJECT PROFILE

Developer Name: Mercy Housing California

Project Name and Address	Marlton Manor 240 Jones Street, San Francisco, CA
	<p>The Marlton Manor Hotel was built in 1924, and the conversion into permanent affordable housing was completed in 2003. The six story building consists of a basement, the ground floor, a mezzanine level, and five residential floors with thirty apartments on each floor. The unit mix is 139 studios, 10 1-bedrooms, and one 2-bedroom manager’s unit. The ground floor lobby, housing a reception desk, mailboxes, sitting areas, and new management offices, has been completely restored and modernized, and bookshelves have been added on the Mezzanine level to create a comfortable resident library. The lightwell was lowered one level, and large skylights were installed to provide natural daylight to the lobby and basement. The Marlton serves extremely low income, formerly homeless individuals. The restoration of this property provides extended affordability for the residents, as well as supportive services that enable residents to take control of their health and their lives. The Marlton features neighborhood serving retail on the ground floor including a Credit Union branch and a downtown grocer.</p>
	
Developer Role	Sponsor/General Partner
Current Project Status	Completed
Total Number of Residential Units	151
Unit Mix	139 Studios, 10 1-bedroom units, 1 2-bedroom manager’s unit
Total Residential Square Footage	72,607
Commercial Uses	820 sf credit union, 1400 sf grocery, 1275 sf office
Population Served	Low to Extremely Low-Income –Formerly Homeless Individuals under 30% AMI
Construction Type	steel frame building with concrete walls and wood floors
Construction Start Date	1/7/2000

Construction Completion Date	8/15/2003
Total Development Cost	\$32,972,522
Development Team	<p>Gelfand Partners Architects LEM Construction Mercy Housing Management Group AF Evans Development, Agape Outreach Center (partners)</p>
<p>Financing Sources</p> 	<p>Affordable Housing Program (AHP) of the Federal Home Loan Bank</p> <p>4% LIHTC Equity Alliant Monique Hastings, Principal, (818) 668-6800</p> <p>Construction/Perm Loan SAMCO/Citibank Merle Malakoff, Director, (415) 658-4309</p> <p>San Francisco Redevelopment Agency/Mayors Office of Housing and Community Development Olson Lee, Director of MOHCD (415) 701-5509</p> <p>HUD Project Based Section 8</p>
Budget/Schedule Variance	On budget; on schedule
Redevelopment Area	No

Project Profile



Developer Name: Mercy Housing California

<p>Project Name and Address</p>	<p>Mercy Gardens 540 Lewis Street San Diego, CA 92103</p>
	<p>Originally a convent on the campus of Mercy Scripps Hospital in the Hillcrest neighborhood of San Diego, Mercy Gardens was a gut rehab of an historic property. Several features of the building were restored and preserved to U.S. Department of the Interior Standards, including restoration of the original wood windows, lobby, and library, preservation of existing wainscoting, and removal and reinstallation of the barrel tile roof with original and matching reproduction materials. The development serves people living with HIV/AIDS.</p>
<p>Developer Role</p>	<p>Sponsor/Managing Member</p>
<p>Current Project Status</p>	<p>Completed</p>
<p>Site Size</p>	<p>.68 acres</p>
<p>Total Number of Residential Units</p>	<p>23 units; 34 DUA</p>
<p>Unit Mix</p>	<p>10 studios; 12 1-bedrooms; 1 2-bedroom manager's unit</p>
<p>Total Residential Square Footage</p>	<p>25,665</p>
<p>Population Served</p>	<p>Disabled Individuals with HIV/AIDS; below 30%-50% AMI</p>
<p>Construction Type</p>	<p>Historic Rehab; Reinforced Concrete</p>
<p>Construction Start Date</p>	<p>February 2001</p>
<p>Construction Completion Date</p>	<p>May 2002</p>
<p>Total Development Cost</p>	<p>\$3,842,000</p>
<p>Development Team</p>	<p>People's Housing (Architect) DPR Construction Mercy Housing Management Group</p>
<p>Financing Sources</p>	<p>CDBG, San Diego Housing Commission Cissy Fisher, VP Special Housing Initiatives (619) 231-9400</p> <p>HOPWA, County of San Diego</p> <p>HUD Section 811 HUD Project Rental Assistance Contract Larry Ferguson, Supervisory Project Manager, (415)</p>

	489-6618
Budget/Schedule Variance	Behind schedule -- unforeseen fire code issues delayed occupancy without negative impact on Budget
Redevelopment Area	No

Project Profile



Developer Name: Mercy Housing California

Project Name and Address	Cantebria Senior Homes 645 Via Cantebria, Encinitas, CA 92024
	Cantebria Senior Homes is a 45-unit apartment complex (44 one-bedroom units and one two-bedroom managers unit) serving very-low income seniors age 62 and older who earn less than 50% of AMI. Developed under the HUD 202 program with a Project Rental Assistance Contract, residents pay no more than 30% of their income for housing expenses. The development is located on 2.3 acres of the 850 acre Encinitas Ranch, which terminates on the east at El Camino Real and on the west at Interstate 5.
Developer Role	Sponsor/Managing Member
Current Project Status	Completed
Site Size	2.3 acres
Total Number of Residential Units	45 units
Unit Mix	44 1-bedrooms; 1 2-bedroom manager's unit
Population Served	Seniors below 50% AMI
Construction Type	Wood framed new construction
Construction Start Date	January 2003
Construction Completion Date	March 2005
Development Team	Studio E (Architect) Southern Sun Contractors Mercy Housing Management Group
Financing Sources	 <p>City of Encinitas Nicole Piano-Jones, Management Analyst (760) 943-2237</p> <p>Land Donation - Caritas Company of Encinitas</p> <p>Affordable Housing Program (AHP) of the Federal Home Loan Bank</p> <p>HUD Section 202 HUD Project Rental Assistance Contract Larry Ferguson, Supervisory Project Manager, (415) 489-6618</p>
Budget/Schedule Variance	On budget/on schedule
Redevelopment Area	No

PROJECT PROFILE



Developer Name: Mercy Housing California

Project Name and Address	1880 Pine St. San Francisco, CA 94109
	<p>The San Francisco Housing Authority (SFHA) was faced with a portfolio of properties that was suffering immense deferred capital needs without a source of funding to renovate the properties. In response, the SFHA and San Francisco Mayor’s Office of Housing and Community Development applied to HUD to convert its existing federal funding to RAD project-based Section 8. By converting the funding to RAD, the SFHA could then transfer ownership of the buildings to new owners who could leverage conventional debt and raise additional equity through the low-income housing tax credit program in order to fund renovations, while SFHA would retain ownership of land through a long term ground-lease. A 12 story tower with 113 units built in 1973, 1880 Pine St. is one of the six properties awarded to Mercy Housing and its team. 1880 Pine is fully occupied and houses a population that includes roughly 80% seniors and 20% younger disabled. Improvements include enhanced security; structural, mechanical, and electrical upgrades; new offices, health exam room, and renovated community room; in-unit cosmetics; and ADA improvements. Partnered with the Institute on Aging to provide enhanced resident services onsite, MHC has demonstrated success in implementing a service model that is complimentary and supportive to the needs of the residents during construction.</p>
Developer Role	General Partner
Current Project Status	Construction
Total Number of Residential Units	113
Unit Mix	97 studios; 15 one-bedrooms; 1 two-bedroom
Total Residential Square Footage	81,805 sf
Population Served	Approximately 80% senior, 20% younger disabled; households below 50% of AMI
Construction Type	Occupied Rehab; Type I Reinforced Concrete
Green Building Features	10% improvement in energy efficiency
Construction Start Date	November 2015
Construction Completion Date (estimated)	March 2017
Total Development Cost	\$38,871,000

Development Team	<p>Japanese American Religious Federation Housing, Inc. (Co-Developer) The John Stewart Company (Co-Developer) Institute on Aging (Service Provider) Mercy Housing Management Group Paulett Taggart Architects Nibbi Brothers (General Contractor)</p>
Financing Sources	<p>4% Low Income Housing Tax Credit Equity Tax Exempt Bond Construction/Perm Loan Bank of America Ari Beliak, (415) 913-3215</p> <p>San Francisco Housing Authority – Seller Carryback Mortgage Barbara T. Smith, (415) 715-5200</p> <p>GP Equity</p> <p>HUD Project Based Section 8</p>
Urban Redevelopment Area (Y/N)	N

Mercy Housing California - Completed Projects

Rental Housing

*All Offices - Grouped by Office - Phases: All 'completed' phases
Sorted by Certificate of Occupancy Date (in descending order), then by Population Served*

Sacramento Office

<i>Project Name</i>	<i>City</i>	<i># of Units</i>	<i>Population Served</i>	<i>C of O Date</i>
Nearby Lagoon (Resyndication)	Santa Cruz	95	Families	3/31/14
Auburn Senior	Auburn	60	Seniors	12/19/13
Esparto Family Apartments - Phase I	Esparto	40	Families - Farmworker	12/5/13
7th and H Street	Sacramento	150	Special Needs - Homeless Individuals	8/8/13
Sunset Lane Apartments	Shingle Springs	40	Families	8/6/13
Gleason Park	Stockton	93	Families	5/25/11
Boulevard Court (aka Budget Inn)	Sacramento	75	Special Needs - Homeless Individuals	5/23/11
Mercy Village Folsom	Folsom	81	Families	12/31/08
Martin Luther King Village (aka Golden Day)	Sacramento	80	Special Needs - Homeless	11/25/08
Colonia San Martin	Sacramento	60	Special Needs - Individuals Homeless/HIV/AIDS	11/15/08
Arden Aire	Sacramento	53	Families - Homeless	9/30/08
Villa Amador	Brentwood	96	Families	4/30/08
Senior Safe House (WIND)	Sacramento	6	Special Needs - Individuals (Transitional - Seniors)	3/31/08
Creekview Manor (Folsom Senior)	Folsom	138	Seniors	12/31/07
Grizzly Hollow III	Galt	54	Families	9/29/06
Serna Village	Mcclellan	84	Special Needs - Homeless	6/30/06
Mercy Oaks Village	Redding	63	Seniors	6/15/06
White Rock Village	El Dorado Hills	168	Families	5/1/05
Pinewood Court Apts.	Williams	72	Families	12/21/04
Countrywood Apartments	Linda	65	Families	5/1/04
Diamond Sunrise II	Diamond Springs	16	Seniors	1/29/03
Foster Youth La-Mancha (Casey Great Start)	Sacramento	6	Special Needs - Foster Youth	9/30/02
Aids Housing Alliance (Steven's Place)	Sacramento	16	Special Needs - Individuals Homeless/HIV/AIDS	8/31/02
Park Terrace	Yuba City	80	Families	2/15/02

Mercy Housing California - Completed Projects

Rental Housing

*All Offices - Grouped by Office - Phases: All 'completed' phases
Sorted by Certificate of Occupancy Date (in descending order), then by Population Served*

Sacramento Office

(Continued...)

<i>Project Name</i>	<i>City</i>	<i># of Units</i>	<i>Population Served</i>	<i>C of O Date</i>
Odd Fellows Building	Live Oak	14	Seniors	12/30/00
Riverview Homes	Truckee	39	Families	12/1/00
Beverly Terrace Apartments	Linda	40	Families	5/31/00
Tahoe ValleyTownhomes	South Lake Tahoe	70	Families	12/1/99
Kennedy Estates	Sacramento	100	Families	1/1/99
Russell Manor	Sacramento	66	Seniors	12/1/98
Folsom Gardens I	Folsom	48	Families	2/1/98
Folsom Gardens II	Folsom	47	Families	2/1/98
Bishop Quinn Cottages	Sacramento	60	Special Needs - Homeless Individuals	11/12/97
Quinn Cottages (Resyndication)	Sacramento	60	Special Needs - Homeless Individuals	11/12/97
Lance Apartments	Carmichael	74	Families	1/24/97
Village Park Apartments	Sacramento	50	Families	2/1/96
Crossroad Gardens	Sacramento	70	Families	1/1/95
St. Francis Terrace	Sacramento	48	Families	6/1/94
Sunset Valley Duplexes	Wheatland	88	Families	1/1/94
Bear Mountain	San Andreas	20	Seniors	1/1/93
Park Village	Stockton	208	Families	4/1/92
Diamond Sunrise I	Diamond Springs	24	Seniors	2/1/84

Number of Projects: 42

Total Units: 2,817 for the Sacramento Office

San Francisco Office

<i>Project Name</i>	<i>City</i>	<i># of Units</i>	<i>Population Served</i>	<i>C of O Date</i>
6600 Third Street	San Francisco	73	Families - Homeless	11/18/13
Coastside Adult Community Center	Half Moon Bay	40	Seniors	10/1/13

Mercy Housing California - Completed Projects

Rental Housing

*All Offices - Grouped by Office - Phases: All 'completed' phases
Sorted by Certificate of Occupancy Date (in descending order), then by Population Served*

San Francisco Office

(Continued...)

<i>Project Name</i>	<i>City</i>	<i># of Units</i>	<i>Population Served</i>	<i>C of O Date</i>
Arlington Hotel	San Francisco	154	Special Needs - Individuals	4/22/13
School House Station/Vista Grande Rehab	Daly City	46	Families	4/16/13
Madonna Residence	San Francisco	70	Special Needs - Individuals	10/29/12
Richardson Apartments	San Francisco	120	Special Needs - Homeless	8/30/11
Westbrook Plaza	San Francisco	49	Families	12/20/10
9th and Jessie Senior	San Francisco	107	Seniors - Homeless	7/29/10
10th & Mission Family	San Francisco	136	Families	9/15/09
East Leland Court	Pittsburg	63	Families	4/15/09
Kent Gardens (Ashland, Kent Street Senior)	San Lorenzo	84	Seniors	5/28/08
Casa Verde	San Leandro	68	Families	5/9/08
Essex Hotel	San Francisco	84	Special Needs	2/15/08
Martinelli House	San Rafael	66	Seniors	12/30/07
Mission Creek (aka Mission Bay)	San Francisco	140	Seniors	3/15/06
Garden Park Apartments	Pleasant Hill	28	Special Needs (Homeless Families)	3/30/05
Leland - Polk Street Senior Community	San Francisco	72	Seniors - Homeless	1/15/05
Carter Terrace	San Francisco	101	Families	12/23/04
Derek Silva	San Francisco	69	Special Needs - Individuals Homeless/HIV/AIDS	7/15/04
Gault Street Senior Housing	Santa Cruz	37	Seniors	6/23/04
Padre Apartments	San Francisco	41	Seniors	3/15/04
Nueva Vista	Santa Cruz	48	Families	12/1/03
Village Community Center	San Francisco		Families	12/1/03
Dudley Apartments	San Francisco	75	Special Needs (Homeless Families)	10/31/03
Marlton Manor	San Francisco	151	Special Needs - Individuals	8/15/03
John King Senior Community	San Francisco	91	Seniors	3/28/02

Mercy Housing California - Completed Projects

Rental Housing

*All Offices - Grouped by Office - Phases: All 'completed' phases
Sorted by Certificate of Occupancy Date (in descending order), then by Population Served*

San Francisco Office

(Continued...)

<i>Project Name</i>	<i>City</i>	<i># of Units</i>	<i>Population Served</i>	<i>C of O Date</i>
Canon Barcus	San Francisco	48	Special Needs - Homeless Individuals	12/31/01
Presentation Senior Community	San Francisco	93	Seniors	4/1/01
Heritage Homes	San Francisco	148	Families	4/20/00
Britton Street Apartments	San Francisco	92	Families	3/30/00
Hamilton Family Center	San Francisco	25	Special Needs (Homeless Families, Transitional Housing)	2/24/00
Osocales Community	Soquel	28	Families - Mobile Home	11/30/99
Freedom Boulevard Cottages	Santa Cruz	7	Families	1/1/99
Above The Line	Santa Cruz	20	Special Needs - Transitional Aged Youth	1/1/99
Ozanam Center	San Francisco	100	Special Needs - Homeless Individuals	11/19/98
Sycamore Street Commons	Santa Cruz	60	Families	12/16/97
Leland House	San Francisco	48	Special Needs - Individuals Homeless/HIV/AIDS	12/14/97
Rose Hotel	San Francisco	76	Special Needs - Homeless Individuals	11/5/97
Notre Dame Plaza	San Francisco	66	Seniors	10/29/97
School House Station	Daly City	47	Families	10/16/97
Maria B. Freitas	San Rafael	62	Seniors	10/1/97
Eden House Apartments	San Leandro	116	Families	9/1/97
Hamilton Apartments	Oakland	92	Special Needs - Homeless Individuals	7/25/97
Bermuda Garden Apartments	San Leandro	80	Families	7/1/97
Richmond Hills	San Francisco	13	Special Needs - Transitional Aged Youth	2/15/97
La Playa Apartments	Santa Cruz	8	Families	1/1/97
El Centro	Santa Cruz	45	Seniors	1/1/97
205 Jones Street Apartments	San Francisco	50	Families	11/1/96
Vista Grande Apartments	Daly City	24	Families	6/11/96
Plaza Maria	San Jose	53	Families	9/30/95

Mercy Housing California - Completed Projects

Rental Housing

*All Offices - Grouped by Office - Phases: All 'completed' phases
Sorted by Certificate of Occupancy Date (in descending order), then by Population Served*

San Francisco Office

(Continued...)

<i>Project Name</i>	<i>City</i>	<i># of Units</i>	<i>Population Served</i>	<i>C of O Date</i>
Oceana Terrace	Pacifica	42	Seniors	9/1/95
Belmont House	Belmont	6	Special Needs - Individuals Homeless/HIV/AIDS	6/30/95
Mercy Riverside Manor	Red Bluff	24	Seniors	3/1/95
Villa Columba	Red Bluff	70	Seniors	3/1/95
Columbia Park Apartments	San Francisco	50	Families	1/1/95
1101 Howard Street Apartments	San Francisco	34	Families	12/29/94
1028 Howard Street Apartments	San Francisco	30	Families	3/18/94
Heiner House (aka Sequoia)	Santa Cruz	5	Special Needs - Individuals Homeless/HIV/AIDS	1/1/94
111 Jones Street Apartments	San Francisco	108	Families	5/1/93
Santana Apartments	Oakland	30	Families	11/30/92
St. Andrews Community	Daly City	50	Seniors	7/1/92
Padre Palou Community	San Francisco	18	Families	6/1/92
Lagoon Beach Cooperative	Santa Cruz	31	Families	1/1/92
Nearby Lagoon Cooperative	Santa Cruz	95	Families	12/18/91
Washington Steet Cooperative	Santa Cruz	8	Families	1/1/91
Mercy Family Plaza	San Francisco	36	Families	12/1/90
Monsignor Lyne Community	San Francisco	20	Seniors	12/1/89
Junipero Serra House	San Francisco	25	Special Needs - Disabled	4/1/89
Peter Claver Community	San Francisco	32	Special Needs - Individuals Homeless/HIV/AIDS	8/1/88
Bennett House	Fairfax	70	Seniors	10/1/87
Dorothy Day Community	San Francisco	100	Seniors	4/1/86
Camino Alto Apartments	Mill Valley	24	Special Needs - Individuals	11/1/83
All Hallows Community	San Francisco	45	Seniors	3/31/83
Mercy Terrace	San Francisco	158	Seniors	2/1/83

Mercy Housing California - Completed Projects

Rental Housing

*All Offices - Grouped by Office - Phases: All 'completed' phases
Sorted by Certificate of Occupancy Date (in descending order), then by Population Served*

San Francisco Office

(Continued...)

<i>Project Name</i>	<i>City</i>	<i># of Units</i>	<i>Population Served</i>	<i>C of O Date</i>
Francis of Assisi Community	San Francisco	110	Seniors	6/1/79
Downtown Villas	Santa Cruz	5	Families	1/1/55
Treasure Island Housing Development Initiative	San Francisco	86	Special Needs (Homeless Families)	

Number of Projects: 77

Total Units: 4,726 for the San Francisco Office

SoCal Office

<i>Project Name</i>	<i>City</i>	<i># of Units</i>	<i>Population Served</i>	<i>C of O Date</i>
Caroline Severance Manor	Los Angeles	85	Families	3/19/14
El Monte Veterans Village	El Monte	41	Special Needs - Homeless Individuals	2/24/14
Jefferson Park Terrace	Los Angeles	60	Families	12/13/13
Wilmington Boulevard Townhomes	Los Angeles	116	Families	3/31/08
Tierra del Sol	Cathedral City	76	Seniors	2/29/08
The Vineyard Town Homes	Anaheim	60	Families	12/21/07
St. Vincent's Gardens	Santa Barbara	75	Families	10/31/07
Villa Caridad	Santa Barbara	95	Seniors	10/31/07
Harbor View Apartments	Los Angeles	120	Families	11/28/06
1500 South Grand	Los Angeles	62	Families	9/20/05
La Costa Paloma	Carlsbad	180	Families	3/31/05
Villa Madera	Oxnard	72	Families	2/4/05
Cantabria Senior Homes	Encinitas	45	Seniors	12/15/04
Casa Alegre	Anaheim	23	Special Needs - Individuals Homeless/HIV/AIDS	12/17/03
Linbrook Court	Anaheim	81	Seniors	4/3/03
Mercy Gardens	San Diego	23	Special Needs - Individuals Homeless/HIV/AIDS	5/24/02
Mont Clair Court	Los Angeles	16	Families	11/9/99

Mercy Housing California - Completed Projects

Rental Housing

All Offices - Grouped by Office - Phases: All 'completed' phases
Sorted by Certificate of Occupancy Date (in descending order), then by Population Served

SoCal Office

(Continued...)

<i>Project Name</i>	<i>City</i>	<i># of Units</i>	<i>Population Served</i>	<i>C of O Date</i>
Tolton Court	Los Angeles	10	Families	11/9/99
The Haven	Bakersfield	24	Families	7/1/99
Casa Merced	Oxnard	41	Seniors	3/21/99
Madison Place Apartments	Bakersfield	56	Families	10/31/97
Casa San Juan	Oxnard	64	Families	12/20/96
San Felipe Homes	Los Angeles	20	Families	10/8/93

Number of Projects: 23

Total Units: 1,445 for the SoCal Office

Grand Totals (All Offices):

Number of Projects: 142

Total Units: 8,988

**Mercy Housing California
Development Pipeline**

Project	City	Development Type	Phase	Primary Financing		% Complete	Units	Population Served	Total Development Costs:
1500 Page	San Francisco	Adaptive Rehab	Construction	HUD 811	HUD 811	0%	16	Special Needs	\$ 10,301,315
UC Laguna - New Construction	San Francisco	New Construction	Development	HUD 202	HUD 202	0%	70	Senior	32,777,225
623 Vernon Street-Roseville	Roseville	New Construction	Development	LIHTC - 9%	LIHTC - 9%	0%	50	Family	20,521,406
Bill Sorro Community	San Francisco	New Construction	Construction	LIHTC - 4%	LIHTC - 4%	20%	67	Family	41,214,430
Canon Kip	San Francisco	Acquisition / Rehab	Development	LIHTC - 4%	LIHTC - 4%	0%	104	Special Needs	18,000,000
Casa de la Mision	San Francisco	New Construction	Development	HUD 202	HUD 202	0%	35	Senior	15,000,000
Colma Veterans Village	Colma	New Construction	Development	LIHTC - 4%	LIHTC - 4%	0%	63	Vets	32,030,898
Columbia Park	San Francisco	Refi / Rehab	Development	LIHTC - 4%	LIHTC - 4%	0%	50	Family	27,213,623
Courtyard Inn	Sacramento	New Construction	Development	LIHTC - 9%	LIHTC - 9%	0%	65	Special Needs	20,594,646
El Monte Baldwin Rose	El Monte	New Construction	Development	LIHTC - 9%	LIHTC - 9%	0%	55	Family	24,750,000
Esperanza Crossing Phase II	Esparto	New Construction	Development	LIHTC - 9%	LIHTC - 9%	0%	40	Family	12,406,549
Francis of Assisi	San Francisco	Acquisition / Rehab	Development	LIHTC - 4%	LIHTC - 4%	0%	110	Senior	43,041,729
Richmond Hacienda	Richmond	Acquisition / Rehab	Feasibility			0%	150	Senior	26,249,630

**Mercy Housing California
Development Pipeline**

Project	City	Development Type	Phase	Primary Financing	% Complete	Units	Population Served	Total Development Costs:
Land Park Woods	Sacramento	Acquisition / Rehab	Development	LIHTC - 9%	0%	75	Family	13,538,446
Mather Veterans Village - Phase 1	Sacramento	New Construction	Construction	LIHTC - 9%	75%	50	Vets	20,018,854
Mather Veterans Village - Phase 3	Sacramento	New Construction	Development	LIHTC - 9%	0%	50	Vets	20,000,000
Midtown Family	San Francisco	Acquisition / Rehab	Feasibility	LIHTC - 9%	0%	70	Family	30,933,392
New Dana Strand IV	Los Angeles	New Construction	Development	LIHTC - 4%	0%	88	Family	28,053,281
Pico/Robertson	Los Angeles	New Construction	Development	LIHTC - 9%	0%	41	Senior	18,923,981
Parcel O	San Francisco	New Construction	Development	LIHTC - 4%	0%	112	Family	61,741,174
Richardson Hall	San Francisco	Adaptive Rehab	Construction	LIHTC - 9%	20%	40	Senior	26,964,150
San Lorenzo Senior Housing	San Lorenzo	New Construction	Construction	HUD 202	25%	75	Senior	27,549,356
Santa Cruz Scattered Site	Santa Cruz	Rehab	Feasibility	LIHTC - 9%	0%	68	Family	20,584,111
SFHA Phase 1-1880 Pine Street	San Francisco	Refi / Rehab	Development	LIHTC - 4%	0%	113	Senior	35,239,263
SFHA Phase 1-345 Arguello	San Francisco	Refi / Rehab	Development	LIHTC - 4%	0%	69	Senior	26,716,774

**Mercy Housing California
Development Pipeline**

Project	City	Development Type	Phase	Primary Financing	% Complete	Units	Population Served	Total Development Costs:
SFHA Phase 1-491 31st Ave.	San Francisco	Refi / Rehab	Development	LIHTC - 4%	0%	75	Senior	18,750,000
SFHA Phase 2-2451 Sacramento	San Francisco	Refi / Rehab	Development	LIHTC - 4%	0%	98	Senior	24,500,000
SFHA Phase 2-2698 California St.	San Francisco	Refi / Rehab	Development	LIHTC - 4%	0%	40	Senior	10,000,000
SFHA Phase 2-1760 Bush St.	San Francisco	Refi / Rehab	Development	LIHTC - 4%	0%	108	Senior	27,000,000
St. Mary's Tower	Long Beach	Acquisition / Rehab	Feasibility	LIHTC - 4%	0%	140	Senior	35,000,000
Sunnydale Block 7-Family	San Francisco	New Construction	Development	LIHTC - 9%	0%	69	Family	29,000,000
Sunset Valley Duplexes	Sacramento	Refi / Rehab	Construction	LIHTC - 9%	80%	88	Family	14,900,000
Transbay Block 7	San Francisco	New Construction	Development	LIHTC - 4%	0%	85	Family	38,294,477
Villa de Vida	Poway	New Construction	Development	LIHTC - 9%	0%	56	Special Needs	26,100,000
Woodland - MHSA site	Woodland	New Construction	Development	LIHTC - 9%	0%	50	Family	17,500,000
						2,535	\$	895,408,710

GRANTS
MERCY HOUSING

Anonymous Family Foundation \$176,000
Bank of America Charitable Foundation \$641,500
California Community Foundation \$225,000
Citi Foundation \$592,500
Costco Wholesale \$400,000
Enterprise Community Partners \$374,000
Harry & Jeanette Weinberg Foundation \$200,000
Hearst Foundation \$349,000
JPMorgan Chase Foundation \$175,000
Kresge Foundation \$480,000
Mercy Foundation \$550,000
Strategic Healthcare Partnership \$480,000
The California Endowment \$314,000
The Home Depot Foundation \$400,000
The San Francisco Foundation \$610,000
Wells Fargo Foundation \$810,000

Community Planning, Case Study: Nueva Vista

The Nueva Vista development is in the Beach Flats neighborhood of Santa Cruz and is comprised of 48 units of affordable, rental townhomes for families. Community outreach was extensive, beginning in August of 2000 and lasting for approximately 3 years. The largely Latino population living in the complexes formerly occupying the site was a tight-knit group afraid of being driven out of their dilapidated – yet affordable – housing. As a largely immigrant population, there were many questions about the residents' eligibility for the proposed housing, and ultimately there were doubts about both city government and Mercy Housing being true to their word about making a positive impact in the neighborhood.

MHC's goal was to help residents understand that they had a voice in the development process and that they would have the opportunity to be relocated into the new housing once completed. Through strong community planning, MHC made sure residents were engaged, well-informed, and that language was not a barrier to successful community engagement.

A tenants' committee formed soon after discussions about development began. The 6-10 member committee met with Mercy Housing staff every month, and often more than once a month. As representatives for the larger community of residents, each committee member was in charge of communicating information to a small number of households. Given the high level of insecurity about relocation it was important that residents were directly engaged to the greatest extent possible. The tenant committee members also became part of the Mercy Advisory Committee, a group that had been convened early on in the process and included a wide array of community members: city government representatives, union representatives, local community based organizations, and representatives of the private business sector.



Mercy Housing hired a community development staff member, who moved to the existing complex to focus on the project. She prepared flyers in Spanish, offered translation services, and ensure that information was always presented clearly to residents. Prior to major meetings at the City Council level residents worked closely with Mercy Housing staff to coordinate and schedule one-on-one meetings with Council Members. In addition, common and individual tenant meetings were held to help residents draft and prepare public comments to be presented at City Council meetings.

From the community's input, it was clear that the neighborhood needed more than just affordable housing, and both Mercy Housing and residents took an active role in evaluating potential neighborhood improvements. Accordingly, the Nuevo Dia Child Development Center was planned, with a local human services agency as the operator. MHC also developed a community health clinic, operated by another local service organization. Finally, included in the Nueva Vista development was a permanent home for the city-run Beach Flats Community Center, which had been operating out of a trailer for many years. The continuing work between Nueva Vista operations staff and the City owned and run Beach Flats Community Center is a model of public/private cooperation in providing neighborhood-based service coordination. Ciel Cirillo, former Executive Director of the Santa Cruz Redevelopment Agency, noted of MHC's community outreach efforts:

“Mercy Housing staff engaged not only the residents who were living in the overcrowded, unsafe living conditions in the design of the new units, but also the surrounding beach front community to ensure the compatibility of the new housing with the character of the neighborhood.”

Long Beach Press Telegram (<http://www.presstelegram.com>)

Mercy Housing to take over St. Mary Tower senior complex in Long Beach

By Andrew Edwards, Press-Telegram

Wednesday, February 10, 2016

The nonprofit [Mercy Housing](#) is positioned to take over and refurbish St. Mary Tower, a senior living facility near downtown Long Beach, from [Dignity Health](#).

Dignity Health, formerly known as Catholic Healthcare West, also runs St. Mary Medical Center.

The change in ownership will make it possible for seniors living at St. Mary Tower to continue to live there without having to pay market-rate rents, according Long Beach city officials. The City Council has recently signed off on a plan designed to keep St. Mary Tower's status as an affordable housing complex in effect for 55 years.

A Dignity Health statement reported leaders of St. Mary Tower and St. Mary Medical Center approved the sale to Mercy Housing after concluding the deal would fulfill their goals of ensuring a faith-based organization would continue to be responsible for providing community health and affordable housing services at St. Mary Tower.

Dignity Health's statement went on to report the money the organization receives from the sale will be put to use to support medical, mental health and social support services for Long Beach seniors.

The statement did not include the sales price nor exact timeline for Mercy Housing's takeover.

Mercy Housing, headquartered in Denver, is sponsored by eight groups of Catholic Sisters, including the [Sisters of St. Joseph of Orange](#).

Long Beach's City Council took action on Feb. 2 to support a plan in which the [California Municipal Finance Authority](#) will issue up to \$40 million worth of tax-exempt bonds to finance Mercy Housing's purchase and renovation of St. Mary Tower, which, according to a city staff report, has nearly 150 units and was built in 1986.

Under the plan, Mercy Housing would establish a partnership to manage St. Mary Tower, which is at 1120 Atlantic Ave. Planned renovations include work to make energy and water systems more efficient, as well as enhancements to residential units and common areas.

St. Mary Tower's future revenues will be used to repay the debt and Long Beach's city government will not have to spend any money on the plan, according to the staff report.

URL: <http://www.presstelegram.com/seniors/20160210/mercy-housing-to-take-over-st-mary-tower-senior-complex-in-long-beach>

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A World Without HUD? New Approaches to Funding Affordable Senior Housing

by John Mitchell

In 2011, when both political parties were still unwilling to shut the federal government down over a budget fight, the bedrock HUD 202 program that had provided affordable capital housing funding got compromised out of existence. Suddenly, a decades-old program that had in recent years provided up to half a billion dollars a year just vanished.

“There was no policy discussion prior to the cut,” says Alayna Waldrum, housing legislative representative for LeadingAge. She explained that in the mad dash to reach a budget compromise the HUD 202 program, a nondefense discretionary spending line item in the federal budget, was an easy target. Although the program was severely cut in the previous years to \$90 million, complete elimination caught many in the affordable housing community by surprise. HUD 202 was replaced with a noncapital assistance “demonstration project” funded at a paltry \$20 million that so far has not been put to much use.



JCHE

Residents at JCHE's Shillman House make "Fellie Hearts" as part of the organization's Generations Together program. The residents sew the hearts, which are given to medical students to carry in their pockets as a reminder to be patient-centered.

JCHE's \$42 million, 150-unit Shillman project was a complicated one, involving 17 sources of funding.

On its face, this budget event was a disaster. But in discussing their response to the HUD 202 upheaval, providers demonstrated financial savvy, street smarts and compassion. With the need for low-income elderly housing continuing to escalate, a good old-fashioned cultural shift was in order.

"The writing was on the wall. Given the direction of Congress, it's not surprising this transition has occurred. But our members have proven to be quite adept. There is a growing need for senior housing and with fewer resources and no new subsidy, we had to come up with alternatives," says Thomas Bledsoe, president and CEO of the Housing Partnership Network (HPN). HPN creates partnerships between affordable housing bricks-and-mortar agencies and the business sector, government and philanthropic organizations.

One strategy HPN adopted was to retool a longstanding investment device, the Real Estate Investment Trust, REIT for short. Last year HPN led a group of a dozen not-for-profit developers to establish the country's first REIT to be owned and operated by not-for-profits and only the second to focus on affordable housing. Formed as The Housing Partnership Equity Trust, it obtained funding from such sources as Citi Corp, Morgan Stanley, Prudential Financial, the Ford Foundation and the John D. Catherine T. MacArthur Foundation.

Bledsoe says under the HUD 202 program, it could take one to two years to close a property acquisition deal by the time options and tax credits were lined up.

"It was difficult to compete against buyers looking to privatize property and maximize their revenue or flip the property," he explained. "Now, with a shared REIT among our members, it gives us power in the marketplace that we didn't have before. Now we can get a deal done in three months." He cited one recent acquisition project where this newfound ability to react quickly motivated the seller to reduce the purchase price on a property by \$5 million.

This innovative REIT model offers something for every party involved, according to Bledsoe. Sellers and for-profit investors who are committed to both social and business effectiveness can find a way to work together. Residents benefit because the REIT system creates a much more consumer-driven mindset in which the operators benefit in keeping their tenants satisfied to reduce turnover. And housing agencies have an effective new tool to meet their mission.

In a suburb of Chicago, Mercy Housing, one of the REIT owners, was able to acquire an apartment complex scheduled to be sold to a for-profit developer. With an average income of \$26,000, most of the residents would have been priced out and forced to move. According to one 64-year-old resident, the only alternative for her and her husband—if the rent on their two-bedroom apartment increased beyond the \$855 a month they now pay—would be a nursing home.

Chris Burckhardt, COO at Mercy Housing, says the REIT has expanded Mercy's ability to acquire existing properties that can be rehabilitated compared to new construction.

"It's not only faster, but there [are fewer] compliance and reporting requirements with rehab than new construction," Burckhardt points out. This factor helps keep development overheads costs down. He noted the REIT model, which Mercy is interested in expanding, allows affordable housing agencies to tap into an existing

network of socially minded capital providers. He says with the rollout of the Affordable Care Act, there is a naturally occurring interest in linking housing with health care management.

“We’re currently working with the LA Public Health Department to implement a pilot project across our healthcare system to correlate housing services to the delivery of healthcare outcomes,” Burckhardt says. “Such population management is of great interest to health care systems, which are looking for innovative ways to reduce their hospital readmissions.”

The REIT model, which Mercy is interested in expanding, allows affordable housing agencies to tap into an existing network of socially minded capital providers. With the rollout of the Affordable Care Act, there is a naturally occurring interest in linking housing with health care management.

Bledsoe says the REIT is but one alternative funding model available to members. In San Francisco, The Tenderloin Neighborhood Development Corporation (TNDC), also a HPN member, developed an innovative mixed-use project to provide a residential community for low-income elderly and residents who were formerly homeless. This model allowed TNDC to incorporate resources from state and local mental health agencies, rather than rely only on traditional affordable housing sources, such as the old HUD 202 program. These resources included tax credits, local capital and operating funds, as well as new funds available from the state of California authorized under a Mental Health Services Act Housing program.

According to Amy Schectman, president and CEO at Jewish Housing for the Elderly (JCHE) and Lizbeth Heyer, JCHE’s chief of real estate, the organization worked to develop alternative funding sources even before the HUD 202 program disappeared. JCHE’s \$42 million, 150-unit Shillman project in Framingham, MA (designated a Nationally Recognized Community of Quality by the National Affordable Housing Management Association in 2013), was a complicated project involving 17 sources of funding.

“We have to produce four separate reports a year for the different agencies, none of whom can accept combined reports,” says Heyer. But the paperwork is worth it to provide affordable living to Shillman residents whose income is too high to allow them to qualify for subsidies, but not enough to find quality living in the private housing market. The 17 loans in the project break down into four groups: traditional mortgage financing, loans from their own capital campaigns, blended loan grants and tax equity credits. The latter provided \$6 million.

Schectman stressed the importance of making aggressive “green investments” to lower annual operating costs, which she considers a de facto source of new funding. (For more on green investments, see “Smart Energy Savings in Senior Living” from the March/April LeadingAge magazine.)

“We were one of the first affordable housing sites in the country to receive an Enterprise Green Community designation, which is a meaningful alternative to LEEDS certification,” she says, referring to the role of geothermal, high-end insulation and solar panels in efficiently managing their projects.



NCR

NCR says its Stygler Commons has saved the state over \$2 million in Medicaid funds. Conversion of the structure to assisted living allowed many residents to move out of skilled nursing and into the repurposed building.

Michelle Norris, president of National Church Residences Development Corporation and senior vice president, business development & public policy with National Church Residences (NCR), agrees the HUD 202 cuts were not unexpected.

“We’ve seen it coming. The funding has been shrinking for the past 15 years; it was not the program it used to be,” she says. Norris stresses that it is key that housing providers also change their service model along with their financing. New delivery solutions are attractive to investors and donors alike, as well as government agencies and residents.

“Our residents are getting older along with our buildings. By repurposing space in combination with different funding sources, we offer better service to residents as they age. And State Medicaid offices like it because we can now save them money,” she says. Examples of this repurposing might mean replacing a market in a building with a health clinic or wellness center, or adding a commercial kitchen to allow assisted living.

She cites Stygler Commons in Gahanna, OH, as an example which has yielded the state over \$2 million in Medicaid savings. With about 50 percent of NCR’s residents being dual-eligible for Medicare and Medicaid, savings were realized when the structure was converted from affordable living to assisted living use. This allowed a significant number of its 150 residents to move from a skilled nursing facility to assisted living apartments at Stygler.

“No one wants to live in a nursing home when they can live independently,” Norris says. But nursing homes become the last resources when low-income elderly lose access to affordable housing. So if there is a platform [in a building] that we can repurpose with creative financing, it allows folks who are aging to remain in place.”

This includes 90-year-old resident John Miller, who quickly learned to relax with peace of mind from Stygler’s 24-hour care service. He is able to get daily help from staff with bathing, cleaning and three-times a week dialysis, but still maintain a strong semblance of independent living. Miller especially likes the central dining room, which was upgraded in the renovation to create the mixed-use capability.

“I do enjoy the food and not having to cook,” he reports. Residents such as Miller who are cared for proactively are happier and use fewer expensive health care resources. NCR is now looking at a sister facility next door to Stygler Commons for an additional transformational preservation project. The vision is to convert 50% of the units to affordable assisted living and to finance with a social investment bond structure.

“It is an exciting time to be in the business of housing and health care if you are willing to innovate and collaborate with many new partners,” Norris says. Even HUD is getting into the spirit of collaboration, recently changing a long-standing rule which prevented housing agencies from selling 202 properties to retain and reuse the proceeds.

According to the National Alliance to End Homelessness, the number of low-income seniors is projected to increase by one-third by 2020 and double by 2050. Seniors with no alternative to independent or assisted living housing often end up in nursing homes and emergency rooms, and are admitted to hospitals more frequently. This usage adds up to higher costs for the Medicare and Medicaid programs.

“It is an exciting time to be in the business of housing and health care if you are willing to innovate and collaborate with many new partners.” Even HUD is getting into the spirit of collaboration, recently changing a long-standing rule which prevented housing agencies from selling 202 properties to retain and reuse the proceeds.

Despite success stories, Bledsoe of HPN, who is working to organize other REIT projects, stressed that there are still great challenges in meeting the need for elderly housing.

“The fact is, if society wants to provide affordable housing to low-income elderly, subsidies of some sort will always be needed.”

Schectman of JCHE speaks passionately about the shared societal commitment to affordable elderly housing.

“I don’t understand how, as a country, we got in this situation when all the data points tell us that in the next 20-30 years we’re going to have an exploding population of seniors,” she says. “Without the 202 program, we’ll end up as a country with two major line items of spending—defense and nursing homes. These alternative sources are less efficient and less comprehensive, so we urgently need to work to restore the HUD 202 funding.”

Editor’s note: For more on creative financing for senior housing, see “Preserving a Secure Future With Multi-Source Financing” from the November/December 2013 issue.

John Mitchell is a writer and public relations consultant who lives in Cedaredge, CO.

MANAGEMENT & OPERATIONS
[HOME](#) > [MANAGEMENT & OPERATIONS](#) > AFFORDABLE HOUSING'S INFLUENTIAL WOMEN

 Posted on: March 14, 2016  1

AFFORDABLE HOUSING FINANCE

Affordable Housing's Influential Women

The real estate industry boasts few women in leadership positions. But the 10 profiled here show how affordable housing firms that value the female perspective stand to prosper.

 By [Donna Kimura](#), [Christine Serlin](#)
Jane Graf

Jane Graf leads Mercy Housing, one of the nation's mightiest affordable housing firms. She joined the organization in 1992, rose to president in 2013, and then added "CEO" to her title a year later.



Jane Graf

Graf is just the third CEO and first layperson to steer the longtime organization, which was started by the Sisters of Mercy. The organization owns and operates approximately 19,000 affordable housing units across the country.

Headquartered in Denver, the nonprofit has a workforce nearing 1,400.

This year, Mercy Housing could grow even more as it explores a possible merger with the Wheaton Franciscan Sisters. Under the proposed deal, Mercy Housing would take over Franciscan Ministries' 2,620 housing units in addition to the pending acquisition of another 1,200 units in eight states.

Graf is also pursuing new ways to deliver affordable housing and services.

"We're looking at piloting a new model of senior and special-needs supportive housing, where we can mix health-care dollars with housing dollars to very quickly come in, find opportunities, and house people with very specific and intense service needs at less cost, in a noninstitutional environment.

"We're partnering with private health-care and public health organizations," says Graf, who began her career in social services, working as a job placement coordinator for developmentally disabled adults in Oregon. She recognized that even if people did find jobs, first and foremost they all required an affordable place to live. That pushed Graf toward developing housing, a passion that continues today.

She's a board member of the Housing Partnership Network, Stewards of Affordable Housing for the Future, National Housing Trust, and, most recently, the National Equity Fund.

AFFORDABLE RESIDENTIAL SAN FRANCISCO

Vera Haile Senior Housing

BY RILEY MCDERMID
San Francisco Business Times Contributor

Like many great ideas, the new Vera Haile Senior Housing project in San Francisco began with one simple need: to expand the dining room for the St. Anthony Foundation. Since 1950, the organization has helped San Francisco's homeless and poor population in the Tenderloin. St. Anthony's modest goal quickly grew into plans for a new, affordable, safe and welcoming 10-story apartment community.

The building includes the rebuilt St. Anthony's Dining Room, its new social work center and clothing program, and Mercy Housing's 90 units of affordable housing above it. The rental project has 43 studios, 46 one bedrooms, and a two-bedroom for very low-income people age 62 or older.

Getting the project to that point was no small matter. The challenge was to fit all of St. Anthony's needs into the building with the housing. That includes finding space for community and open spaces on an 11,000-square-foot site and under the 100-foot height limit.

Sharon Christen, the project lead at Mercy Housing, said bringing together so many variables for such a highly specialized population required a lot of flexibility.

"There were many twists and turns. St. Anthony's development changed a little over time, the dining room was always a constant, but the other services they would provide and how much area they needed to provide their services changed," she said.

But the two nonprofits worked together to create individual building systems for maximum control, autonomy, and utility for each owner. The owners mutually selected the contractor and architect, determined how to split costs, pursued the building permits, negotiated an agreement for the shared spaces, and coordinated financing and construction loan closing to cooper-



DAVID WAKELY PHOTOGRAPHY

atively build the \$64 million project.

"What is significant and special is that two developers with complicated building programs, complicated financing structures found a way to make it work," said Christen.

In moments during the process when reconfigurations were needed, good communication was key, said Christen. "We had a very good working relationship with St. Anthony's," she said.

Mercy's housing development was financed using a mix of funding including federal and city dollars as well as low income tax credits. By using those resources wisely, the developers were able to find a way for residents to pay just 30 percent of their income for rent and utilities with 18 units serving formerly homeless seniors. St. Anthony's financed its dining room and social work center through new markets tax credits and private donations.

sanfrancisco@bizjournals.com

WINNER

Location: 129 Golden Gate Ave., San Francisco

Size: 90 units

Cost: \$64.57 million

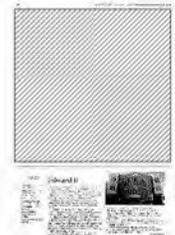
Developer: Mercy Housing California

Contractor: Nibbi Brothers General Contractors

Lead architect: HKIT Architects

Engineers: Structural Design Engineers (structural); Tommy Sui & Associates (mechanical); Bhatia & Associates (electrical); Luk and Associates (civil)

Lead law firm: Gubb & Barshay LLP; Gary Hoshiyama Law Office; Farella Braun+ Martel LLP



Need for affordable senior housing desperate and growing

By Jane Graf | March 23, 2016

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Photo: Liz Hafalia, San Francisco Chronicle

Marie Hatch, 97, who was facing eviction from her Burlingame cottage after more than 60 years, has since died.

The Bay Area was riveted last month by the story of **Marie Hatch**, a 97-year-old renter faced with eviction from the Burlingame cottage she had called home for more than 60

years. Hatch, who, sadly, has since died, lived on a fixed income and worried she wouldn't be able to find an affordable home anywhere in the area.

Three thousand miles away, senior renter Tom Wall of Annapolis, Md., is in a similar predicament. Wall, 67, retired after suffering a stroke in 2011. Facing foreclosure on his home, he moved into an apartment last summer. His wife died of cancer weeks after the move. Today, 70 percent of Wall's income, which comes entirely from Social Security, goes to his rent.

Due to rising rents and property values across the country, stories like Hatch's and Wall's are becoming more common. Seniors who struggle with rent fly largely under the radar, but the numbers are grim: Today, millions of people 65 and older live on the brink of homelessness.

Between 2005 and 2014, the number of seniors spending more than half their household income on rent rose by 34 percent nationwide, far more than the increase in the senior population during that time, according to [Make Room](#), a national campaign focused on shining a light on the serious affordability issues facing renters.

Make Room recently highlighted Wall's story in a [video](#), hosting a private concert in his living room as part of the campaign's Concerts for the 1st series, which spotlights Americans across the country who struggle to pay their high rent.

In California, nearly 290,000 senior households pay more than half their income on rent, up 40 percent from 2005, according to [Make Room's](#) analysis of census data. Nearly half of these cost-burdened renters nationwide have no income except for Social Security. Making matters worse, Social Security beneficiaries did not receive a cost-of-living adjustment this year, for only the third time in 40 years.

Federal resources for senior housing have all but disappeared. For every household that receives rental assistance from the federal government, two eligible households go without because of insufficient funds.

Millions of seniors like Wall and Hatch are forced to make excruciating decisions every

month. Many forgo much-needed medical care or food.

Unfortunately, their stories are all too familiar to me. Every time Mercy Housing opens a community for seniors in San Francisco, Seattle, Sacramento or Los Angeles, we receive several thousand applications for one of a few apartments.

For instance, we opened **Vera Haile Senior Housing in San Francisco** in 2014 and received nearly 5,000 applications for 90 homes in just two weeks.

Vera Haile was one of the last senior affordable housing complexes built in the country using the federal Section 202 program, the only source of funding dedicated to the construction of new rental housing for seniors living on fixed incomes. It's heartbreaking to know that, when the need is so great and growing, the resources and supply are so inadequate.

Wall's and Hatch's stories may be familiar to you, too. Perhaps your parents or grandparents are looking for a place to live in comfort and peace, and can't find anything affordable. Perhaps you wonder yourself how you'll weather life's unexpected storms as you age.

The issue at hand — a lack of decent, affordable housing for seniors — is reaching catastrophic proportions. Today, roughly 1 in 7 Americans is over the age of 65. As **10,000 people turn 65 every day**, that number will be 1 in 5 by 2030.

We must act now.

We need a commitment from our federal, state and local policymakers, who can act to protect seniors using tools that are already in place. They can start by paying greater attention to preserving and expanding the amount of rental assistance for low-income seniors.

We need to increase over time the annual allocation of the **Low-Income Housing Tax Credit**, America's main tool for financing new affordable housing. More than a quarter of households benefiting from this tax credit are seniors.

We need meaningful investment in supportive services in senior housing that provide proven health benefits at lower cost. At Mercy Housing’s Mission Creek Community in San Francisco, we have shown that by providing housing and supportive services to previously homeless and frail seniors, we can save millions of public dollars while dramatically improving seniors’ quality of life.

The Bay Area is one of the world’s wealthiest places, flush with one of the most creative, dynamic economies on Earth. But we owe it to our parents, our neighbors, our friends and ourselves to work toward a society where no senior has to choose between housing, medicine or food. As a society, we must do better.

Jane Graf is the president and CEO of Mercy Housing Inc. To comment, submit your letter to the editor at www.sfgate.com/submissions.

What you can do

— make a commitment

Learn about the affordable housing crisis.

Contact your legislative and congressional representatives and let them know that affordable housing is an issue you care about

San



Andy Grove: a giant of the valley



Put the spark in EV charging



San Francisco's homeless policy may get a needed jolt



IMPACT OF SERVICE-ENRICHED HOUSING ON HEALTH OUTCOMES

MAY, 2014



Nancy VanDeMark, PhD
Innovela Consulting Group

Report prepared for Mercy Housing, National Resident Services

BACKGROUND

Mercy Housing, a leading national affordable housing organization, has developed, preserved, or financed nearly 48,500 homes over the past 30 years. Mercy Housing’s mission embodies the philosophy that stable, vibrant, and healthy affordable housing does more than alleviate homelessness and enrich communities: it is a foundation for residents to improve their lives. In recognition of the challenges facing low-income communities, Mercy Housing’s resident services staff build on the platform of safe, affordable housing by providing a range of supportive services to help residents develop the skills and resources needed to flourish. This combination of affordable housing and resident services, or *service-enriched housing*, is the foundation for Mercy Housing’s work in communities.

Since good health establishes the groundwork for a stable future, resident services staff facilitates residents’ access to health insurance, health care, and preventive services to support residents in creating a healthy lifestyle. As one component of its efforts to understand the impact of these services, Mercy Housing launched its first annual resident survey in 2012. In an ambitious effort to gather information from residents on their health, Mercy Housing conducted a survey of the 12,000 households where resident services are provided. During 2012 and again in 2013, approximately 55% of the households participated. Each of the two surveys gathered information on the health status of over 10,000 residents across 160 properties and 11 states.¹

This report highlights the impact of service-enriched housing on residents’ health by examining change in the 1,095 residents who moved in during the 12 months prior to the 2012 Annual Resident Survey and then later participated in both the 2012 and 2013 Annual Resident Surveys. This analysis is intended to isolate the impact of the combination of stable, affordable housing and resident services on the group of new residents surveyed.

AGE, GENDER, AND RACE

The residents whose outcomes are described in this report were housed across properties serving families, seniors, and people with special needs. As shown in Table 1, over half of the 1,095 residents included in the sample were adults ages 18-64. One third of the participating residents were children, and one-fifth were adults ages 65 and older. Sixty percent of the group was female and 40% male. Table 2 illustrates the racial identification of the sample, showing that 40% identified as White and 30% identified as Black or African American.

Table 1: Age Group
N=1056

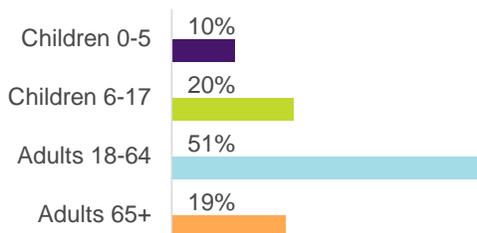
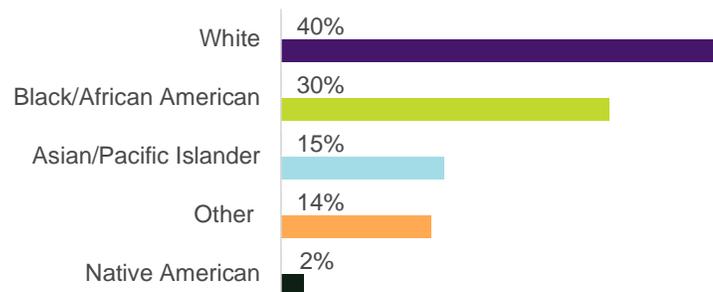


Table 2: Race
N=1056

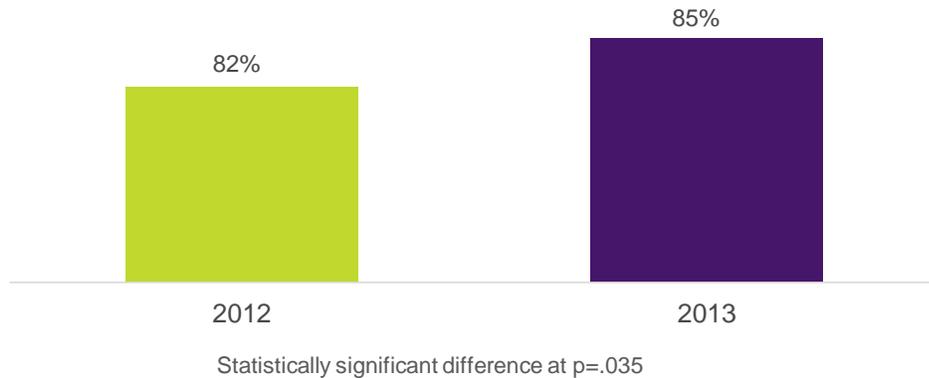


¹ Additional information on the methodology and findings from the Annual Resident Surveys can be found at <http://www.mercyhousing.org/file/RS-Annual-Survey-Report-2012.pdf>

HEALTH INSURANCE

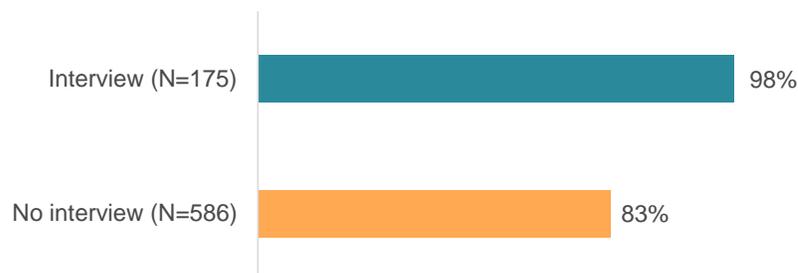
Residents experienced improvement in their health insurance status during their first year in service-enriched housing. As shown in Table 3, the percentage of residents enrolled in health insurance increased in the residents' first year at Mercy Housing from 82% in 2012 to 85% in 2013.

Table 3: Percentage of Residents with Insurance
N= 1095



In addition, residents who participated in resident services were more likely to have health insurance than those who did not participate. As residents move into service-enriched housing, resident services staff offer to conduct a health interview. In the health interview, resident services staff reviews the residents' health insurance status and access to health care. Staff then provides residents with information and referrals to assist residents in accessing health insurance benefits and locating and scheduling health care. Table 4 demonstrates that nearly all (98%) of the residents who participated in the initial health interview with resident services staff had health insurance at the time of the 2013 survey as compared with 83% of the new residents who did not participate in the health interview. These figures suggest that the health interview was effective in assisting residents in accessing health insurance.

Table 4: Percentage of Residents with Insurance in 2013



Statistically significant difference at $p<.001$

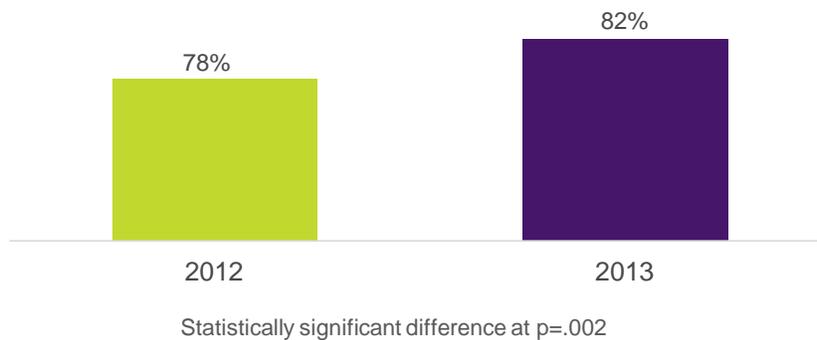
HEALTH CARE ACCESS

The domain of health care access included questions about routine care, emergency room visits, and hospital stays.

Routine Checkups

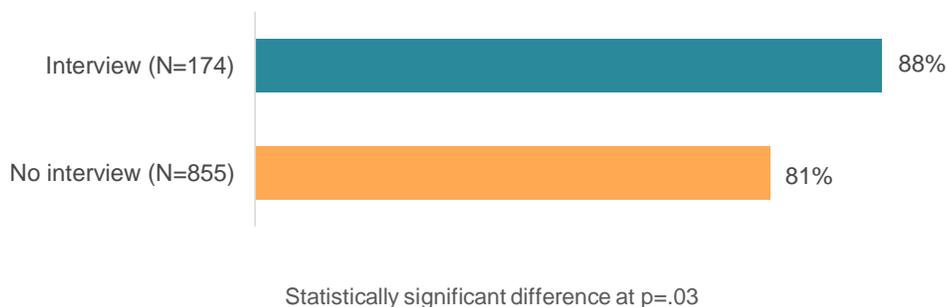
Residents experienced improvement in their access to routine health care during their first year in service-enriched housing. Table 5 indicates that 82% of the residents had a routine checkup in the year prior to the 2013 survey as compared with 78% who reported having a routine checkup in the year prior to the 2012 survey. As might be expected, participating in a routine checkup was correlated with having health insurance ($r=.259$) for this group of new residents.

Table 5: Percentage of Residents with Routine Checkup N=1029



Residents participating in resident services were more likely to have routine care than those who did not participate in services. Table 6 demonstrates that residents who participated in the health interview with resident services staff were more likely than those who did not participate in the health interview to have a routine checkup in 2013. This finding suggests that the initial health interview with resident services staff can be an effective approach to increasing access to routine health care for residents in affordable housing.

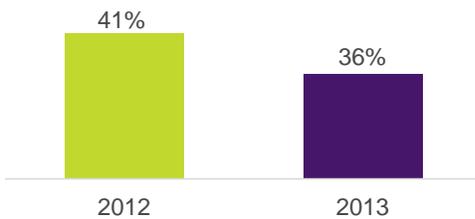
Table 6: Percentage of Residents with Routine Checkup in Last Year



Emergency Room Visits

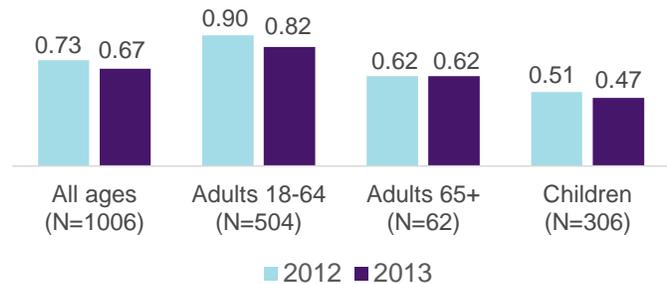
Residents experienced fewer emergency room visits in 2013 as compared with 2012. Table 7 shows that of the 1045 residents participating in both surveys who responded to the question on emergency room visits, 41% had been to the emergency room in the year prior to the 2012 survey and only 36% went to the emergency room in the year prior to the 2013 survey. As shown in Table 8, the average number of emergency room visits declined for adults 18-64 and for children, although this change was not statistically significant. As might be expected, having emergency room visits in 2013 and having poor health showed a small correlation ($r=.271$), but emergency room visits were not correlated with having health insurance.

**Table 7: Percentage of Residents with Emergency Room Visits
N=1045**



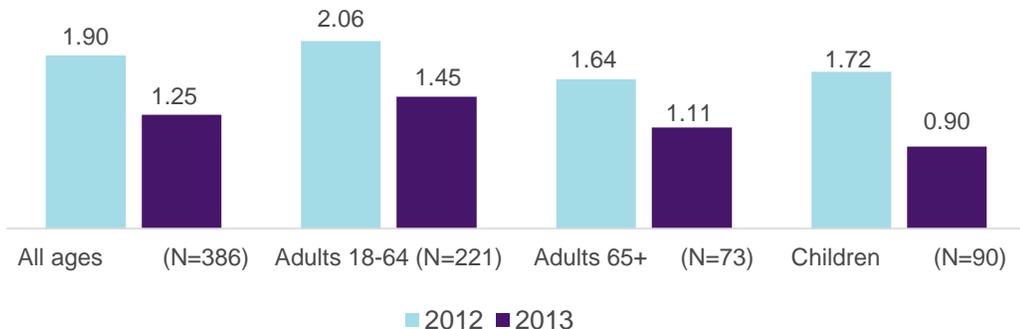
Statistically significant difference at $p=.01$

Table 8: Change in Average Number of Emergency Room Visits



The change in emergency room visits from 2012 to 2013 was dramatic for residents who had a history of visits to the emergency room in the year prior to the 2012 survey. When including only the 386 new residents who reported one or more emergency room visits in the 2012 survey and examining their change in emergency room use between 2012 and 2013, the analysis indicates that, on average, residents with histories of trips to the emergency room visited the emergency room an average of 1.25 times in 2013 as compared with 1.9 visits in 2012 (Table 9). A reduction was seen across all age groups—older adults, adults ages 18-64, and children.

Table 9: Change in Average Number of Emergency Room Visits for Residents with One or More Emergency Room Visits in 2012

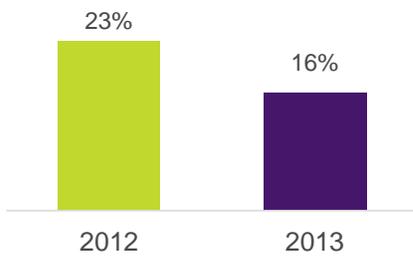


Statistically significant difference at $p<.001$

Hospital Stays

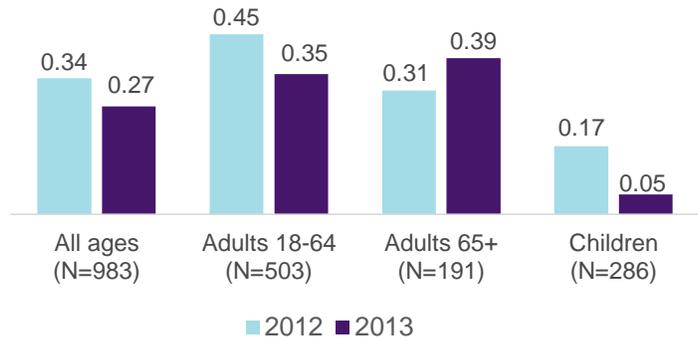
Hospitalizations among residents in their first year of housing were also reduced. As demonstrated in Table 10, nearly one-quarter of residents had a hospital stay in the year prior to the 2012 survey and only 16% reported a hospital stay in 2013. When comparing changes in the average number of hospital stays across the 2 years for the subgroup of residents who reported having one or more hospital stays in 2012, analysis shows significant reductions in hospitalization rates for adults 18-64 and for children (Table 11). Older adults had slightly more hospitalizations; however, the increase for older adults was not statistically significant. The slight increase in hospitalization rates for older adults is not surprising given that older adults are naturally facing worsening health.

Table 10: Percentage of Residents with Hospital Stays
N=1032



Statistically significant difference at $p < .001$

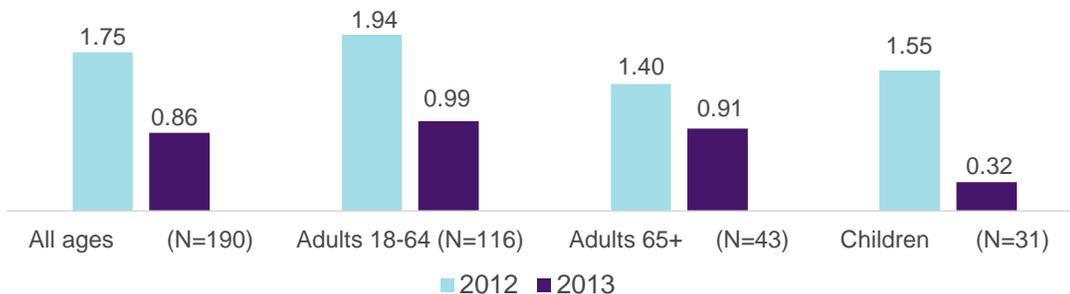
Table 11: Change in Average Number of Hospitalizations



Statistically significant difference at $p < .05$ with exception of Adults 65+

For residents with a history of hospitalization, including older adults, there was a significant reduction in hospitalization rates from 2012 to 2013. Residents who had been in the hospital one or more times in the year before the 2012 interview had an average reduction of nearly one stay per year in the following year. As shown in Table 12, this reduction was seen across adults ages 18-64, older adults, and children, with children experiencing the largest reduction from 1.25 stays in 2012 to .32 stays in 2013.

Table 12: Change in Average Number of Hospitalizations for Residents with One or More Hospital Stays in 2012

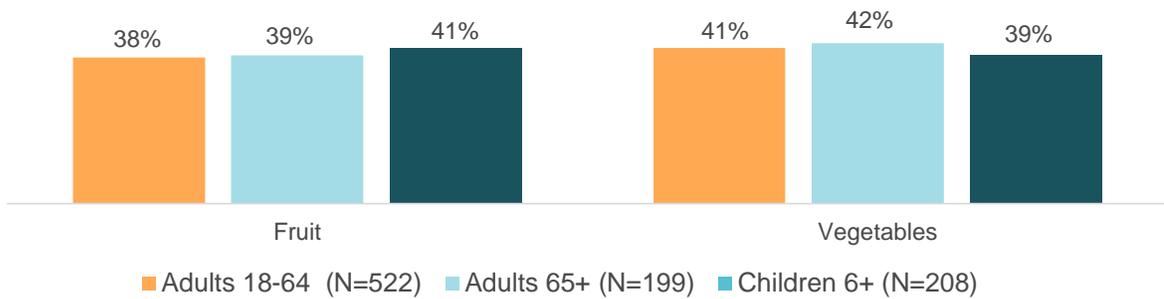


Statistically significant difference at $p < .02$

HEALTHY BEHAVIORS

Residents improved in their healthy eating behaviors in their first year of residence. Table 13 illustrates the percentage of residents who reported increasing the number of times they ate fruits and vegetables in the prior month. Thirty-nine percent of residents showed an increase in the frequency of eating fruits and 40% reported an increase in the frequency of eating vegetables. These increases were seen across all age groups; however the increases were smaller for children.

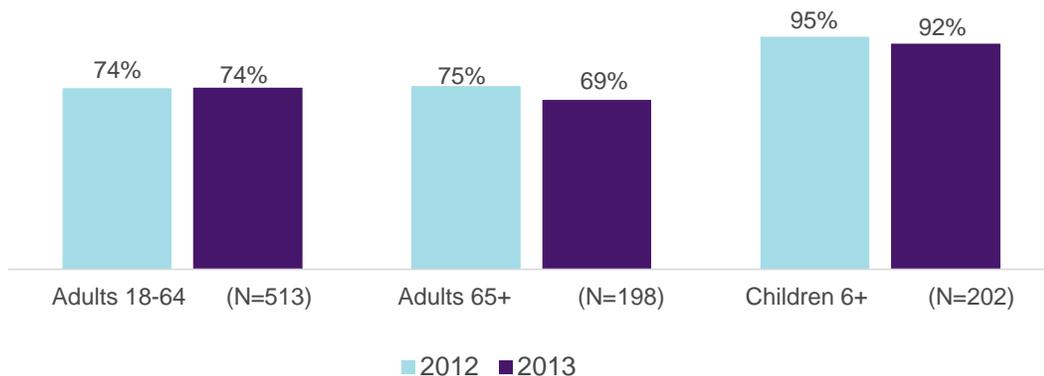
Table 13: Percentage of Residents with Increase in Times Eating Fruits and Vegetables from 2012 to 2013



Statistically significant difference in Adults 18-64 and Adults 65+ at $p < .05$

Residents experienced no change in their physical activity level. As shown in Table 14, the proportion of residents participating in some physical activity was stable for adults 18-64 but decreased slightly for adults 65 and older and for children. None of the changes in physical activity from 2012 to 2013 were statistically significant.

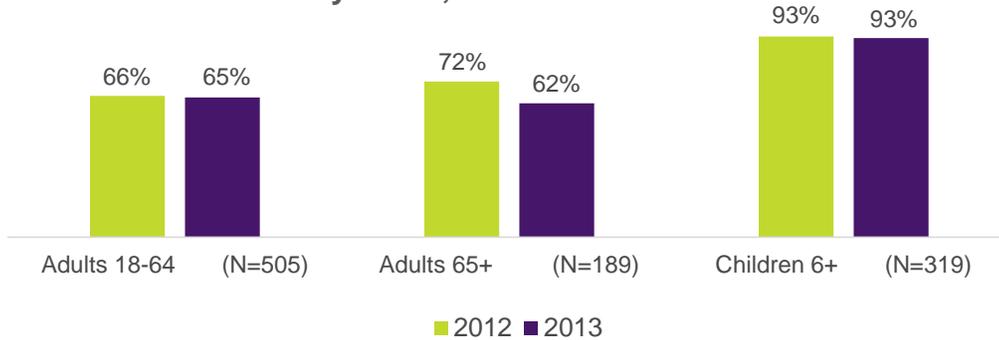
Table 14: Percentage of Residents Engaging in Physical Activity in Past Month



OVERALL HEALTH

The overall health for residents ages 18-64 and for children was stable in the first year of residence with Mercy Housing. Table 15 shows that no significant improvement or decline was found between the 2012 interview and the 2013 interview. As expected, the health of older adults declined during that 1-year period, and a moderate correlation was found between age and poorer overall health ($r = .339$).

Table 15: Percentage of Residents in Good, Very Good, or Excellent Health

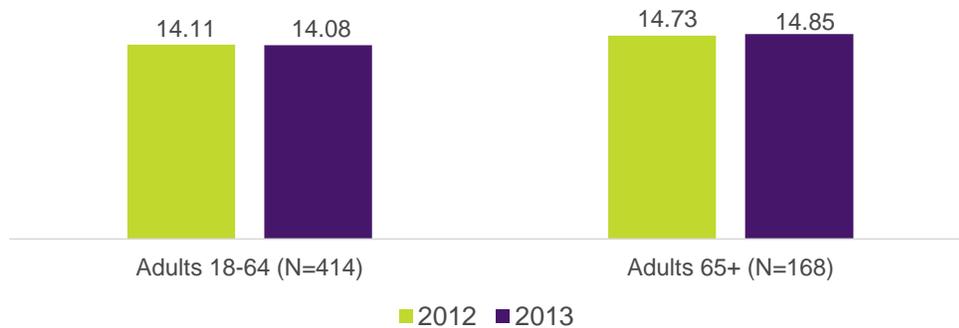


Statistically significant difference for Adults 65+ at $p=.003$

EMOTIONAL WELLBEING

The emotional wellbeing of adult residents was also stable in the first year of residence. This trend was found for adults 18-64 and adults 65 and older. Emotional wellbeing included residents' responses to three emotional wellbeing questions—feeling downhearted and blue, feeling down in the dumps, and describing oneself as a happy person. In addition, the responses to these three questions added together formed a composite score for the Mental Health Inventory-3. As shown in Table 16, no significant difference was found in the composite score from 2012 to 2013.

Table 16: Average Score on Mental Health Inventory-3



Scores range from 3-18 with higher scores indicating greater emotional wellbeing

CONCLUSIONS

This analysis examining the change in Mercy Housing residents who moved in during the 12 months prior to their first survey suggest that service-enriched housing has a positive influence on intermediate outcomes such as access to health insurance and health care and use of emergency rooms and hospitalizations. It further suggests that specific resident services interventions such as the health interview are effective in helping resident access health care. Additionally, this analysis presents some evidence that resident services may be effective in influencing behaviors such as healthy eating, although the trends are mixed across age groups and specific health-related behaviors.

The lack of change in longer-term outcomes such as overall health and emotional wellbeing is not surprising. First, age is clearly a factor influencing the overall health for older adults, and although service-enriched housing may be successful in extending independent living, it is not likely to bend the natural curve of the health problems associated with older age. For younger people, changes in overall health may be outcomes that are too distal to be captured in a 1-year period. Nonetheless, the positive trends in the intermediate outcomes of access to health insurance and routine care indicate that service-enriched housing may exert a positive impact on overall health over the long term.

Despite the strong and consistent findings that new residents have improved access to health insurance and health care and reduced use of acute care services, a number of limitations suggest that these findings be interpreted with caution. The biggest limitation is that because no comparison or control group is available, we cannot be absolutely sure that service-enriched housing “caused” the changes in outcomes. A detailed account of the limitations associated with the annual resident survey is found in the full 2012 report,² and a disclosure of the statistical tests and their results are found in an appendix to this report.

In summary, the findings presented here strongly suggest that the service-enriched housing provided by Mercy Housing exerts a positive influence on residents, providing the support needed for residents of all ages to improve and sustain their health and to live independently for as long as possible.

² Additional information on the methodology and limitations of the Annual Resident Surveys can be found at <http://www.mercyhousing.org/file/RS-Annual-Survey-Report-2012.pdf>

APPENDIX A: TYPES OF STATISTICAL ANALYSES CONDUCTED

Table 1 and Table 2: Frequencies of demographic variables for the sample included in the analysis

Table 3: McNemar Chi-square test comparing the proportion of the sample reporting that they had health insurance across the 2012 and 2013 surveys; $p=.035$

Table 4: Pearson Chi-square test to examine differences in insurance status between the group of residents who participated in a health interview with the group of residents who did not participate in a health interview; $\chi^2=17.88$, $df=1$, $p<.001$

Table 5: McNemar Chi-square comparing the proportion of the sample having a routine checkup across the 2012 and 2013 surveys; $p=.002$

Table 6: Pearson Chi-square test to examine differences in having a routine checkup between the group of residents who participated in a health interview and the group of residents who did not participate in a health interview; $\chi^2=4.54$, $df=1$, $p=.030$

Table 7: McNemar Chi-square comparing the emergency room visits for the entire sample across the 2012 and 2013 surveys; $p=.010$

Table 8: Wilcoxon Paired test examining the change in the responses of the sample on the number of emergency room visits they had in the 2012 and 2013 surveys; All ages- $Z=1.38$, $p=.166$; Adults 18-64 - $Z=1.44$, $p=.149$; Adults 65+ - $Z=.057$, $p=.955$; Children - $Z=.484$, $p<.629$

Table 9: Wilcoxon Paired test examining the change in the responses of the sub-sample who reported at least one emergency visit in the 2012 survey on the number of emergency room visits they had in the 2012 and 2013 surveys; All ages - $Z=8.218$, $p<.001$; Adults 18-64 - $Z=5.516$, $p<.001$; Adults 65+ - $Z=3.545$, $p<.001$; Children - $Z=5.370$, $p<.001$

Table 10: McNemar Chi-square comparing the hospital stays for the entire sample across the 2012 and 2013 surveys; $p<.001$

Table 11: Wilcoxon Paired test examining the change in the responses of the sample on the number of hospital stays they had in the 2012 and 2013 surveys; All ages - $Z=2.305$, $p=.021$; Adults 18-64 - $Z=2.012$, $p=.044$; Adults 65+ - $Z=1.232$, $p=.218$; Children - $Z=2.998$, $p<.001$

Table 12: Wilcoxon Paired test examining the change in the responses of the sub-sample who reported at least one hospital stay in the 2012 survey on the number of hospital stays they had in the 2012 and 2013 surveys; All ages - $Z=7.912$, $p<.001$; Adults 18-64 - $Z=6.141$, $p<.001$; Adults 65+ - $Z=2.516$, $p=.012$; Children - $Z=4.763$, $p<.001$

Table 13: Wilcoxon Paired test examining the change in the responses of the sample on the number of times they ate fruit and the number of times they ate vegetables in the 2012 and 2013 surveys;

Fruit - All ages - $Z=3.298$, $p=.001$; Adults 18-64 - $Z=1.971$, $p=.049$; Adults 65+ - $Z=2.234$, $p=.025$; Children 6+ - $Z=1.1690$, $p=.091$

Vegetables - All ages - $Z=3.741$, $p<.001$; Adults 18-64 - $Z=2.898$, $p=.004$; Adults 65+ - $Z=2.279$, $p=.023$; Children 6+ - $Z=1.129$, $p=.259$

Table 14: McNemar Chi-square comparing the proportion of the sample reporting participating in exercise in the 2012 and 2013 surveys; All Ages - $p<.001$; Adults 18-64 - $p=1.0$; Adults 65+ - $p=.177$; Children 5+ - $p=.327$

Table 15: McNemar Chi-square comparing the proportion of the sample reporting good, very good, or excellent health in the 2012 and 2013 surveys; All Ages - $p<.008$; Adults 18-64 - $p=.791$; Adults 65+ - $p=.003$; Children 6+ - $p=.740$

Table 16: Paired t-test comparing the sample's mean scores on the Mental Health Inventory-3, a composite of the responses to the three emotional well-being questions, in 2012 and 2013; Adults All Ages - $t=.097$, $p<.923$; Adults 18-64 - $t=189$, $p=.850$; Adults 65+ - $t=.554$, $p=.581$



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Mercy Housing, Inc.

**Consolidated Financial Statements
(unaudited)**

December 31, 2015 and 2014



mercy HOUSING

Live in Hope

Mercy Housing, Inc.

**Consolidated Statements of Financial Position
December 31, 2015 and 2014**

	2015	2014
Assets		
Current assets		
Cash and cash equivalents	\$ 37,771,876	\$ 26,726,910
Cash, tenant security deposits	7,175,045	6,720,386
Cash, restricted	33,433,290	51,140,344
Investments	550,000	450,000
Investments, restricted	255,804	7,273
Accounts receivable, net	7,660,904	6,089,294
Pledges receivable, net	847,812	828,604
Grants receivable	6,416,878	2,353,433
Current portion of notes and interest receivable	13,973,595	13,048,552
Prepaid expenses and other assets	2,939,678	5,529,443
Inventory	70,385	1,490,643
Assets held for sale	539,593	539,593
Total current assets	111,634,860	114,924,475
Property and equipment, net	1,891,722,349	1,817,693,760
Other long-term assets		
Restricted property reserves	125,441,566	119,631,077
Long-term investments	6,300,000	6,350,000
Long-term investments, restricted	1,150,000	2,250,000
Pledges receivable, net	1,091,098	1,542,662
Investments in unconsolidated entities, net	1,127,092	1,033,388
Notes and interest receivable, net	31,033,859	29,996,839
Other assets, net	41,236,344	37,515,181
Total other long-term assets	207,379,959	198,319,147
Total assets	\$ 2,210,737,168	\$ 2,130,937,382

Mercy Housing, Inc.

**Consolidated Statements of Financial Position
December 31, 2015 and 2014**

	2015	2014
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ 56,883,996	\$ 48,516,503
Accrued interest	3,937,400	3,107,051
Current portion of notes payable	84,455,616	92,386,795
Deferred revenue and other liabilities	5,488,949	33,561,119
Tenant security deposits	7,155,933	6,824,920
	<u>157,921,894</u>	<u>184,396,388</u>
Long-term liabilities		
Accrued interest	93,068,604	83,539,830
Notes payable, less current portion, net	1,149,848,921	1,079,618,115
Deferred revenue and other liabilities	37,453,055	38,944,323
	<u>1,280,370,580</u>	<u>1,202,102,268</u>
Total liabilities	<u>1,438,292,474</u>	<u>1,386,498,656</u>
Commitments	-	-
Net assets		
Unrestricted net assets, controlling	32,320,306	40,250,750
Unrestricted net assets, noncontrolling	520,367,923	487,395,322
	<u>552,688,229</u>	<u>527,646,072</u>
Temporarily restricted net assets	216,354,465	213,390,654
Permanently restricted net assets	3,402,000	3,402,000
	<u>772,444,694</u>	<u>744,438,726</u>
Total net assets	<u>772,444,694</u>	<u>744,438,726</u>
Total liabilities and net assets	<u>\$ 2,210,737,168</u>	<u>\$ 2,130,937,382</u>

Mercy Housing, Inc.

**Consolidated Statements of Activities
Year Ended December 31, 2015**

	Programs							Total	Unrestricted	Temporarily Restricted	Permanently Restricted
	Property Operations & Management	Resident Services	Housing Development	Mercy Loan Fund	Neighborhood Stabilization	Corporate Operations					
Revenues	\$ 162,060,498	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 162,060,498	\$ 162,060,498	\$ -	\$ -	
Rent - net of vacancies	-	-	10,176,486	-	-	-	10,176,486	10,176,486	-	-	
Developer fees	643,616	126,658	123,368	-	-	200,498	1,094,140	1,094,140	-	-	
Services fees	275,902	7,545,410	3,912,641	199,220	5,000	3,647,773	15,585,946	6,056,924	9,529,022	-	
Philanthropy	897,155	(112)	8,774,936	-	-	-	9,671,979	2,459,493	7,212,486	-	
Capital grants	24,640	169,901	305,363	-	2,359,873	-	2,859,767	2,859,767	-	-	
Consulting	664,422	4,057	69,593	1,805,819	12,996	-	2,678,649	2,653,912	24,737	-	
Interest	9,559,874	99,142	350,993	674,609	15,167	-	10,878,357	10,878,357	-	-	
Other	-	-	-	-	-	-	-	-	-	-	
Release of restricted assets	-	-	-	-	-	-	13,802,434	13,802,434	(13,802,434)	-	
Total revenues	174,126,107	7,945,056	23,713,370	2,679,648	2,393,036	4,148,605	215,005,822	212,042,011	2,963,811	-	
Expenses and losses											
Compensation	49,132,654	9,341,006	8,066,532	911,888	1,460,620	9,849,203	78,761,903	78,761,903	-	-	
Administrative	11,117,345	1,368,762	1,161,581	75,066	202,280	3,210,685	17,135,719	17,135,719	-	-	
Professional services	6,960,298	611,305	1,260,431	61,852	281,138	523,583	9,698,607	9,698,607	-	-	
Depreciation and amortization	89,012,755	-	63,999	-	4,434	16,839	89,098,027	89,098,027	-	-	
Grants	86,347	106,707	45,605	-	19,160	3,000	260,819	260,819	-	-	
Facility	59,399,819	12,954	529,830	83	137,018	822,765	60,902,469	60,902,469	-	-	
Interest and fees	28,730,633	144	207,379	900,631	30,012	1,030,894	30,899,693	30,899,693	-	-	
Bad debts	898,619	10,925	217,466	-	15,450	-	1,142,460	1,142,460	-	-	
Provision for impaired assets	213,191	-	14,430	140,940	-	34,147	402,708	402,708	-	-	
Project expenses	-	-	665,498	-	-	-	665,498	665,498	-	-	
Allocation	2,619,904	4,376,155	1,580,280	303,479	704,042	(9,583,860)	(10,959,932)	(10,959,932)	-	-	
(Gain)/loss on sale of assets	(8,031,191)	-	(2,936,899)	-	8,158	-	175,086	175,086	-	-	
(Gain)/loss on investment in limited partnership	1,024	-	-	-	153,250	20,812	-	-	-	-	
Total expenses and losses	240,141,398	15,827,958	10,876,132	2,393,939	3,015,562	5,928,068	278,183,057	278,183,057	-	-	
Excess (deficiency) of revenues over expenses	(66,015,291)	(7,882,902)	12,837,238	285,709	(622,526)	(1,779,463)	(63,177,235)	(66,141,046)	2,963,811	-	
Consolidated	(59,395,741)	-	(2,968)	-	-	-	(59,398,699)	(59,398,699)	-	-	
Attributable to non-controlling interest	-	-	-	-	-	-	-	-	-	-	
Excess (deficiency) of revenues over expenses attributable to Mercy Housing, Inc.	\$ (6,619,550)	\$ (7,882,902)	\$ 12,840,196	\$ 285,709	\$ (622,526)	\$ (1,779,463)	\$ (3,778,536)	\$ (6,742,347)	\$ 2,963,811	\$ -	

Mercy Housing, Inc.

**Consolidated Statements of Activities
Year Ended December 31, 2014**

	Programs							Total	Unrestricted	Temporarily Restricted	Permanently Restricted
	Property Operations & Management	Resident Services	Housing Development	Mercy Loan Fund	Neighborhood Stabilization	Corporate Operations					
Revenues	\$ 152,362,382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,362,382	\$ 152,362,382	\$ -	\$ -	
Rent - net of vacancies	-	-	10,773,848	-	-	-	10,773,848	10,773,848	-	-	
Developer fees	937,045	89,030	-	-	-	-	1,026,075	1,026,075	-	-	
Services fees	294,546	6,991,616	5,637,936	-	-	53,690	1,079,765	1,079,765	-	-	
Philanthropy	897,203	-	1,024,734	2,143,911	22,000	2,067,124	17,157,133	10,647,858	6,509,275	-	
Capital grants	-	-	-	-	-	-	1,921,937	1,034,172	887,765	-	
Consulting	15,002	176,644	477,367	-	2,638,836	-	3,307,849	3,307,849	-	-	
Interest	406,361	739	174,078	1,447,633	57,672	135,152	2,221,635	2,199,323	22,312	-	
Other	9,299,603	46,864	1,587,101	421,613	120,735	216,973	11,692,889	11,692,889	-	-	
Release of restricted assets	-	-	-	-	-	-	16,065,586	16,065,586	(16,065,586)	-	
Total revenues	164,212,142	7,304,893	19,675,064	4,013,157	2,839,243	2,472,939	200,517,438	209,163,672	(8,646,234)	-	
Expenses and losses											
Compensation	47,020,910	9,670,327	7,471,766	941,637	1,628,832	10,923,004	77,656,476	77,656,476	-	-	
Administrative	11,485,277	1,245,575	1,378,758	79,989	223,787	3,218,982	17,632,368	17,632,368	-	-	
Professional services	5,257,955	797,322	790,929	83,012	311,354	748,937	7,989,509	7,989,509	-	-	
Depreciation and amortization	82,993,427	-	62,866	-	4,434	19,969	83,080,696	83,080,696	-	-	
Grants	7,122	-	129,501	-	20,000	20,600	177,223	177,223	-	-	
Facility	58,346,907	8,070	520,929	16,530	180,384	766,190	59,839,010	59,839,010	-	-	
Interest and fees	29,029,103	80	307,262	849,529	42,331	817,027	31,045,332	31,045,332	-	-	
Bad debts	909,309	34,504	97,946	-	-	250,000	1,291,759	1,291,759	-	-	
Provision for impaired assets	100,359	-	14,430	12,643	-	-	127,432	127,432	-	-	
Project expenses	-	-	315,578	-	-	-	315,578	315,578	-	-	
Allocation	6,033,636	2,673,226	3,173,955	460,032	819,460	(13,160,309)	(2,875,200)	(2,875,200)	-	-	
(Gain)/loss on sale of assets	(2,552,893)	-	(322,307)	-	-	-	(92,674)	(92,674)	-	-	
(Gain)/loss on investment in limited partnership	(10,279)	-	(90,871)	-	-	-	-	-	-	-	
Total expenses and losses	238,620,833	14,429,104	13,850,742	2,443,372	3,230,582	3,612,876	276,187,509	276,187,509	(8,646,234)	-	
Excess (deficiency) of revenues over expenses	(74,408,691)	(7,124,211)	5,824,322	1,569,785	(391,339)	(1,139,937)	(75,670,071)	(67,023,837)	(8,646,234)	-	
Consolidated	(61,897,502)	-	88,586	-	-	-	(61,808,916)	(61,808,916)	-	-	
Attributable to non-controlling interest	-	-	-	-	-	-	-	-	-	-	
Excess (deficiency) of revenues over expenses attributable to Mercy Housing, Inc.	\$ (12,511,189)	\$ (7,124,211)	\$ 5,735,736	\$ 1,569,785	\$ (391,339)	\$ (1,139,937)	\$ (13,861,155)	\$ (5,214,921)	\$ (8,646,234)	\$ -	

Mercy Housing, Inc.

**Consolidated Statements of Changes In Net Assets
Years Ended December 31, 2015 and 2014**

	Unrestricted Net Assets			Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Net Assets
	Controlling	Noncontrolling	Total			
Balance, January 1, 2014	\$ 47,454,051	\$ 450,611,887	\$ 498,065,938	\$ 212,679,836	\$ 3,402,000	\$ 714,147,774
Contributions	-	99,638,296	99,638,296	-	-	99,638,296
Distributions	-	(565,390)	(565,390)	-	-	(565,390)
Syndication	-	(811,488)	(811,488)	-	-	(811,488)
Other Transfers	(1,988,380)	330,933	(1,657,447)	9,357,052	-	7,699,605
Excess (deficiency) of revenues over expenses	(5,214,921)	(61,808,916)	(67,023,837)	(8,646,234)	-	(75,670,071)
Balance, December 31, 2014	40,250,750	487,395,322	527,646,072	213,390,654	3,402,000	744,438,726
Contributions	-	97,767,135	97,767,135	-	-	97,767,135
Distributions	-	(5,459,781)	(5,459,781)	-	-	(5,459,781)
Syndication	-	(1,124,151)	(1,124,151)	-	-	(1,124,151)
Other Transfers	(1,188,097)	1,188,097	-	-	-	-
Excess (deficiency) of revenues over expenses	(6,742,347)	(59,398,699)	(66,141,046)	2,963,811	-	(63,177,235)
Balance, December 31, 2015	\$ 32,320,306	\$ 520,367,923	\$ 552,688,229	\$ 216,354,465	\$ 3,402,000	\$ 772,444,694

Mercy Housing, Inc.

**Consolidated Statements of Cash Flows
Years Ended December 31, 2015 and 2014**

	2015	2014
Operating activities		
Changes in net assets	\$ (63,177,235)	\$ (75,670,071)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Forgiveness of debt	(249,922)	(486,517)
Gain on sale of assets	(10,959,932)	(2,875,200)
Depreciation and amortization	89,098,027	83,080,696
Provisions for loan losses and impaired assets	402,708	127,432
(Gain) loss from investments in partnerships	175,086	(92,674)
(Gain) loss on interest rate swap contracts	56,840	1,191,343
Amortization of prepaid ground lease	48,200	44,875
Net changes in current assets and liabilities that provided (used) cash		
Cash, tenant security deposits	(454,659)	(358,246)
Accounts receivable, net	(1,571,610)	3,040,059
Grants receivable	(4,063,445)	(208,965)
Pledges receivable	432,356	(1,593,311)
Prepaid expenses and other assets	2,589,765	(1,088,156)
Inventory	1,420,258	1,843,153
Assets held for sale	-	(440,493)
Accounts payable	(4,303,924)	2,998,906
Accrued interest payable	10,359,123	6,131,873
Deferred revenue	(1,862,936)	(3,436,132)
Cash, restricted - Neighborhood Stabilization, net	49,415	600,087
Tenant security deposits liability	331,013	555,113
	18,319,128	13,363,772
Investing activities		
Net change in restricted cash and reserves	(15,853,352)	16,710,533
Net change in investments	801,469	1,775,865
Purchases of property and equipment	(137,128,398)	(177,004,242)
Net change in investments in partnerships	(268,790)	(104,884)
Net change in notes receivable	(2,151,580)	(12,257,759)
	(154,600,651)	(170,880,487)

Mercy Housing, Inc.

**Consolidated Statements of Cash Flows
Years Ended December 31, 2015 and 2014**

	2015	2014
Financing activities		
Proceeds from notes payable	208,277,174	208,020,463
Principal payments on notes payable	(144,401,084)	(147,273,628)
Financing fees	(7,732,804)	(4,662,512)
Capital contributions from investor partners	97,767,135	99,638,296
Distributions paid to investor limited partners	(5,459,781)	(565,390)
Syndication costs	(1,124,151)	(811,488)
	<u>147,326,489</u>	<u>154,345,741</u>
Net cash provided by financing activities		
Net decrease in cash and cash equivalents	11,044,966	(3,170,974)
Cash and cash equivalents at beginning of year	<u>26,726,910</u>	<u>29,897,884</u>
Cash and cash equivalents at end of year	<u>\$ 37,771,876</u>	<u>\$ 26,726,910</u>
Cash paid for interest, net of amounts capitalized of \$1,532,869 and \$2,281,757, respectively	<u>\$ 18,075,542</u>	<u>\$ 19,066,293</u>
Noncash investing and financing activities:		
Net noncash net assets of transferred entities to (from) MHI	\$ (1,188,097)	\$ 7,368,672
Transfers of net assets of non-controlling interests	1,188,097	330,933
Property and equipment and other assets transferred to MHI	-	(7,699,605)
(Increase) decrease in property and equipment in payables	12,959,083	10,033,993
Increase (decrease) in accounts payable from property equipment purchases (disposals)	(12,959,083)	(10,033,993)
Increase in property and equipment from notes payable	(1,383,381)	(25,449,436)
Increase in notes payable from property and equipment	1,383,381	25,449,436
Increase in property and equipment from capitalized amortization	(870,032)	1,248,914
Capitalized amortization in property and equipment	870,032	(1,248,914)
Increase in other assets from prepaid expenses	(454,010)	676,453
Decrease in prepaid expenses from other assets	454,010	(676,453)
Increase in unrestricted net assets	13,802,428	16,065,586
Release of temporarily and permanently restricted net assets	(13,802,428)	(16,065,586)
	<u>\$ -</u>	<u>\$ -</u>
Total noncash investing and financing activities	<u>\$ -</u>	<u>\$ -</u>

Mercy Housing Inc.

Notes to Consolidated Statements of Financial Position and Activities

December 31, 2015

(UNAUDITED)

The accompanying consolidated statements of financial position of Mercy Housing Inc. (MHI) as of December 31, 2015, and the consolidated statements of activities, statements of changes in net assets and statements of cash flows for the twelve months ended December 31, 2015 are unaudited. Although management believes that the information presented includes all material adjustments necessary for a fair presentation of MHI's financial position and operating results for the period reported, it should be noted that information normally included in complete financial statements prepared in accordance with generally accepted accounting principles, notably footnote disclosures, have been omitted.

Management recommends that the accompanying statements be read in conjunction with Mercy Housing, Inc.'s complete audited consolidated financial statements for the year ended December 31, 2015, which includes a complete set of footnotes, supplementary information and the auditor's opinion.

Reclassifications have been made to prior year balances to conform to the current year presentation.

DEVELOPMENT TEAM PROFILES

CONTENTS

- Counsel for HUD: Nixon Peabody LLC
- Tax Credit and Financial Consultant: California Housing Partnership Corporation
- General Contractor: ICON Builders
- Architect: Eagan Simon Architects



About Nixon Peabody

- Nixon Peabody is a firm with nearly 150 years of history behind it
- **Attorneys:** 650+
- **Number of offices worldwide:** 16
- **Total firm employees:** 1,500+

Nixon Peabody is a full-service law firm with more than 650 attorneys collaborating in 16 offices throughout the U.S. and abroad, in major business, finance, and litigation practice areas. Our clients range from nonprofit institutions and governmental entities to *FORTUNE* 100 companies. The firm is recognized for its diversity and pro bono initiatives, and recently has been awarded top-tier honors in “Best Law Firms” rankings by *U.S. News & World Report/Best Lawyers*.

Nixon Peabody officially formed in 1999 through the merger of legacy firms that were established more than a century ago. On February 1, 2015, Nixon Peabody merged with Ungaretti & Harris LLP, a full-service firm based in Chicago. Nixon Peabody is comprised of the following practice areas and serves the following industries:

Practice Areas

- Affordable Housing
- Corporate & Finance
- Data Privacy
- Environmental
- Government Investigations & White Collar Defense
- Government Relations & Regulation
- Intellectual Property
- International Services
- Labor & Employment
- Litigation
- M&A
- Estate, Trust & Financial Planning
- Private Equity & Investment Funds
- Public Finance
- Securities
- Tax

Industries

- Real Estate & Community Development
- Nonprofit Organizations
- Banking & Regulated Financial Institutions
- Energy
- Food, Beverage & Agriculture
- Franchising & Distribution
- Health Services
- Higher Education
- Insurance
- Infrastructure
- International Trade & Transportation
- Life Sciences
- Private Equity & Investment Funds
- Retail
- Seniors Housing & Care

Nixon Peabody’s Affordable Housing Group

For more than 40 years Nixon Peabody’s Affordable Housing attorneys have been involved in the development of every major federal housing law and a broad spectrum of federal housing regulatory and enforcement cases. We have more than 20 attorneys focused on affordable housing, with significant experience working with federal and local governmental agencies and representing national housing organizations before Congress and before relevant governmental departments. Our attorneys represent:

- Developers of government-financed and -assisted multi-family projects
- Local housing authorities
- State housing finance agencies and other public bodies

- Financiers and equity syndicators of these projects
- Management agents

In addition to providing legal counsel, our Affordable Housing team members are regularly asked to speak at national conferences and have founded industry associations and organizations including the Institute for Professional & Executive Development (“IPED”), National Council of State Housing Agencies (“NCSHA”), and Institute for Responsible Housing Preservation (“IRHP”), demonstrating true leadership in all areas of affordable housing and community development.

The group also regularly hosts webinars, such as the fall 2015 program on [HUD’s new Section 8 Renewal Guide](#), and publishes late-breaking alerts to inform clients about new challenges and ways to respond to them rapidly. The group also maintains NP’s Affordable Housing & Community Development blog, which provides an insider’s view of what is happening throughout the industry. Access the blog at www.housingblog.nixonpeabody.com or our alerts at www.nixonpeabody.com.

HUD

Few firms can match NP’s combination of a national HUD platform and affordable housing development and financing experience. Ours is one of the most recognized groups in the nation, with attorneys having experience in all facets of HUD policy. In fact, many members of the team have formerly held legal and policy positions at HUD, including Edward Campbell, who most recently worked as a HUD attorney in California. Other team members who have worked at HUD include:

Name	Position	Relevant Past Experience
Edward Campbell	Associate	Former HUD attorney in California and Washington, DC
Monica Hilton Sussman	Partner	Former Deputy General Counsel at HUD
John Kelly	Partner	Former HUD attorney in New York City
Susanna Mitchell	Associate	Former HUD attorney in New York City
Richard Michael Price	Partner	Former HUD attorney in Office of the General Counsel
Michael Reardon	Partner	Former Assistant General Counsel at HUD
Dana Roper	Associate	Former HUD attorney in New York City
Anthony Ruvolo	Counsel	Former FHA program counsel in HUD’s Office of the General Counsel
Patrice Harris	Partner	Former Assistant General Counsel at HUD headquarters and FHA Closing Counsel in Chicago HUB
Deborah VanAmerongen	Strategic Policy Advisor	Former Director of Multifamily Housing for HUD’s New York City region

Reviewing HUD Regulatory Compliance/Obtaining HUD Approval of HUD Required Documents

Our team has many years of professional experience preparing HUD documents, including multifamily Annual Contributions Contracts (“ACCs”), Declaration of Restrictive Covenants, Regulatory and Operating (“R&O”) Agreements, Management Documents, Loan Documents, Management Documents, and Owner Entity Operating Agreements.

HUD and/or Disposition Approval

We provide statutory, regulatory, and perhaps most importantly, practical advice in preparation of materials needed to obtain HUD approval of mixed-finance proposals, demolition, disposition, RAD conversion, and other HUD approvals. We have broad experience in working with HUD’s Special Application Center (“SAC”) and local HUD office staff, as well as with HUD Headquarters staff who are in charge of these programs.

HUD Regulatory Compliance

In addition to working with HUD-assisted properties, we represent property owners, lenders, brokers, and agents subject to other federal regulatory programs. These regulations range from specific program regulations to general overarching federal regulations. Program regulations include FHA insurance rules, transfer of physical assets, audits, quality control plans, and other finance-specific requirements. Other federal regulations, such as lead-based paint rules, Davis Bacon, the Uniform Relocation Act, and similar programs under HUD, affect all forms of real estate, not just federally assisted properties. Our experience extends from multifamily programs into public housing and single-family real estate regulations.

HUD Section 202

We represent owners, developers, lenders, and investors in affordable seniors housing, ranging from independent living to assisted living to nursing homes, and we are familiar with the state laws and regulations that govern such developments. We are also at the forefront of the efforts to prepay and refinance HUD Section 202 properties and to develop new Section 202 projects using the mixed-finance development mechanisms.

Rental Assistance—Section 8

NP’s attorneys have decades of extensive experience and knowledge of HUD’s rental assistance programs, including the numerous Section 8 programs, Rent Supplement, and RAP. They have closed some of the earliest transactions under HUD’s Rental Assistance Demonstration (RAD) program, and they pioneered the effective conversion of tenant-based assistance to project-based assistance in the years prior to the introduction of RAD. While vast historical and legal knowledge of the programs is useful, our attorneys excel at the practical application of that knowledge to HUD’s current procedures, and at the adaptation of HUD’s guidance to further preservation and rehabilitation of aging properties.

FHA

Members of our affordable housing group represent both borrowers and lenders under the HUD FHA mortgage insurance programs, TAP, MAP, and risk-sharing, as well as Fannie Mae DUS, and are substantially experienced in HUD FHA multifamily programs. **Anthony Ruvolo** previously served as FHA program counsel in HUD’s Office of the General Counsel and **Patrice Harris** served as HUD FHA closing counsel in the Chicago HUD office, where she closed more than 60 FHA-insured transactions on behalf of HUD. This resulted in the endorsement of \$400+ million in mortgages.

The group represents borrowers in connection with the new construction and acquisition/rehabilitation of affordable housing developments financed through FHA insurance, tax-exempt bonds, LIHTCs, and various public and private funding sources.

Section 223(f) Financing

We have handled transactions involving all federal, state, and local loan programs, including FHA mortgage insurance, bond financing, and Fannie Mae and Freddie Mac programs. Refinancing and redevelopment using Section 223(f) mortgage insurance, while relatively simple, comes with certain requirements from HUD. Our team is experienced with both the eligibility and closing requirements of the Section 223(f) program, and we have worked on closing numerous loans under the program. As borrower and lender's counsel, we have closed hundreds of FHA and HUD-held loans, including Sections 221(d)(4), 223(f), 223a7, 202, and 811 developments.

Section 223(f) Preservation

A refinancing and rehabilitation under the Section 223(f) program will require that various issues related to the old Section 236 financing, the rental assistance contract, and the existing state and city subordinate debt be addressed as part of the overall preservation of the property as affordable housing. We obtain the regulatory approvals needed in such transactions and coordinate the various program requirements.

Section 232

Under the Section 232 program, FHA provides mortgage insurance for licensed residential care facilities such as nursing homes and assisted living facilities. We help owners, operators, and developers leverage Section 232 to purchase, refinance, rehabilitate, and construct new supportive services facilities for the elderly.

State Law Issues

Much federally assisted housing is also regulated and assisted at the state and local levels. Our Affordable Housing attorneys work with developers and financiers to use these local programs and coordinate them with the federal programs.

Select California Experience

While this list represents a sampling of relevant experience, this should not be construed to be an exhaustive list. Additional experience can be furnished upon request.

- Represented the nonprofit housing developer in the development of two elderly housing projects in Los Angeles under HUD's Section 202 mixed-finance program. The deal used 4% tax-exempt bonds and tax credits to finance the development of these projects.
- Represented the Housing Authority of the City of Los Angeles (HACLA) in the successful closing of the Del Rey Square development in the Westside of Los Angeles, which included 124 elderly housing units, of which 30 will be public housing units and 70 will be Section 8 Project-Based Voucher units.
- Represented the developer as special HUD counsel in connection with Wycliffe Plaza Apartments, a Section 236 property in Santa Ana, California. Representation included Section 236(e)(2) decoupling, obtaining tenant protection vouchers, HAP assignment, a budget-based rent increase application, negotiating phase-in of as-is rents at closing, and obtaining 2530 clearance.
- Represented the owner/developer in connection with Logan's Plaza Apartments, a 59-unit Section 8 property in Los Angeles, California. Representation included obtaining a HAP assignment and Chapter 15/Option 1-B HAP contract rent increase with day-one rents at closing.

- Represented the developer in the acquisition, rehabilitation, and financing of a 94-unit low-income multifamily housing project, located in the heart of San Francisco, through a Section 221(d)(4) FHA-insured loan funded by the proceeds of the issuance of \$9,680,000 California Statewide Communities Development Authority Multifamily Housing Revenue Bonds and \$1,005,000 California Statewide Communities Development Authority Taxable Multifamily Housing Revenue Bonds. In addition to the bonds financing, the project also received an allocation of 4% low-income housing tax credits, as well as historic tax credits.

Select Nationwide Experience

- Served as lender’s counsel to Wells Fargo Bank, N.A., in the closing of the \$621 million 223(f) refinance of a previous mortgage on Co-op City, a large cooperative housing community in the Bronx, New York, that is home to more than 57,000 residents. The new 35-year loan is backed by the Federal Housing Administration’s (“FHA”) General Insurance and Special Risk Insurance (“GI/SRI”) Fund. This was the largest FHA loan ever made outside of the hospital sector.
- Served as lender’s counsel to Ziegler Financing Corporation in the closing of two 223(f) refinances of nursing homes located in Wisconsin, totaling more than \$6 million in loans.
- Represent the client in connection with the refinancing of a portfolio of multifamily projects participating in the MassHousing Finance Agency SHARP loan program. We collaborated with Rockport Mortgage Corporation to close the first two 223(f) loans that will help restructure the entire SHARP program. These loans provided \$22,760,000 of funds to 198 units in Canton and Stoughton, Massachusetts, and we are actively working with our clients to secure the 223(f) financing that will benefit another 743 units in Massachusetts.
- Represented the nonprofit owner of Jack Satter House, a 266-unit elderly Revere property, in a \$10 million section 223(f) refinancing of a section 202 loan, along with a deferral of a \$5.7 million flexible subsidy loan. We were borrower’s counsel and obtained HUD-Boston’s regulatory approvals.
- Represented the Cambridge Housing Authority at the inception of a project to convert a public nursing home, financed with FHA Section 232 financing, to affordable assisted living and to build a new affordable nursing home, by negotiating contracts with the Cambridge Public Health Commission, drafting necessary corrective legislation, and incorporating a new nonprofit corporation, Neville Communities, Inc., to carry out the project.
- Served as borrower’s counsel in connection with a \$12 million Section 232/223(a)(7) refinance of an assisted living, special care, and independent living project in Massachusetts.
- Representing a Boston developer in the restructuring of Wayne Apartments, a 349-unit property that had a section 236 mortgage and has a Section 8 contract covering all of the units. The restructuring involves the separation of the scattered site project into five separate tax credit projects, with five separate new 20-year HAP contracts, a decoupling of the IRP, and the deferral of a \$12 million flexible subsidy loan. We developed the regulatory structure for the overall rehabilitation plan and worked closely with HUD-Boston to obtain the HUD approvals necessary to implement the plan.

- Represented the developer in acquiring three HUD Section 202 elderly housing developments in the Arlington Heights and Schaumburg areas of Chicago. The total number of units between the three developments was 212. In subsequent years, we represented the developer in the FHA 223(f) refinances of the projects, as well as securing 20-year Section 8 HAP Contracts under Option 4.
- Represented one of the nation's leading senior housing financiers in connection with the closing of nine loans and the endorsement of more than \$100 million of Section 232 HUD-insured loans for various assisted living facilities, nursing homes, and Alzheimer's residential facilities throughout Illinois.
- Handled the historic rehabilitation of old mill buildings into market rate apartments with FHA-insured financing.
- Represented the developer in acquiring nine HUD multifamily rental properties in New York, Alabama, West Virginia, and Maryland. The properties are HAP-assisted and subject to FHA-insured and -subordinate HUD-held M2M debt. Nixon Peabody assisted the developer with completing the required applications to HUD and the FHA-insured lenders to acquire the properties subject to the existing debt and with closing the transfers.
- Served as borrower's counsel to a seniors living organization, closing six Section 232 and 232/223(a)(7)/(f) loans.
- Represented the owners of Prather Park Apartments in the refinancing of an 86-unit project in Toccoa, Georgia. The project was originally financed with an FHA-insured mortgage loan under the HUD 236 program and the refinancing included the use of a new conventional loan, enhanced vouchers, and the Section 236 Interest Reduction Payments subsidy.
- Served as borrower's counsel to Alden Health Care and Senior Living Group, closing six Section 232 and 232/223(a)(7)/(f) loans.
- Served as borrower's counsel in connection with an \$8 million Section 232/223(a)(7) refinance of a nursing home facility in the Bronx, New York.
- Served as borrower's counsel in connection with a \$17.5 million Section 232/223(a)(7) refinance of an extended care facility in Hempstead, New York.
- Represented the developer in the acquisition and substantial rehabilitation of Cedar Ridge, a 405-unit affordable multifamily housing property in Waukegan, Illinois. Work involved a Fannie Mae DUS loan, LIHTCs, tax-exempt bonds issued through the Waukegan Housing Authority, and a budget-based rent increase secured from HUD.



Contact

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Services

Affordable Housing

*Government Relations &
Regulatory*

*Real Estate & Community
Development*

*Government Relations &
Public Policy*

Education

*Hofstra University School of
Law, J.D.*

*Syracuse University, B.A.,
cum laude*

Admissions

District of Columbia

Virginia

Monica Hilton Sussman

Monica Hilton Sussman is a former deputy general counsel for HUD. She brings nearly 30 years of experience in affordable housing, Section 8 and FHA multifamily programs. Monica represents developers in all types of affordable housing transactions and continues her strong relationship with HUD headquarters and regionally.

What do you focus on?

Section 8

Much of my work involves helping clients preserve their properties to bring more value to the owners and the tenants. Owners and purchasers of older HUD-assisted or insured properties turn to me for advice on transactional and regulatory matters.

Legislative and policy

I'm in close contact with HUD officials as we work together to develop new policies to get deals done. These issues take me to Capitol Hill, state agencies and industry trade groups as well.

Industry leadership

Speaking and networking at industry events and educating developers, investors, lenders and other industry participants is also a priority for me. I enjoy connecting with others who are passionate about this work and meeting new entrants to the market.

What do you see on the horizon?

It appears that Congress will be squeezing funding for a long time and that means different things for different clients. Transforming and preserving public housing through RAD is part of the future.



Contact

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Development*

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University of California,
San Diego, B.A.*

Admissions

*California
New York
U.S. District Court, Central
District of California*

Edward J. Campbell

Edward Campbell is an associate in our Affordable Housing practice group based in our Los Angeles office. Ed advises clients on general real estate matters and a wide range of regulatory and transactional matters involving the acquisition, financing, development, asset management, rehabilitation and preservation of affordable and multifamily housing developments using various HUD subsidy programs and FHA loan products.

What do you focus on?

I work on general real estate transactions involving the acquisition, financing, development, asset management and disposition of residential, mixed-use and health care projects. I assist clients in various aspects of the acquisition and disposition of multifamily properties, financed with tax-exempt bonds, low-income housing tax credits and other federal, state and local government subsidies.

My experience as in-house counsel to the U.S. Department of Housing & Urban Development (HUD) in California and Washington, DC, gives me a unique understanding of the agency's programs and internal processes. I work extensively with FHA multifamily mortgage insurance and insured health care programs, Section 8 housing assistance and various HUD grant programs. I serve as a liaison between clients and HUD on matters involving financing, development and asset management of multifamily, health care and mixed-use projects.

What do you see on the horizon?

The preservation of existing affordable housing inventory will continue to be a focus within the industry as owners and developers seek to do more with scarcer resources. In addition to using more complex financing structures to leverage multiple funding sources, we will see greater use of green building techniques as a means to reduce operating costs and increase cash flow over the lifecycle of affordable housing projects.



AFFORDABLE HOUSING

CREATIVE, EXPERIENCED SOLUTIONS FROM AN INDUSTRY LEADER

The business of affordable housing raises intricate legal challenges. Nixon Peabody's Affordable Housing practice offers unparalleled experience in the housing programs administered by the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture's Rural Development agency, both in connection with federally assisted housing administered by these agencies and in accessing capital markets for various kinds of affordable housing development. Our attorneys—many of whom formerly worked at HUD in legal and policy positions—have been involved with every major federal affordable housing initiative in the last forty years, so we're able to help our clients work through the complex regulatory environment and benefit from public financing opportunities. Our years of experience and the relationships we've made in government and throughout the industry also give our clients an advantage as we bring deals, parties, and innovative ideas together.

Section 8 contract expiration, renewal, and opt-out

Members of our group have been involved in Section 8 financing and program rules since the inception of many of these programs and the contracts governing these programs, so we can address any legal question raised by the expiration of Section 8 project-based housing assistance payments contracts.

Rental Assistance Demonstration (RAD) program

The group works closely with HUD's new RAD program, obtaining approval for a significant share of these transactions to date. Each of these transactions involved conversion of Rental Assistance Program (RAP) and Rent Supplement (Rent Supp) contracts to project-based vouchers. Nixon Peabody worked collaboratively with our developer clients, HUD's Office of Public and Indian Housing, and Office of Multifamily Housing, as well as local housing authorities to implement this cutting-edge program successfully. We also helped pioneer the effective conversion of tenant-based assistance to project-based assistance in the years prior to the introduction of the RAD program.





INDUSTRY-WIDE REPRESENTATION

- Developers
- Local housing authorities
- State housing finance agencies
- Management agents
- Lenders and equity syndicators
- National housing trade organizations
- Other public bodies

Mortgage restructuring

We represent owners and lenders in all types of mortgage restructuring matters, including mark-to-market mortgage restructurings, partial payments of claims, and workouts.

Prepayment and preservation/ Section 236 decoupling (and redecoupling)

Our attorneys advise owners on their right to prepay Section 236 mortgages and decouple the Section 236 interest reduction payment subsidy to preserve the project as affordable housing. We can also assist owners of multi-family apartment buildings who are reexamining their options under the ELIHPA and LIHPRHA preservation programs.

Affordable seniors housing/ Section 202 prepayments

We represent nonprofit owners, developers, lenders, and investors in senior housing, ranging from independent living to assisted living to nursing homes, and we are familiar with the state laws and regulations that affect such developments. We are also at the forefront of the efforts to prepay and refinance HUD Section 202 projects and to develop new Section 202 projects using the mixed-finance development method.

Public housing revitalization

Our practice helps public housing authorities and private developers in their efforts under the HOPE VI, mixed-finance, and Choice Neighborhoods programs to create public-private partnerships that enable new units to be built on former public housing sites and in revitalizing communities. We also represent housing authorities and issuers in connection with capital fund securitizations, which allow housing authorities to leverage their capital fund monies to renovate new projects more efficiently.

HUD and rural housing regulatory compliance

Our attorneys work with federally assisted properties, and we also represent conventional property owners, lenders, brokers, and agents subject to other federal regulatory programs. These regulations range from program regulations to general federal grant and other regulatory requirements.

Rural Housing Service programs

Our group has extensive involvement in the Rural Housing Service and its predecessor agency, the Farmers Home Administration, primarily in the Section 515 multi-family program, but also in other programs such as the Section 538 guaranteed loan program. We have assisted owners, investors, and Section 538 lenders in closing loans and syndicating equity. We have represented owners in mortgage prepayment, refinancing, workouts, and regulatory compliance.

Defaults, foreclosures, and property disposition

We represent owners in HUD enforcement actions, including REAC, FASS, 2530 clearances, suspension and debarment procedures, mortgage workouts to prevent foreclosure, mortgage prepayment overrides, and defeasance. Our attorneys also represent mortgagors and potential mortgage buyers in the HUD mortgage sale program and project buyers under the HUD property disposition program. We also assist lenders before the Mortgagee Review Board and MAP lenders in connection with HUD probation actions.

HUD-insured multi-family finance

Our attorneys represent both lenders and borrowers under the HUD-FHA mortgage insurance programs, TAP, MAP, and risk-sharing, as well as Fannie Mae DUS.

Housing litigation and enforcement

We represent clients in all venues, including federal agencies, boards of contract appeals, and state and federal courts. When disputes arise, we counsel clients on the legal and factual issues involved, advise them concerning the opportunity to settle or resolve disputes through alternative dispute resolution techniques, and represent them in administrative proceedings and judicial trials.

Affordable housing bond issuances

We represent private developers, nonprofits, and syndicators, as well as issuers and underwriters, in the tax-exempt or taxable bond financing or refinancing of affordable housing developments, where affordability is required on 20% to 100% of the development. We also advise clients on the acquisition and disposition of bond-financed properties, and the precarious interplay of state and federal requirements when bond-financed properties are transitioning to market rents.

Fair Housing

We counsel public and private entities, including owners, builders, managers, and others, in developing strategies to comply with antidiscrimination laws such as the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and other federal and state laws that impose strict obligations to prevent discrimination on the basis of race, sex, religion, national origin, familial status, and disability, among other criteria.

Home, CDBG, and NSP

Our group works with developers and public organizations that use the HOME, Community Development Block Grant (CDBG), and Neighborhood Stabilization Program (NSP) funds. This includes CDBG's Section 108 loan guarantee program. We advise on all aspects of community development programs and confer with HUD's implementing offices to aid in program implementation.

INDUSTRY-RECOGNIZED THOUGHT LEADERS

Attorneys in our Affordable Housing practice have chaired national seminars and are frequently asked to address meetings of housing trade associations focusing on affordable housing issues.

Low-income housing tax credits (LIHTC)

The Nixon Peabody team members working on LIHTC transactions are among the nation's foremost legal authorities in complex transactions involving the low-income housing tax credit. Nixon Peabody attorneys helped shape the legislation that created the LIHTC program, and we have contributed to the creation and implementation of every major federal housing program since 1970. Our knowledge of the transactional, regulatory, and legislative history of the LIHTC program helps us solve common and uncommon problems associated with it.

Congressional representation

Our firm represents leading housing trade organizations on Capitol Hill and has been involved in shaping every significant housing bill since 1970, as well as tax legislation affecting affordable housing.

State law issues

Much federally assisted housing is also regulated and assisted at the state and local levels. Our Affordable Housing practice works with developers and financiers to use these local programs and coordinate them with the federal programs.

About Nixon Peabody LLP

At Nixon Peabody, we see 21st century law as a tool to help shape our clients' futures. We are constantly thinking about what is important to our clients now and next so we can foresee obstacles and opportunities in their space and smooth the way. We work together to handle complex challenges in litigation, real estate, corporate law, intellectual property and finance anywhere in the world.

**FOR MORE INFORMATION,
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HOUSINGBLOG.NIXONPEABODY.COM**

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CALIFORNIA HOUSING PARTNERSHIP CORPORATION QUALIFICATIONS

The mission of the California Housing Partnership Corporation (CHPC) is to assist nonprofit and government housing agencies to create and preserve affordable homes for lower-income households, while providing leadership on housing preservation policy and funding. CHPC was created by the state legislature in 1988 as a private nonprofit 501(c)(3) public benefit corporation. The governor and respective leaders of the legislative bodies appoint the eight board of directors based on their professional qualifications and interests. CHPC is recognized nationally as a leader in preserving at-risk subsidized apartments and in the financial structuring of Low Income Housing Tax Credit and bond transactions. CHPC's focus is on improving the housing choices of California households earning less than 50% of the area median income, especially those earning less than 30%. CHPC's areas of expertise include:

Affordable Housing Finance and Supportive Housing Multifamily Financial Consulting and Syndication of Low-Income Housing Tax Credits

CHPC has provided financial consulting services on hundreds of multifamily transactions totaling more than 25,000 apartments. Our services include advising on financial structures to maximize equity and bond or loan proceeds raised, negotiation with equity investors, lenders, and underwriters, preparation of financial projections, and assistance in obtaining funding from competitive programs. The sources of financing which CHPC regularly assists its clients to obtain include:

- Tax-Exempt Bonds
- 9% and 4% Low Income Housing Tax Credit
- Multifamily Housing Program (MHP)
- Transit-Oriented Development (TOD)
- Infill Infrastructure Grant Program
- Joe Serna Farmworker Housing Grant Program
- Mental Health Services Act (MHSA)
- California Housing Finance Agency (CalHFA)
- State HOME
- McKinney Supportive Housing Program
- Rural Development programs
- Project-based Section 8 Vouchers and contract extensions
- Federal Home Loan Bank AHP Program
- HUD, including 202/811 Mixed-Finance and FHA mortgage insurance, and Preservation programs
- Local CDBG, HOME and Redevelopment Agency programs
- Other federal, state and local funding sources

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Typical client projects range from the new construction of family apartments with childcare to the acquisition and rehabilitation of SRO buildings for extremely low income residents with special needs.

CHPC also provides consulting services on exit strategies for projects whose Tax Credits are reaching the end of their fifteen-year compliance period. CHPC will analyze project economic, tax, and regulatory considerations and assist in structuring a financing plan that employs innovative techniques to ensure that the nonprofit sponsor can retain ownership of the project with minimal out-of-pocket cash requirements.

Typical services provided to our partners include:

Low Income Housing Tax Credits (LIHTC)

CHPC provides assistance to its clients in structuring applications for Tax Credits. CHPC consults on all phases of development including project feasibility, syndication and financial projections, meeting program thresholds and maximizing competitiveness. We prepare the financial pages of the TCAC application form and the cash flow projections required for the application. CHPC also reviews the application for completeness and competitiveness prior to submission. To date, CHPC has assisted clients in obtaining and syndicating more than 100 Tax Credit allocations and has over two-dozen applications pending allocations. CHPC staff regularly communicates with the director of the state allocating agency to discuss policy and regulatory issues involving the Tax Credit program.

Tax Exempt Mortgage Revenue Bonds

CHPC provides consultation to its clients on all phases of obtaining allocations of tax exempt bonds from the California Debt Limit Allocation Committee (CDLAC) including project feasibility, preparing financial projections, obtaining credit enhancements or bank purchasers, selecting bond lenders, meeting CDLAC thresholds, structuring applications, and maximizing competitiveness. CHPC prepares all financial forms required for the CDLAC application. CHPC also reviews the application for completeness and competitiveness prior to submission. To date, CHPC has assisted clients in obtaining more than 50 allocations of tax-exempt bonds from CDLAC with more than a dozen more pending.

California Housing Finance Agency (CalHFA)

To date, CHPC has assisted clients in closing more than two-dozen CalHFA loans with another dozen pending. CHPC staff talk regularly with the CalHFA Multifamily Director about underwriting and policy issues and the Executive Director when necessary.

California Housing and Community Development Multifamily Housing Program (MHP)

CHPC provides assistance to its clients in preparing an application to the Multifamily Housing Program (MHP) and assessing its competitiveness. CHPC prepares all financial pages of the MHP application form and projections required for the application. CHPC also reviews the application for completeness and competitiveness in dozens of MHP awards. The CHPC President talks regularly with the Director of HCD since she is a member of the CHPC board of directors by state statute. CHPC staff also talks regularly to the Deputy Director for Financial Assistance, who oversees MHP policy and funding awards, as well as the various managers of the different financial assistance programs.

The Federal Home Loan Bank's Affordable Housing Program (AHP)

CHPC is familiar with the requirements of the Affordable Housing Program since approximately 75% of the projects CHPC consults on use AHP. However, CHPC does not generally fill out the applications for its clients and limits its involvement to reviewing the financial pages of the application for consistency with

other funding applications.

U.S. Department of Housing and Urban Development (HUD)

CHPC monitors changes in HUD's policies regarding Section 8 contracts, federally subsidized mortgages and public housing. CHPC has regular communication with HUD's San Francisco and Los Angeles Hub staff as well as the Sacramento field office to discuss a range of issues, including project specific issues raised by our clients.

Mental Health Services Act (MHSA) Funds (Administered by CalHFA)

CHPC is currently leading the charge to access this relatively new and powerful state financing tool by helping clients submit six first generation applications for MHSA funds for capital costs and on-going operating support. CHPC was heavily involved as an informal advisor to both CalHFA and the Corporation for Supportive Housing in developing the program to maximize the effectiveness of this new source of financing for the state Department of Mental Health (DMH). CalHFA and the DMH ultimately underwrite these program funds, however, the first round of approvals occurs in each county's Department of Mental Health. CHPC's statewide presence and relationships with state agencies puts us in a unique position to support our partners' MHSA applications. One way that CHPC does this is by sharing information, new approaches, and precedents discovered in one area as projects obtain local approval and move to CalHFA and DMH with others across the state.

Policy & Lobbying

Housing Preservation Policy Advocacy

CHPC serves as an information clearinghouse on federal and state policy relating to the preservation of existing federally subsidized housing. CHPC maintains a comprehensive database of HUD-assisted developments in California and uses this information to assist private and local government agencies to develop plans for preserving properties that are severely at-risk of conversion and to advocate with state and federal lawmakers for additional resources. CHPC regularly provides information regarding the risk of conversion of these federally subsidized properties to local, state, and federal policy makers. CHPC is active in the National Preservation Working Group, as well as other federal and state policy organizations. Previous activity includes efforts to enable the project-basing of Section 8 vouchers, participation on an advisory committee to the U.S. Senate Banking Committee regarding Section 8 portfolio restructuring, membership in HUD's "Mark-to-Market" working group, as well as participation in other federal and state housing task forces.

Public-Private Partnerships Technical Assistance to Government Housing Agencies

CHPC regularly provides technical assistance to public agencies involved in the financing and preservation of multifamily affordable homes. Examples of CHPC's technical assistance work include: assisting various state funding agencies in evaluating the at-risk status of applicants for competitive financing programs wishing to preserve federally subsidized housing; assisting the California Housing Finance Agency in design of its Preservation Acquisition Loan Program as well as its earlier program to refinance Section 236 and Section 202 developments; assisting the housing departments in Los Angeles, San Francisco, and Davis in developing multifamily underwriting guidelines, preparing a report for the City of Stockton on the potential creation of a local housing development corporation; assisting the Housing Authority of the County of Los Angeles in evaluating loan requests to the City of Industry loan program; and serving as a technical advisor to HUD, the Resolution Trust Corporation and Federal Deposit Insurance Corporation in their disposition of selected properties. In 2007, in recognition of the

critical situation facing many California housing authorities, CHPC expanded its nationally recognized affordable housing preservation program to help California housing authorities use cutting edge financing strategies to maximize their ability to access non- HOPE VI public and private financing resources. CHPC is currently assisting the Los Angeles, San Mateo, Sutter, Fresno, and Marin Housing Authorities with repositioning their public housing portfolios to take maximum advantage of these other non-HUD resources. CHPC is also providing technical assistance to the City of Alameda and Richmond Housing Authorities.

CHPC has also been a pioneer in the development of specialized financing techniques to help partnerships between housing authorities and developers use project-based Section 8 vouchers to leverage more than \$250 million in additional private financing. CHPC was awarded a MacArthur Grant in 2003 in recognition of its expertise and national leadership in this area.

Program Evaluation

CHPC works with public agencies that are working through the process of evaluating their housing programs. Most recently the Los Angeles Housing Department (LAHD) and the Housing Authority of the County of Los Angeles contracted with CHPC to review housing policy and assist with the implementation of programs.

Training in Affordable Housing Development and Multifamily Affordable Housing Finance

CHPC is nationally recognized as a leading trainer in multifamily affordable housing finance. Since the early 1990's, CHPC has been the lead trainer for the Local Initiatives Support Corporation (LISC) Statewide Housing Development Institute, an intensive yearlong training program for project managers. CHPC is also working closely with the Enterprise Foundation and the Corporation for Supportive Housing in developing new trainings. Other training clients have included the U.S. Department of Housing and Urban Development, the California Department of Housing and Community Development, the Neighborhood Reinvestment Corporation, the California Redevelopment Association, the Los Angeles Housing Department, the San Diego Housing Commission, the San Francisco Redevelopment Agency and Mayor's Office of Housing, the Low Income Investment Fund, and the staff of numerous nonprofit and local government housing agencies.

Preservation of At-Risk Affordable Housing Preservation of Federally Subsidized Rental Apartments

CHPC's preservation services include assistance in project identification, assessing at-risk status, financial feasibility analysis, purchase negotiations, financial structuring, closing coordination, and compliance with HUD, state and local requirements. CHPC has expertise with a wide range of preservation financing techniques and programs including Titles II & VI, Section 8 Mark-Up-To-Market and contract extensions, Section 236 IRP decoupling, and refinancing FHA insured mortgages.

CHPC has also provided consulting on projects participating in HUD's Multifamily Portfolio Reengineering Demonstration Program, property disposition program, and other transactions involving HUD-assisted or insured developments.

CALIFORNIA HOUSING PARTNERSHIP CORPORATION CLIENT LIST

American Baptist Homes of the West
A Community of Friends
Affordable Housing Associates
Allied Housing, Inc.
Bernal Heights Neighborhood Center
Bethel AME Church
BRIDGE Housing Corporation
Burbank Housing Development Corporation
Cabrillo Economic Development Corporation
Capitol Area Development Authority
Calistoga Affordable Housing
Charities Housing Development Corporation
Chinatown Community Development Center
Christian Church Homes of Northern California
Citizens Housing Corporation
City Heights Community Development Corporation
City of Alameda Housing Authority
City of San Jose
Clifford Beers Housing, Inc. (an affiliate of the Mental Health Association of LA County)
Community Development Commission of the County of Los Angeles
Community Homes, Inc.
Community Housing Development Corporation of North Richmond
Community Housing Improvement Program
Community Housing Opportunity Corporation
Community Housing Partnership
Community HousingWorks
Community Redevelopment Agency of the City of Los Angeles
East Bay Asian Local Development Corporation
East Los Angeles Community Corporation
Eden Housing, Inc.
Equity Community Builders
Fresno Housing Authority
Housing Authority of the County of Los Angeles
Hollywood Community Housing Corporation
Key Community Housing
LA Family Housing
Los Angeles Community Design Center
Los Angeles Housing Department
LINC Housing Corporation
Local Initiatives Support Corporation
Little Tokyo Service Center
Lompoc Housing and Community Development Corporation
MAAC Project
Mammoth Lakes Housing, Inc.
Marin Housing Authority
Menorah Housing Foundation
Merced County
Mercy Housing California
Mid-Peninsula Housing Coalition
Mission Housing Development Corporation
Mono County
Napa Valley Community Housing
Oakland Community Housing, Inc.
Oakland Housing Authority
Orange Housing Development Corporation
Petaluma Ecumenical Properties
Preservation of Affordable Housing, Inc.
Resources for Community Development
Solano Affordable Housing Foundation
Sacramento Mutual Housing Association
Sacramento Housing & Redevelopment Agency
San Mateo County Housing Department/Housing Authority
Satellite Housing, Inc.
Skid Row Housing Trust
Spanish Speaking Unity Council
Sutter County Housing Authority
Tenderloin Neighborhood Development Corporation
The Redwoods (Community Church Retirement Center)
Townspeople, Inc.
Visionary Home Builders



STAFF QUALIFICATIONS

Each member of our staff brings a deep commitment to our mission and an average of fifteen years of experience in the development, financing, and advocacy in support of the preservation and expansion of affordable homes for lower-income Californians.

MATT SCHWARTZ, PRESIDENT & CEO – SAN FRANCISCO

Matt Schwartz has been with the California Housing Partnership since 2002. As President & CEO, Matt assists local government and nonprofit organizations with the preservation and creation of affordable homes through policy advocacy, technical assistance, training and financial consulting. Matt has worked in the development, planning and financing of affordable housing in both the private and public sectors and has extensive experience with most government funding programs as well as with syndicating Low Income Housing Tax Credits and issuing tax-exempt bonds. Matt also plays a leadership role in shaping California legislation and regulations to expand the resources available to preserve and create affordable homes in the state.

Prior to joining CHPC, Matt worked as a regional nonprofit developer in the San Francisco Bay Area, where he was responsible for the development and financing of 1,000 affordable apartments. As a redevelopment official in San Francisco, Matt worked closely with CHPC and its clients to preserve more than 1,000 apartments with project based Section 8 while also being responsible for planning and financing hundreds of new affordable apartments.

Matt is a past President of the Board of Housing California, a member of the board of Governors of the National Housing Conference, and is an active participant in the National Affordable Housing Preservation Working Group developing federal legislation to renew and preserve the nation's existing affordable rental homes and to protect extremely low-income families from displacement. He received a Master of Public Policy from the John F. Kennedy School of Government, Harvard University, and a bachelor's degree from Stanford University.

RICHARD MANDEL, DIRECTOR OF FINANCIAL CONSULTING – SAN FRANCISCO

Richard Mandel has been with CHPC since 1990. As Director of Financial Consulting he provides technical assistance and training to nonprofit and local governmental entities in affordable housing finance. Richard has particular expertise in structuring financing packages for projects utilizing Low Income Housing Tax Credits, tax-exempt bonds, Multifamily Housing Program (MHP), HUD/FHA, CalHFA, Section 8 project-based assistance, Federal Home Loan Bank Affordable Housing Program (AHP), and other state and local housing programs. He has assisted nonprofits in the financing of thousands of apartments, including new construction and acquisition/rehabilitation projects serving families, seniors, special needs and other populations.

Prior to joining CHPC, Richard was a Project Manager with the Mid-Peninsula Housing Coalition, a major

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SACRAMENTO

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nonprofit development corporation serving San Mateo and Santa Clara counties. For many years, Richard has been very active in the area of preservation of federally assisted housing. He has spoken at numerous conferences, workshops and legislative hearings on this issue and has written several articles and studies. He served as Chair of the Preservation Working Group of the Nonprofit Housing Association of Northern California. Richard received a Master of City Planning from the University of California, Berkeley.

PAUL BEESEMYER, DIRECTOR, SOUTHERN CALIFORNIA – LOS ANGELES

Paul Beesemyer joined CHPC in 2000. As the Director of Southern California programs, Paul assists Southern California's nonprofit housing community and public agencies in the areas of affordable housing finance, real estate development, preservation of at-risk housing, and general housing policy. He has conducted numerous seminars and trainings and authored several publications, including *The Tax Credit Turns Fifteen*, a risk analysis of California's early tax credit portfolio. In addition, Paul has worked with the City of Los Angeles Housing Department to develop a comprehensive policy for the preservation of at-risk housing and has advised the City on the creation and implementation of a new preservation ordinance.

Prior to joining CHPC, Paul developed affordable housing as senior project manager for the Los Angeles Community Design Center, where he managed affordable housing and community development projects serving families, seniors, and various special-needs populations. He is knowledgeable in the use of a wide range of community development financing tools, including Low Income Housing Tax Credits, tax-exempt bond financing, and a variety of public funding programs administered at the local, state, and Federal levels. Paul received a Bachelor of Arts in Landscape Architecture from the University of California, Berkeley.

LAURA KOBLER, DIRECTOR, SACRAMENTO REGION - SACRAMENTO

Laura Kobler joined CHPC in 2003. As Director, Sacramento Region she provides development and financial technical assistance and training opportunities to nonprofit corporations and public agencies throughout Northern California. Previously, Laura served as the Director of Housing Development for Sacramento Mutual Housing Association (SMHA) (renamed, Mutual Housing of California), where she oversaw the organization's development of new rental housing and acquisition and rehabilitation of existing properties. Prior to joining SMHA, Laura was Housing Program Manager and Project Manager at Rural California Housing Corporation (now part of Mercy Housing California), where she was responsible for the development of 27 multi- and single-family affordable housing developments.

With more than 25 years of experience, Laura brings particular expertise in the development of mutual and rental housing and the regulations governing the competition for Low Income Housing Tax Credits. She is the Vice Chair of the California Coalition for Rural Housing and the past chair of the Sacramento Reinvestment Committee. Laura received a Bachelor of Arts in English from California State University, Sacramento, and is a graduate of the LISC Housing Development Training Institute. In her dual role as Director of Training, Laura is now the lead trainer for the LISC Housing Development Training Institute.

MEG MCGRAW-SCHERER, SENIOR HOUSING FINANCE CONSULTANT, SAN FRANCISCO

Meg McGraw-Scherer joined CHPC in 2000. As Senior Housing Finance Consultant she provides development and financial technical assistance to nonprofit corporations and public agencies in Northern California. Meg's experience includes structuring financial packages using Low Income Housing Tax Credits, tax-exempt bonds, and numerous other federal, state, and local financing sources to produce new construction and acquisition/rehabilitation projects serving families, seniors, and special needs populations. Prior to joining CHPC, she worked for two years at the National Equity Fund, a nonprofit tax credit syndication organization that provides millions of dollars in tax-credit equity to California projects. There

she worked as an underwriter on numerous Low Income Housing Tax Credit projects sited in Seattle and the San Francisco Bay Area. Previously, she spent over three years at the King County Housing Authority in Seattle, Washington, as an intern, Housing Programs Coordinator, and Housing Developer in the Housing Authority's Planning and Development Department. She worked on the development of projects using Low Income Housing Tax Credits, tax-exempt bonds, and various federal and local financing programs. Currently, Meg is a member of the Board of the California Reinvestment Coalition. Meg received a Master of Public Administration from the University of Washington in Seattle and a bachelor's degree from Boston College.

GREG CHIN, SENIOR HOUSING FINANCE CONSULTANT, SAN FRANCISCO

Greg Chin joined CHPC in 2008. As Senior Housing Finance Consultant, Greg provides financial consulting assistance and training to CHPC's government and nonprofit clients. He has 22 years of experience in affordable housing finance and development. Greg has assisted numerous housing developers, cities, and counties as a consultant on affordable housing projects that included financing with Low Income Housing Tax Credits, tax-exempt bonds, redevelopment agency funds, HOME funds, the Federal Home Loan Bank Affordable Housing Program, and other programs. Greg has also assisted public agencies with the creation of affordable housing programs and policies, including inclusionary housing programs and commercial linkage fees that benefit affordable housing. Greg received a Master of Public Policy from the Goldman School of Public Policy at the University of California, Berkeley, and a Bachelor of Arts in Economics from the University of California, Berkeley.

DIEP DO, SENIOR HOUSING FINANCE CONSULTANT, LOS ANGELES

Diep joined CHPC in 2013. As a Senior Housing Finance Consultant, she provides financial consulting, technical assistance and training to our nonprofit and government clients throughout Southern California. Diep comes to CHPC with more than 15 years of high-level experience in nonprofit, affordable housing development and management. Prior to joining CHPC, Diep was the Interim Director of Housing Development for Satellite Housing where she was a member of the senior leadership team responsible for managing Satellite's merger with Affordable Housing Associates as well as overseeing Satellite's real estate development department. Prior to Satellite, Diep was Director of Housing Development at Tenderloin Neighborhood Development Corporation where she oversaw the development of more than 1,600 affordable homes for San Francisco's lowest income residents, totaling more than \$600 million in financing. In addition, Diep supervised a team of eight project management staff and played an active role in policy development both within TNDC and in the broader nonprofit housing community. Diep was selected as a Northern California Real Estate Woman of Influence by the San Francisco Business Times in 2011 and as a Young Leader in Affordable Housing by the Affordable Housing Finance Magazine in 2008. Diep received a M.A. in Urban Planning and a B.A. in Urban Studies from the University of California, Los Angeles.

ZORICA STANCEVIC, SENIOR HOUSING FINANCE CONSULTANT, LOS ANGELES

Zorica Stancevic joined CHPC in 2010. As Program Manager she provides financial consulting, technical assistance and training to our nonprofit and government clients throughout Southern California. Prior to joining CHPC, Zorica developed affordable housing as Senior Project Manager for A Community of Friends, where she managed the development of supportive housing projects serving numerous special needs populations. She is knowledgeable in the use of a wide range of community development financing tools, including Low-Income Housing Tax Credits, tax-exempt bond financing, and a variety of public funding programs administered at the local, state, and federal levels including the Multifamily Housing Program (MHP), Infill Infrastructure Grant Program (IIG), Mental Health Services Act (MHSA), Supportive Housing Program (SHP), City of Industry, AHP, CRA/LA, and Los Angeles Housing Department Affordable Housing Trust Fund. Zorica is also skilled in the use of project-based operating subsidies, including project-based Section 8 and Shelter Plus Care. Zorica received a Masters of Arts in Urban Planning from UCLA and a

Bachelor of Arts in Architecture from the University of Minnesota – Twin Cities. She is a graduate of the LISC Housing Development and Advanced Housing Development Programs. She also has professional credentialing as a LEED Green Associate.

DAVE KIDDOO, SENIOR HOUSING FINANCE CONSULTANT, SAN FRANCISCO

Dave Kiddoo joined CHPC in 2013. As Senior Housing Finance Consultant, Dave provides financial consulting assistance and training to CHPC's government and nonprofit clients. Prior to joining CHPC, Dave served as a developer of affordable housing for ten years and managed the development or rehabilitation of over 1,000 units of housing and was responsible for over \$200 million in financing. Most recently, Dave served as the Director of Development for American Baptist Homes of the West (ABHOW). Prior to his time at ABHOW, Dave worked as a project manager with EAH and Citizens Housing Corporation. Dave has extensive experience with both HUD and Low-Income Housing Tax Credit financing. While at ABHOW, Dave worked with a number of smaller faith- and community-based nonprofits on recapitalization strategies. He holds a Master's degree in City and Regional Planning from the University of North Carolina at Chapel Hill.

DEANNA BLIGH, HOUSING FINANCE CONSULTANT, LOS ANGELES

Deanna joined CHPC in 2015. As Housing Finance Consultant she provides financial consulting, technical assistance and training to our nonprofit and government clients throughout Southern California. Prior to joining CHPC, Deanna developed low-income housing as Senior Project Manager for A Community of Friends where she managed the development of permanent supportive housing projects serving special-needs populations utilizing Low Income Housing Tax Credits, tax-exempt bonds, and various federal and local financing programs. Deanna is knowledgeable in the use of project-based operating subsidies, including project-based Section 8 and Shelter Plus Care. Deanna is also experienced with at-risk preservation and secondary market securitizations. Throughout her career, Deanna has been involved in the development of approximately 1,300 units of affordable housing totaling approximately \$150 million in financing. Deanna holds a Bachelor's Degree in Business Administration in Finance from James Madison University, Harrisonburg, VA. She has completed the LISC Advanced Housing Development Training Institute and is certified as a LEED Green Associate.

DAVID DOLOGITE, SENIOR HOUSING FINANCE CONSULTANT, SAN FRANCISCO

David joined CHPC in 2015. As Senior Housing Finance Consultant, David provides provides financial consulting and technical assistance to CHPC's government and nonprofit clients. Prior to joining CHPC, David served in real estate and community development roles for 14 years with nonprofit affordable housing development organizations in Seattle, San Francisco, Oakland and Boston. As Director of Real Estate with Capitol Hill Housing in Seattle David oversaw all of the organization's real estate development activities as well as its neighborhood environmental sustainability programs. David has extensive experience in various community development financing programs including Low Income Housing Tax Credits, New Markets Tax Credit, private placement tax-exempt bonds, HOME/CDBG, the Federal Home Loan Bank Affordable Housing Program, CA MHP, and other programs, with a particular focus on complex, mixed-use transactions and joint ventures. David received a Juris Doctor from University of Michigan Law School and B.A. from Boston University. He has served on the KeyBank NMTC Advisory Board and is a past executive board member of East Bay Housing Organizations.

NICOLE NORORI, SENIOR HOUSING FINANCE CONSULTANT, LOS ANGELES

Nicole joined CHPC in 2015 as a Senior Housing Finance Consultant, bringing with her 15 years of direct affordable housing real estate development and finance experience. Nicole has worked on a variety and range of developments including new construction, acquisition/rehab, gut rehab, mixed-use, mobile home

park relocation and replacement housing, and multifamily conversion of a historic building. She has worked in both non-profit and for-profit affordable housing development and brings intricate knowledge of local, state, and federal financing mechanisms along with development and construction processes. Before joining CHPC, Nicole worked as a Project Manager for Cabrillo Economic Development Corporation and oversaw the development of various non-rural, rural and farmworker family developments in both Ventura and Santa Barbara County. Nicole is experienced working on developments serving special needs populations, seniors, families, and farmworkers. She has also worked closely with local jurisdictions in Ventura County to implement affordable housing “friendly” zoning policies and ordinances and has worked extensively on reviewing and providing input for local Housing Elements. Nicole received a Masters of Arts in Urban Planning and Latin American Studies from the University of California, Los Angeles and a Bachelor of Arts in History and Latin American Studies from the University of California, Los Angeles.



HOUSING PRESERVATION NEWS

Poway Villas: A Winning Formula for Preservation



Overview

This week marks the renovation celebration for Poway Villas, a 60-apartment 100% Section 8 community in the City of Poway, California. The 40 year-old property was preserved by San Diego-based Community Housing Works (CHW), using the same successful financing template it previously used to preserve the award-winning Turnagain Apartments development. Poway Villas is an example of how to successfully layer Low Income Housing Tax Credits (LIHTC's) with Department of Housing and Urban Development (HUD) rent subsidies to preserve and renovate aging housing assets in the absence of city, county and state funding. This issue of Preservation News takes a closer look at this innovative model.

[NOTE: Poway Villas was purchased from the original owner using a HUD Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA) grant. HUD has just released Notice H 2012-25, which permits limited amendments to LIHPRHA use agreements. This new policy will smooth the path for future recapitalizations of properties preserved under LIHPRHA.]

Project Background: Section 236 and LIHPRHA

Poway Villas was developed in 1974 using a HUD Section 236 subsidized mortgage and the Section 8 Loan Management Set Aside (LMSA) program, which was established to provide rent subsidies to prevent defaults on subsidized mortgages. By the mid 1990's, Poway Villas was at risk of converting to market rate as the Section 8 LMSA contract was nearing the end of its initial term, the Section 236 rents had dropped far below market, and the owner was eyeing the prospect of obtaining market rents.

In 1996, nonprofit Poway Villas Community Housing Association (PVCHA), with technical assistance from CHW, purchased the development from the original owner using a HUD Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA) grant. Over time, PVCHA found that Poway Villas’ budget-based rent structure did not provide enough funding for it to adequately maintain the building. By 2011, the reserves for repairs had dwindled to just \$300,000 against an estimated \$4.5 million in needed renovation costs. In November 2011, facing a looming mortgage maturity and impending physical deterioration, PVCHA sold the property to CHW, who would employ LIHTC’s and tax-exempt bonds to comprehensively renovate the property and preserve it for the long term.

A Winning Financing Formula: Budget-based Rents Increase, Subordinate Financing & LIHTCs

Predevelopment funds from the Local Initiatives Support Corporation (LISC) provided an integral part of the overall financing plan early on. With significant help from CHPC Southern California Program Director Paul Beesemyer and attorney Larry Levy and CHW’s legal team, CHW obtained HUD’s approval to mark up the Section 8 rents to comparable market using a budget-based methodology under Chapter 15 of HUD’s Section 8 Renewal Policy (“Nonprofit Section 8 Preservation Effort”). In addition, HUD provided a 20-year, contract renewal. The Section 8 rent increase was the key to structuring a financial feasible LIHTC transaction.

But to realize the anticipated \$6 million equity benefit of 4% LIHTCs, CHW had to find a bond purchaser willing to live with HUD’s LIHPRHA use agreement – which runs for the greater of 50 years or remaining useful life – in a senior lien position. With Beesemyer’s help, CHW was able to persuade Union Bank not only to take this unusual risk but also to make an attractively priced equity investment that made the transaction work.

Ultimately, CHW’s success in securing the budget-based Section 8 rent increase, LIHTC’s, and a seller carryback loan acceptable to all parties – as well as other financing elements – resulted in the preservation and rehabilitation of a valuable but aging community asset.

“Between the mortgage, the tax credit equity, and seller note, we were able to achieve the kind of comprehensive renovations that will preserve Poway Villas as a home for current and future low income residents for many years into the future,” said Mary Jane Jagodzinski, CHW Senior Project Manager.

POWAY VILLAS

SOURCES	Construction	Permanent
Union Bank - construction loan	\$ 10,000,000	\$ -
Union Bank - Perm Loan Tranche A	\$ -	\$ 4,287,000
Union Bank - Perm Loan Tranche B (Sec 8)	\$ -	\$ 2,538,100
Seller Note	\$ 5,206,278	\$ 5,206,278
Income from Operations (during rehab)	\$ -	\$ 350,000
Union Bank Limited Partner LIHTC Payments	\$ 1,270,688	\$ 5,964,701
Costs Deferred Until Completion	\$ 1,869,113	\$ -
TOTAL	\$ 18,346,079	\$ 18,346,079

USES	Construction	Permanent
Land/Acquisition		\$ 8,127,953
Rehabilitation		\$ 5,098,606
Relocation		\$ 714,522
Reserves & Financing Costs		\$ 1,602,868
Design & Engineering, Local Permits & Fees		\$ 468,955
Legal, Consulting, Dev. Fee, Other Soft Costs		\$ 2,333,175
TOTAL		\$ 18,346,079

Sustainability by Design: Energy-Efficient Renovations and Community-Building Amenities

By leveraging LIHTC's, increasing the Section 8 rents, and negotiating a way to subordinate the financing to HUD's restrictions, CHW was able to perform \$4.5 million in highly energy-efficient renovations that will reduce the energy usage by 40% over pre-retrofit levels. Major renovations of the residential buildings include new roofs and additional insulation, new high efficiency air conditioners, rerouted plumbing, the addition of solar hot water to reduce energy costs, new site lighting, and the renovation of every apartment, including flooring, all new bathrooms and kitchens including new Energy Star appliances, no-VOC paint, and fixtures.



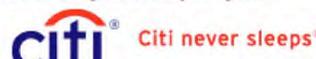
When CHW began planning the major renovation of Poway Villas, they chose a quilt as a design theme to reinforce symbolic values of home, comfort, community and cooperation. Throughout Poway Villas, there are representations of quilt patterns in the patio surfaces, the Community Building patio screen, and the community gardens. CHW also built a new 2,100 square foot Community Building incorporating the quilt design that includes a leasing office, a community/kitchen space, a 8-computer Learning Center, a laundry room, a maintenance room, and a patio. Additional amenities include a new resident organic garden with 9 large raised planting beds and surface beds, potting tables and sheds, a walking/running path along perimeter, with 4 par course stations, a new large Tot Lot, the addition of new patios for each residential building with barbeque and tables, a central formal garden (Quilt Garden) with two pergolas, tables, rose garden, edible landscape including citrus, herbs, shrubs, and the replacement of all turf with native California or naturalized plants for sustainability. Poway Villas is also participating in the Energy Upgrade California certification program.

PRESERVATION SERVICES FOR NONPROFIT AND LOCAL GOVERNMENT STAFF

CHPC provides technical assistance, and training to help nonprofit and government agencies build and preserve affordable homes for California families and seniors. For more information, please contact our Housing Preservation Manager, Nadia Shihab at nshihab@chpc.net or 415-433-6804 x 316, or our Housing Policy Manager, Marilyn Wacks at mwacks@chpc.net or 415-433-6804 x 313.

THE SAN FRANCISCO FOUNDATION

The Community Foundation of the Bay Area



ICON Builders – About Us

ICON Builders specializes in the renovation of occupied senior and family affordable housing. Since being formed in 1984, we have built or renovated over 20,700 affordable housing apartments. Our team knows how to handle senior Resident needs throughout the renovation process; we have temporarily relocated over 23,000 seniors and families without incident. In fact, the personal care and attention to the Residents of our renovation projects, sets ICON Builders apart.

ICON Builders' HUD Form 2530 Previous Participation Certification lists over 13,000 units. Our knowledge and understanding of various affordable housing finance programs provides added value to your project team. Since most projects involve public and private financing structures, it is critical to partner with a General Contractor with deep understanding of HUD, Low Income Housing Tax Credits, other Federal and State funding sources and Davis-Bacon and State Prevailing Wages. We are very experienced with Developer and Lender perspectives as well as the complex due diligence required for affordable housing projects.

Our Tower Project List includes 21 housing properties with 3,223 apartments. All but three of these are senior projects.

ICON Builders is one of only 10 Contractors in America to achieve a Zero Risk Score as named by Travelers Insurance, the world's largest Surety Company. We have a Bond limit of \$75 million per project, with a \$300 million aggregate bond limit. We have the management and financial capability to meet all of our obligations.

ICON Builders - Tower Project Case Studies

Sorrento Tower

2875 Cowley Way
San Diego, CA 92110

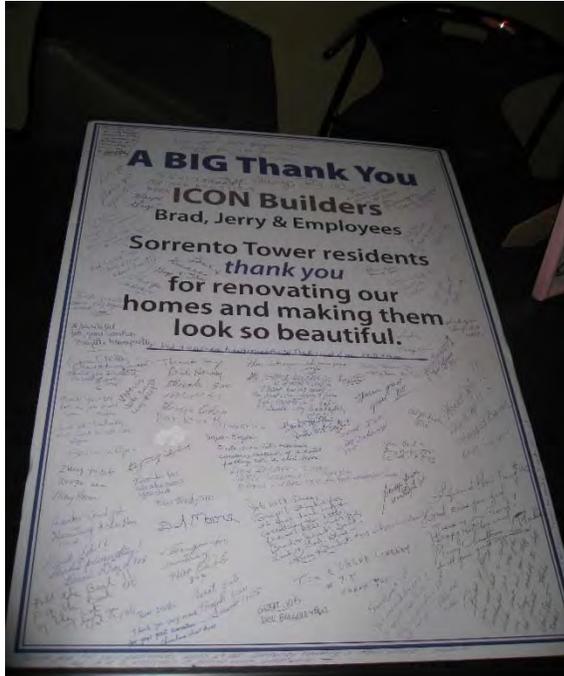


Sorrento Tower Before



Sorrento Tower After

ICON Builders was brought in at project inception and worked closely with Owners, Lenders, Architects, Equity Partner and the San Diego Housing Commission to assist in developing a scope that met or exceeded the needs of all stakeholders. The result was a project that was built using non-Prevailing



Wage with an overall project cost of \$6 million. Sorrento Tower is a 198-unit, 14-story tower serving low-income seniors. This project utilized 4% bond financing and was completed on time and within budget.

The Residents were temporarily relocated while ICON Builders renovated kitchens, bathrooms and windows. The complex received new roof, exterior paint, corridor, carpet, light fixtures and new signage. There were minor upgrades to common areas.

At the Grand Opening, ICON Builders received accolades from the San Diego Housing Commission, San Diego City Council, San Diego HUD Office and Residents.

It was a very proud moment to see our experience and efforts come together to help create such a positive impact on the Residents of Sorrento Tower. Our

Superintendents were thrown a party with food and cake by Residents to show their appreciation for going beyond the call of duty. Our team pays special attention to careful execution so Residents' experience the least interference with their lives.

Norwalk Tower

14141 Clarkdale Avenue
Norwalk, CA 90650



Norwalk Tower Before



Norwalk Tower After

Norwalk Tower was a 185-unit, 11-story tower with 100% Section 8 and fully occupied by senior Residents when ICON Builders joined the team. ICON Builders was closely involved from the start in creating the scope, including destructive testing to help analyze the property's needs. The acquisition and rehabilitation became possible by utilizing 9% low income tax credits and a HUD 221(d) 4 loan which

required Prevailing Wages to be paid. ICON Builders extensive relevant experience with HUD financing paid off for the team as we were able to handle the sometimes complex HUD due diligence with ease.

ICON Builders is especially proud of the innovative solutions that we brought forward on the glass exterior railing.

Central to the \$12 million renovation are extensive energy upgrades including: a solar thermal hot water; regenerating electrical producing generators on the buildings elevators; the replacement of over 2,000 inefficient light fixtures with LED lights; green walls, and high-efficiency windows. The project was completed quickly and efficiently; focused on the comfort of the Residents and sustainable features; rehabilitated a community that is now efficient, uniquely designed, and affordable for seniors.

ICON Builders was once again recognized by the stakeholders and especially by Residents for relationships created with our team during construction.

ICON Builders – Executive and Designated Project Team

Primary Contact:



President - Allen "Kelly" Sands

ksands@iconbuilders.com

Mr. Sands is Founder and President of ICON Builders since 1984. He is known in the affordable housing industry as expert in construction and in HUD, LIHTC, and other Federal and State funding sources. He understands Developer and Lender perspectives as well as the complex due diligence required for affordable housing projects.

Kimball and Morgan Tower Projects Team:



Senior Project Manager – Bob LaGanke

Mr. LaGanke will serve as the Project Manager for this project. He will manage and coordinate all subcontracts, pay applications, and draws. He will direct the project team and provide expertise and insight to the day-to-day management of the project. Mr. LaGanke has 30 years of construction experience with many completed projects for senior Residents.



Project Manager II – David Hearn

Mr. Hearn will serve as the Assistant Project Manager. He will be responsible for all RFI, COR, Submittals and Meeting Minutes. David has over five years of project management experience. He most recently completed two tower projects similar to the Kimball and Morgan projects.



Project Superintendent – Jared Gonzales

Jared Gonzales has been with ICON Builders for over ten years. Jared will serve as the Project Superintendent and will manage the day to day activities of the project. Jared's rehab experience is second to none with over twenty five hundred units successfully completed. He has managed projects throughout the Western United States. Jared has completed tower projects in San Diego and Los Angeles and is considered an expert in the difficult and complex scheduling and staging requirements involved in tower and rehab projects.



Vice President – Jim Brundage

Mr. Brundage has over 25 years of construction and development experience. His career has focused on the development of affordable multifamily and market rate multifamily housing. Mr. Brundage will lead all preconstruction, due diligence, estimation, and project set up. He will stay involved in the project throughout the construction term and serve as a liaison for ICON Builders and the development team.

ICON Builders – Executive and Designated Project Team

Kimball and Morgan Tower Projects Team (continued):



Lisa Huntley, Controller

Mrs. Huntley has over 25 years of experience in construction and land development. As an administrator of ICON's accounting processes, Lisa oversees all Accounts Payable and Accounts Receivable; as well as managing the accounting team; the payment applications of our Subcontractors; as well as working closely with our clients on Owner Draws and Certifications for Payment.



Marianne Laupp, CFO

ICON Builders payroll systems, including monitoring subcontractors prevailing wage reporting. Marianne also handles all subcontractor general liability insurance, business licenses and workers compensation requirements. She is instrumental in building lasting relationships with our subcontractors, banks, lenders, and government entities.



Compliance – Trish Robinson

Mrs. Robinson will serve as the Prevailing Wage Coordinator with responsibility of various due diligence requirements for this project. Trish has over five years of compliance experience with ICON Builders. Prior to joining us, she worked 8 years in the construction industry at a Georgia based multi-family builder. Trish deals with multiple government agencies including HUD, Directors of local government, and Subcontractors.



Assistant Superintendent – To be determined



ICON Builders Project Experience List - Tower Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Pilgrim Towers	Renovation	Los Angeles, CA	110	TDM Architects	\$10 Million	December 2016
Naomi Gardens	Renovation	Arcadia, CA	101	Mark McKinney Architects	\$2.9 Million	September 2014
Whittier Tower	Renovation	Whittier, CA	155	R & A Design Inc.	\$8.2 Million	December 2014
Norwalk Towers	Renovation	Norwalk, CA	185	Ground Floor Design	\$12 Million	January 2014
Residences at First National	Renovation	Vicksburg, MS	55	Gary L. Hill	\$5 Million	September 2014
Regency House at Arcadia	Renovation	Phoenix, AZ	110	ORB Architects	\$8.7 Million	October 2013
Montecito Towers	Renovation	Hollywood, CA	116	N/A	\$1.5 Million	December 2011
Sorrento Towers	Renovation	San Diego, CA	198	Basis Architects	\$6 Million	December 2011
Regency Towers	Renovation	Inglewood, CA	104	LGA Architects	\$5 Million	December 2010
The Ford	Renovation	Los Angeles, CA	151	Killefer Flammang Architects	\$14.5 Million	December 2011
Regent Plaza Apartments	Renovation	Inglewood, CA	107	David Lewis Architects	\$2.5 Million	December 2008
Rosslyn Lofts	Renovation	Los Angeles, CA	296	TSArchitects	\$17.5 Million	May 2009
Argonaut, El Tovar & Drehmoor Apartments	Renovation	Denver, CO	182	N/A	\$3.2 Million	January 2008
Alexandria Hotel	Renovation	Los Angeles, CA	463	TSArchitects	\$14 Million	June 2008
Casa de Vallejo Apartments	Renovation	Vallejo, CA	136	N/A	\$1.3 Million	June 2006
Flower Park Plaza	Renovation	Santa Ana, CA	199	Hardison Komatsu Ivelich & Tucker	\$5.5 Million	October 2006



ICON Builders Project Experience List - Tower Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Harriet Tubman Apartments	Renovation	Berkeley, CA	98	The Albert Group Architects	\$3.5 Million	November 2005
Alaska House Apartments	Renovation	Seattle, WA	99	Ross Deckman Architects	\$1.5 Million	December 2004
International House Apartments	Renovation	Seattle, WA	105	Ross Deckman Architects	\$1.5 Million	December 2004
Santa Ana Towers	Renovation	Santa Ana, CA	198	N/A	\$2 Million	December 2002
Lake Merritt Apartments	Renovation	Oakland, CA	55	N/A	\$1 Million	December 2002
TOTAL			3,223		\$127 Million	



Sorrento Towers
Before Renovation



Sorrento Towers
After Renovation



Norwalk Towers
Before Renovation



Norwalk Towers
After Renovation



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Morrh 1 Apartments	Renovation	Oakland, CA	126	Irwin Partners	\$8.8 Million	December 2016
Oak Center Apartments	Renovation	Oakland, CA	77	Irwin Partners	\$4.7 Million	December 2016
Rancho California	Renovation	Temecula, CA	55	Relativity Architects	\$3.2 Million	November 2016
Casa Blanca Apartments	Renovation	Antioch, CA	115	N/A	\$5 Million	December 2016
The Groves	Renovation	Pasadena, CA	44	The John Stewart Company	\$3.2 Million	June 2016
Springdale West	Renovation	Long Beach, CA	410	Withee Malcolm Architects	\$19 Million	December 2016
Northwest Manor II	Renovation	Pasadena, CA	44	The John Stewart Company	\$3.2 Million	June 2016
Park Sunset	Renovation	San Francisco, CA	30	The John Stewart Company	\$1.7 Million	June 2016
Sac4	Renovation	Sacramento, CA	351	J. S. Egan Design, Inc.	\$14.5 Million	December 2016
Pilgrim Towers	Renovation	Los Angeles, CA	110	TDM Architects	\$10 Million	December 2016
Liberty Village Apartments	Renovation	Richmond, CA	99	N/A	\$4.4 Million	April 2016
Washington Scattered Sites	Renovation	Seattle, Washington	125	Stickney Murphy Romine	\$4.6 Million	April 2016
Auburn Villas	Renovation	Auburn, CA	50	Ground Floor Design	\$2 Million	June 2015
Victory Place IV	New Construction	Phoenix, AZ	96	Togawa Smith Martin Residential	\$8.5 Million	December 2015
Park Plaza	Renovation	Los Angeles, CA	79	Relativity Architects	\$4.7 Million	June 2015
Canyon View	Renovation	Colfax, CA	67	Ground Floor Design	\$2 Million	December 2014
Pleasant View	Renovation	Fresno, CA	60	Killefer Flammang Architects	\$1.35 Million	December 2014



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Monument Arms	Renovation	Fairfield, CA	198	Ground Floor Design	\$4 Million	May 2015
El Rancho Apartments	New Construction	Mesa, AZ	66	Perlman Architects	\$8.8 Million	June 2015
Corona Park Apartments	Renovation	Corona, CA	160	n/a	\$1 Million	February 2015
Huntington Yorba Villa	Renovation	Huntington Beach, CA	198	Ground Floor Design	\$6.4 Million	November 2014
Turner Apartments	Renovation	Los Angeles, CA	32	Ground Floor Design	\$2.1 Million	December 2014
Sunnylane	Renovation	Bakersfield, CA	40	Ground Floor Design	\$3.5 Million	December 2014
Eucalyptus Park	Renovation	Inglewood, CA	92	Relativity Architects	\$6.4 Million	December 2014
Arrowhead Vista	Renovation	San Bernardino, CA	40	Ground Floor Design	\$1.4 Million	September 2014
Azusa Apartments	Renovation	Azusa, CA	88	John Stewart Architects	\$5.8 Million	December 2014
Naomi Gardens	Renovation	Arcadia, CA	101	Mark McKinney Architects	\$2.9 Million	September 2014
Holly Courts	Renovation	Sacramento, CA	40	Killefer Flammang Architects	\$1.3 Million	May 2014
Whittier Tower	Renovation	Whittier, CA	155	R & A Design Inc.	\$8.2 Million	December 2014
Palm Grove	Renovation	Lompoc, CA	40	KBZ Architects	\$5 Million	September 2014
Ramona Senior	Renovation	Compton, CA	60	Birba Group	\$2.7 Million	September 2014
Cypress Senior Living	Renovation	Glendale, CA	18	Egan Simon Architects	\$1.3 Million	May 2014
Casa de Cortez	Renovation	Fallbrook, CA	32	Ground Floor Design	\$1.5 Million	January 2014
Banning Villa	Renovation	Los Angeles, CA	90	Ground Floor Design	\$5 Million	January 2014
Norwalk Towers	Renovation	Norwalk, CA	185	Ground Floor Design	\$12 Million	January 2014



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Foothill Terrace	Renovation	Los Angeles, CA	40	Withee Malcolm Architects	\$3 Million	January 2014
Raintree Apartments	New Construction / Joint Venture	Clovis, NM	128	Acanthus Architects	\$10.7 Million	August 2014
Residences at First National	Renovation	Vicksburg, MS	55	Gary L. Hill	\$5M	September 2014
Oak Park Phase 1	New Construction / Joint Venture	Pasa Robles, CA	80	Paul Davis Partnership	\$15.8 Million	June 2014
Palmdalia	Renovation	Palmdale, CA	64	Davidson Architects	\$1 Million	January 2013
Canyon Crest	Renovation	Fresno, CA	118	Davidson Architects	\$4.5 Million	April, 2013
Regency House at Arcadia	Renovation	Phoenix, AZ	110	ORB Architects	\$8.7 Million	October 2013
1st and Rosemary Senior	New Construction / Joint Venture	San Jose, CA	106	Architects Orange	\$15.4 Million	December 2013
1st and Rosemary Family	New Construction / Joint Venture	San Jose, CA	184	Architects Orange	\$32 Million	December 2013
LA Pro II	Renovation	Los Angeles, CA	60	Ground Floor Design	\$4.5 Million	January 2013
Western Apartments	New Construction / Joint Venture	Los Angeles, CA	63	Withee Malcolm Architects	\$14.4 Million	December 2013
DHS Project	Renovation	Los Angeles, CA	29	Egan-Simon	\$3.5 Million	January 2013
Mission Plaza	Renovation	Los Angeles, CA	132	DE Architects	\$15.3 Million	October 2013
Palmdale Transit Village	New Construction / Joint Venture	Palmdale, CA	156	GMP Architects	\$26.8 Million	July 2013
FAME Santa Monica Apartments	New Construction / Joint Venture	Santa Monica, CA	49	Jones and Martinez Architects	\$9.2 Million	February 2013
Casa De Vallejo - Rebuild	Renovation	Vallejo, CA	136	Marengo Morton Architects	\$6.2 Million	August 2012
Dunbar Hotel	Renovation / Joint Venture	Los Angeles, CA	85	Withee Malcolm Architects	\$14 Million	February 2013
Franklin Street Family Apartments	New Construction / Joint Venture	Mountain View, CA	51	KTGY Group, Inc.	\$12 Million	February 2013



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Casa Griffin Apartments	Renovation	Los Angeles, CA	40	Commercial Architecture, Inc.	\$1.26 Million	September 2012
Hudson Manor	Renovation	Antioch, CA	122	Stirling Architects	\$5.3 Million	July 2012
Terra Bella	New Construction / Joint Venture	Bell Gardens, CA	65	Abode Communities	\$11.5 Million	December 2012
Orchard Gables	Renovation / Joint Venture	Hollywood, CA	1	M2A Architects	\$1 Million	December 2011
Pioneer Village Estates	Renovation	Bakersfield, CA	85	Ground Floor Design	\$4 Million	February 2012
Canby Wood Senior	New Construction / Joint Venture	Reseda, CA	98	William Hezmalhalch Architects	\$14 Million	November 2012
Montecito Towers	Renovation	Hollywood, CA	116	N/A	\$1.5 Million	December 2011
Sorrento Towers	Renovation	San Diego, CA	198	Basis Architects	\$6 Million	December 2011
Wadsworth Apartments	Renovation	Los Angeles, CA	21	Ground Floor Design	\$1.6 Million	September 2011
Springdale West - Exteriors Phase I	Renovation	Long Beach, CA	198	Withee Malcolm Architects	\$3.7 Million	March 2012
Encanto Del Mar Apartments	New Construction / Joint Venture	Ventura, CA	37	Main Street Architects	\$9.5 Million	April 2012
Yale Street Garage	New Construction / Joint Venture	Los Angeles, CA	60	Togawa Smith Martin Residential	\$4 Million	September 2012
Jackson Hills Apartments	Renovation	Jackson, CA	86	Ground Floor Design	\$5.4 Million	June 2011
LA Pro I Apartments	Renovation	Los Angeles, CA	124	Ground Floor Design	\$5.2 Million	June 2011
Boyle Hotel Apartments	New Construction / Joint Venture	Los Angeles, CA	51	Richard Baron	\$11 Million	June 2012
Orvieto Family Apartments	New Construction / Joint Venture	San Jose, CA	92	KTYG Group, Inc.	\$18 Million	May 2012
Fellowship Plaza Apartments	Renovation	Saratoga, CA	150	Mayers Architects	\$1 Million	February 2011
Victory Place III Apartments	New Construction	Phoenix, AZ	75	Togawa Smith Martin Architects	\$5.1 Million	December 2011



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
The Village at Broad Street	New Construction / Joint Venture	San Luis Obispo, CA	42	KTGY Group, Inc.	\$8.2 Million	December 2011
Rowland Heights Apartments	Renovation	Rowland Heights, CA	144	Withee Malcolm Architects	\$2.2 Million	February 2011
Emerald Cove	Renovation	Huntington Beach, CA	133	N/A	\$4 Million	March 2011
Cedar Gateway Apartments	New Construction / Joint Venture	San Diego, CA	65	Silber Architects	\$19.9 Million	January 2012
Dana Strand Senior Apartments	New Construction / Joint Venture	Los Angeles, CA	100	KTGY Group, Inc.	\$12.1 Million	November 2011
Arbor Village	Renovation	San Diego, CA	112	ADG Architects	\$5 Million	January 2011
7th & Coronado Apartments	New Construction / Joint Venture	Los Angeles, CA	68	Hatch-Colasuonno Studio	\$17 Million	December 2011
Regency Towers	Renovation	Inglewood, CA	104	LGA Architects	\$5 Million	December 2010
Brookwood Terrace Family Apartments	New Construction / Joint Venture	San Jose, CA	84	KTGY Group, Inc.	\$16.2 Million	November 2011
The Ford	Renovation	Los Angeles, CA	151	Killefer Flammang Architects	\$14.5 Million	December 2011
The Courtyards in Long Beach	Renovation / Joint Venture	Long Beach, CA	46	J.S. Egan Design, Inc.	\$5.5 Million	December 2010
PHD Apartments	Renovation / Joint Venture	Los Angeles, CA	83	Birba Architects	\$1 Million	October 2010
Magnolia Court	New Construction / Joint Venture	Manteca, CA	52	Studio E Architects	\$6 Million	December 2010
Parkview Apartments	Renovation / Joint Venture	Los Angeles, CA	80	Hatch-Colasuonno Studio	\$10.5 Million	December 2011
Carson City South Tower	New Construction / Joint Venture	Carson, CA	150	Withee Malcolm Architects	\$26 Million	December 2012
Carson City North Tower	New Construction / Joint Venture	Carson, CA	86	Withee Malcolm Architects	\$14 Million	May 2011
Academy Hall Apartments	Renovation	Los Angeles, CA	46	N/A	\$1.6 Million	September 2009
Renato Apartments	New Construction / Joint Venture	Los Angeles, CA	96	Killefer Flammang Architects	\$17.1 Million	October 2010



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Mountain View Apartments	Renovation	Beaumont, CA	80	Blumentals / Architecture, Inc.	\$3 Million	December 2009
Desert Palms Apartments	Renovation	Coachella, CA	112	Blumentals / Architecture, Inc.	\$3.5 Million	December 2009
Columbus Square Apartments	Renovation	North Hills, CA	64	N/A	\$3.5 Million	April 2009
Casa Lucerna Apartments	Renovation	Los Angeles, CA	75	David Lewis Architects	\$1.2 Million	December 2009
Drake Manor Apartments	Renovation	Pomona, CA	109	David Lewis Architects	\$1.2 Million	December 2009
Leffingwell Manor Apartments	Renovation	Whittier, CA	89	David Lewis Architects	\$1.7 Million	December 2009
Arrow Plaza Apartments	Renovation	Covina, CA	64	David Lewis Architects	\$1.3 Million	December 2009
Cherrylee Gardens Apartments	Renovation	El Monte, CA	78	David Lewis Architects	\$3.3 Million	December 2009
Regent Plaza Apartments	Renovation	Inglewood, CA	107	David Lewis Architects	\$2.5 Million	December 2008
Inglewood Meadows Apartments	Renovation	Inglewood, CA	198	David Lewis Architects	\$7 Million	December 2008
Seven Maples Apartments	New Construction / Joint Venture	Los Angeles, CA	57	Rosen Van Cleve Architects	\$10.3 Million	July 2009
Two Worlds Apartments	Renovation	Los Angeles, CA	92	N/A	\$8.4 Million	December 2008
Belage Manor Apartments	Renovation	Anaheim, CA	180	N/A	\$3.6 Million	December 2008
New Carver Apartments	New Construction / Joint Venture	Los Angeles, CA	97	Michael Maltzan Architecture, Inc	\$19.5 Million	June 2009
St. Andrews Apartments	Renovation	Los Angeles, CA	43	Birba Architects	\$2.1 Million	May 2008
Northridge Apartments	Renovation	San Francisco, CA	300	Kodama Diseno Architects	\$27 Million	April 2009
Rosslyn Lofts	Renovation	Los Angeles, CA	296	TSArchitects	\$17.5 Million	May 2009
James M. Woods Apartments	New Construction / Joint Venture	Los Angeles, CA	53	Dvoretzky Bardovi Bunnell Architects	\$9 Million	December 2008



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Panorama Apartments	Renovation	Panorama City, CA	87	Birba Architects	\$5.3 Million	December 2007
Elm Avenue Apartments	Renovation / Joint Venture	Long Beach, CA	17	Richard Baron	\$1.7 Million	June 2008
Golden Apartments	Renovation	Reno, NV	159	N/A	\$3 Million	November 2007
Argonaut, El Tovar & Drehmoor Apartments	Renovation	Denver, CO	182	N/A	\$3.2 Million	January 2008
Bronson Court Apartments	New Construction / Joint Venture	Los Angeles, CA	32	FSY Architects	\$8.7 Million	March 2008
Second Avenue Apartments	Renovation	Los Angeles, CA	20	N/A	\$1.4 Million	July 2007
Lyndon Hotel	Renovation / Joint Venture	Los Angeles, CA	53	Killefer Flammang Architects	\$4.7 Million	April 2008
Abbey Apartments	New Construction / Joint Venture	Los Angeles, CA	115	Koning Eizenberg Architecture	\$14.9 Million	June 2008
La Playa at Manchester	New Construction / Joint Venture	Los Angeles, CA	41	RTK Architects, Inc.	\$13.7 Million	June 2008
Alexandria Hotel	Renovation	Los Angeles, CA	463	TSArchitects	\$14 Million	June 2008
Palm Springs Seniors Apartments	Renovation	Palm Springs, CA	116	Ground Floor Design	\$2.3 Million	November 2007
Indio Gardens Apartments	Renovation	Indio, CA	151	Ground Floor Design	\$2.3 Million	April 2007
Woodland Terrace Apartments	New Construction / Joint Venture	Los Angeles, CA	31	Richard Barron Architects	\$7.3 Million	March 2007
Las Flores Apartments with Child Care Facility	New Construction / Joint Venture	Los Angeles, CA	25	Quatro Design Group	\$6.3 Million	June 2007
Hojas de Plata	Renovation	La Puente, CA	53	Ken Kurose Architect	\$1.1 Million	April 2007
Willow Apartments	New Construction / Joint Venture	Compton, CA	24	Killefer Flammang Architects	\$4.3 Million	November 2006
Sterling Village Apartments	Renovation	San Bernardino, CA	80	GRC + A Architects	\$1.6 Million	September 2006
Hemet Estates Apartments	Renovation	Hemet, CA	80	Ground Floor Design	\$1.6 Million	September 2006



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Briarwood Manor Apartments	Renovation	Montclair, CA	100	N/A	\$1.4 Million	March 2006
Casa de Vallejo Apartments	Renovation	Vallejo, CA	136	N/A	\$1.3 Million	June 2006
Birch and Elm	Renovation / Joint Venture	Norwalk, CA	34	Richard Barron Architects	\$5 Million	December 2006
Flower Park Plaza	Renovation	Santa Ana, CA	199	Hardison Komatsu Ivelich & Tucker	\$5.5 Million	October 2006
Camino De Los Arbolitos (Kern Villa)	Renovation	Los Angeles, CA	49	Billy + Warner Architects	\$3.4 Million	December 2005
Harriet Tubman Apartments	Renovation	Berkeley, CA	98	The Albert Group Architects	\$3.5 Million	November 2005
Royals Apartments	Renovation	Los Angeles, CA	113	Birba Group	\$5.5 Million	December 2005
Mission Woods	Renovation	Ontario, CA	150	N/A	\$5 Million	June 2005
Lafayette Square Apartments	Renovation	Albuquerque, NM	188	N/A	\$4.1 Million	August 2005
Rainbow Apartments	New Construction / Joint Venture	Los Angeles, CA	89	Maltzman Architects	\$10 Million	April 2006
NoHo Apartments	New Construction / Joint Venture	North Hollywood, CA	312	Van Tilburg Architects	\$48.6 Million	March 2006
Crescent Apartments	New Construction / Joint Venture	Beverly Hills, CA	88	Van Tilburg Architects	\$21 Million	September 2005
Desert Villas Apartments (Park Plaza)	Renovation	El Centro, CA	172	N/A	\$1.7 Million	July 2005
Bennett Valley Park Apartments	Renovation	Santa Rosa, CA	180	N/A	\$5.5 Million	July 2005
Ingram Preservation Properties	Renovation	Los Angeles, CA	140	O.N.E. Company Architects	\$2.1 Million	June 2005
Citrus Grove Apartments	Renovation	Fontana, CA	50	Hayashida Architects	\$1.8 Million	December 2004
Alaska House Apartments	Renovation	Seattle, WA	99	Ross Deckman Architects	\$1.5 Million	December 2004
International House Apartments	Renovation	Seattle, WA	105	Ross Deckman Architects	\$1.5 Million	December 2004



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Hannon Assembled Apartments	Renovation	Seaside, CA	133	N/A	\$2.5 Million	December 2004
Hawaiian Gardens Apartments	Renovation	Hawaiian Gardens, CA	264	N/A	\$2.7 Million	December 2004
Roman Villas Apartments (Parkside Point)	Renovation	Las Vegas, NV	192	Eric Miller Architects	\$2.7 Million	December 2004
Delores Francis Housing	Renovation	Los Angeles, CA	366	Birba Architects	\$10.5 Million	December 2004
Corona Park Apartments	Renovation	Corona, CA	126	N/A	\$2.4 Million	December 2004
Sky Parkway Apartments	Renovation	Sacramento, CA	59	N/A	\$750,000	May 2004
Campus Gardens Apartments (Mulberry Gardens)	Renovation	Sacramento, CA	160	Bob Collin Design	\$1.5 Million	April 2004
Azure Park Apartments	Renovation	Sacramento, CA	220	N/A	\$1.6 Million	June 2004
Woodglen Vista Apartments	Renovation	Santee, CA	188	N/A	\$825,000	April 2004
Rio Vista Village Apartments	Renovation	Los Angeles, CA	75	Abaii Chabafy Architects	\$4.5 Million	May 2004
Carlton Country Club Apartments	Renovation	Santee, CA	130	N/A	\$600,000.	December 2003
Baywood Senior Apartments	Renovation	Oakland, CA	77	Ground Floor Design	\$600,000.	March 2004
ML Sheppard Manor	New Construction	Los Angeles, CA	90	GFBA Architects	\$6.5 Million	March 2004
Oak Creek Apartments	New Construction	Agoura Hills, CA	338	Van Tilburg Architects	\$36 Million	July, 2004
Silver Terrace Apartments	Renovation	Reno, NV	126	N/A	\$1.2 Million	June 2003
Santa Ana Towers	Renovation	Santa Ana, CA	198	N/A	\$2 Million	December 2002
Covina Park Apartments (Cienega)	Renovation	Covina, CA	170	N/A	\$2.5 Million	December 2002
Lake Merritt Apartments	Renovation	Oakland, CA	55	N/A	\$1 Million	December 2002



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Seminole Gardens Apartments	Renovation	Palm Springs, CA	60	N/A	\$1 Million	December 2002
Summercrest Villas Apartments	New Construction	San Jose, CA	66	Maple, Dell & McClelland Architects	\$5 Million	July 2003
Eastside Village Apartments	New Construction	Los Angeles, CA	78	GFBA Architects	\$8 Million	September 2003
Logan Square Apartments	Renovation	San Diego, CA	170	N/A	\$2.5 Million	December 2002
Parkway Plaza Apartments	Renovation	Carson City, NV	316	N/A	\$4 Million	December 2002
Deliverance Temple	Renovation	Richmond, CA	82	N/A	\$2.5 Million	November 2002
Viewcrest Village Apartments	Renovation	Bremerton, WA	300	N/A	\$3 Million	October 2002
La Puente Apartments	Renovation	La Puente, CA	132	N/A	\$2 Million	June 2002
Sage Terrace Apartments	Renovation	Lakewood, WA	107	N/A	\$1.5 Million	May 2002
Goldware Senior Housing	New Construction	Riverside, CA	162	Withee Malcolm Architects	\$9 Million	August 2002
Breezewood Village	New Construction	La Mirada, CA	122	John Cotton Architects	\$8 Million	July 2002
Tennyson Apartments	Renovation	Hayward, CA	96	N/A	\$3 Million	December 2001
Everett Country Club Apartments (Parkside)	Renovation	Everett, WA	250	N/A	\$6 Million	December 2001
Birchcrest Apartments	Renovation	Downey, CA	64	N/A	\$1 Million	December 2001
Royal Hills Apartments	Renovation	Renton, WA	284	N/A	\$3 Million	December 2001
The Villas at Augusta Ranch	New Construction	Mesa, AZ	238	George F. Tibsherany Architects	\$13 Million	December 2001
The Villas at Camelback Crossing	New Construction	Phoenix, AZ	264	George F. Tibsherany Architects	\$14 Million	December 2001
Rowland Heights Apartments	Renovation	Rowland Heights, CA	144	N/A	\$2.4 Million	December 2000



ICON Builders

Project Experience Chart - All Buildings

Project	Type	Location	Units	Architect	Project Cost	Completion Date
Plum Tree West Apartments	Renovation	Gilroy, CA	70	N/A	\$1.3 Million	September 2000
Springdale West Apartments	Renovation	Long Beach, CA	410	Todd & Associates	\$5 Million	December 1999
Lark Ellen Village	New Construction	West Covina, CA	122	Withee Malcolm Architects	\$7.6 Million	October 1998
Hollywood El Centro	Joint Venture/ Renovation	Los Angeles, CA	91	LA Community Design Center	\$5.3 Million	September 1996
TOTAL			21,200		\$1.22 Billion	



April 26, 2016

Re: ICON Builders

ICON Builders enjoys surety relations with the Travelers Casualty and Surety Company of America. Travelers Casualty and Surety Company of America is an A++XV rated surety by A. M. Best and is federally approved by the United States Department of the Treasury for bonds in excess of \$200,000,000. Travelers Casualty and Surety Company of America was the largest surety in the United States as of the latest industry information available.

The line of credit available to ICON Builders stands at \$75,000,000 per job with an aggregate limit of \$300,000,000 which has been set to meet the day to day needs of this company. The bond required for this project is readily available.

This limit should not be considered a maximum amount of surety credit available but, rather, a working line of credit to meet the anticipated needs of the contractor's daily operations. Requests for surety credit above these limits are welcome and reviewed on a case by case basis.

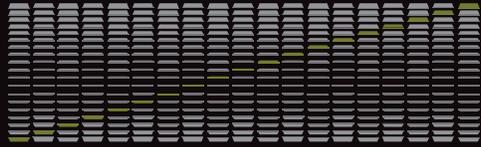
Please note that nothing contained herein is a guarantee of the availability of future credit. ALL requests for bonds are reviewed and subject to available underwriting at the time of the request. Underwriting requirements fluctuate and it is the contractor's responsibility to maintain compliance with the surety's underwriting guidelines.

We are pleased to give our highest recommendation to this firm and invite any inquiries at the number below. Any courtesy you may extend this valued customer is most appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D. McKee', with a horizontal line through it.

David J. McKee, D. Theo.
President



EGAN | SIMON
architecture

REQUEST FOR QUALIFICATIONS FOR:



ARCHITECTURAL SERVICES

April 1, 2016

|

www.EganSimon.com

Project Role: Principal in Charge and Senior Project Manager

As Principal of EGAN | SIMON architecture, John Egan's focus has been on providing quality services in the design and construction industry as Architect, Construction Manager and Owner's Representative. He has concentrated on senior and multi-family affordable housing projects over his 20+ years of architectural design and construction management experience. Being well-versed in design as well as construction, he applies his expertise by making assessments and recommendations for his projects with a deeper understanding of building systems. Mr. Egan believes that strong team interaction and synergy create a successful project. He will monitor all schedules and budgets, ensure resources are available for the team, and will serve as the main point of contact for the Mt. Rubidoux Manor Apartment project.

Education: Bachelor of Architecture, University of Southern California, Los Angeles

Registrations: Licensed Architect, CA, IL and FL; LEED AP

Affiliations: Board Member, USGBC – Los Angeles; Clinton Global Initiative; American Institute of Architects; Housing California; Southern California Association of Non-Profit Housing; Urban Land Institute; Shelter Partnership

Relevant Project Experience:

- Senior Housing Rehabilitation, New Hope Homes – Barker Management
- Senior and Family Housing Rehabilitation, Bicentennial Towers – GHC Housing Partners
- Senior and Family Housing Rehabilitation, South Village Apartment – GHC Housing Partners
- Senior Housing Rehabilitation, St. Mary's Tower – Mercy Housing CA
- Senior Housing Rehabilitation, Terra Bella Bell Gardens – Abode Communities
- 17+ Affordable Senior and Family Housing – A Community of Friends
- 9+ Affordable Senior and Family Housing – Abode Communities
- 2+ Affordable Senior and Family Housing – Los Angeles Housing Partnership
- Star Apartments – Skid Row Housing Trust
- High Place East – Community Corporation Santa Monica
- Step Up on Vine – Hollywood Community Housing Corporation / Enterprise Foundation
- 2+ Community Centers/Affordable Housing/Child Care Facilities – Clifford Beers Housing

Lance Simon, LEED AP BD+C, NOMA EGAN | SIMON architecture

Project Role: Principal

Lance Simon is an experienced project designer, manager and construction manager, with over 20 years of experience specializing in community-based projects. As Principal for the Mt. Rubioux project, he will work closely with John Egan and lead the team to verify the programmatic needs, develop building designs, and follow the project through the construction phase.

Lance will address and coordinate all of the sustainable elements for this project. Lance has a specialized expertise in LEED design and recently completed the Step Up on Vine project which was not only LEED Platinum but recognized by the Clinton Global Initiative for its "innovative commitment (to combine) sustainability and green practices.

Education: Bachelor of Architecture, University of Southern California, Los Angeles

Registrations: LEED AP BD+C

Affiliations: Board Member, Shelter Partnership; Clinton Global Initiative; National Organization of Minority Architects (NOMA); Southern California Association of Non-Profit Housing; Dwell on Design

Relevant Project Experience:

- Senior Housing Rehabilitation, New Hope Homes – Barker Management
- 17+ Affordable Senior and Family Housing – A Community of Friends
- 9+ Affordable Senior and Family Housing – Abode Communities
- 2+ Affordable Senior and Family Housing – Los Angeles Housing Partnership
- Star Apartments – Skid Row Housing Trust
- High Place East – Community Corporation Santa Monica
- Step Up on Vine – Hollywood Community Housing Corporation / Enterprise Foundation
- 2+ Community Centers/Affordable Housing/Child Care Facilities – Clifford Beers Housing

Project Role: Project Manager

Carol has over 25 years of design experience, focusing on affordable multi-family, mixed-use, custom residential housing, community, and commercial projects. As a Project Manager, she is committed to exceeding the expectations of clients by exploring their needs and translating them into unique, inspiring spaces.

During her career, she has designed several award-winning mixed-use and residential projects including 26th Street Affordable Housing and Sunset Vine Tower.

For the Mt. Rubidoux project, she will collaborate closely with John, Lance and the rest of the team for continuity of service and deliverables. As Project Manager she will oversee the consultant team, production team, project schedules, cost management and ensure technical and quality reviews.

Education: M. Architecture, Southern California Institute of Architecture; thesis completed in SCI-Arc Switzerland; Bachelor of Arts, Sculpture, Graphic Arts, Painting, University of California, Los Angeles

Registrations: AIA, LEED AP BD+C, NCARB, California Supplemental Exam Commissioner

Relevant Project Experience:

- Star Apartments – Skid Row Housing Trust
- 26th Street Low Income Housing – Community Corporation of Santa Monica
- The Six, Homeless Vet Housing – Skid Housing Trust
- The Marke (apartments) – Lyon Communities
- Breakwater (apartments) – Archstone
- Metro Hollywood Apartments – McCormack Baron Salazar
- High Place East and West – Community Corporation Santa Monica
- Sunset and Vine (apartments) – Windsor Communities
- Hollywood + Western (apartments) – Hollywood
- Riverside County Credit Union – Riverside



Relevant Projects

As indicated in this response, EGAN | SIMON architecture has been designing facilities for affordable housing clients use for over 18 years. We understand all program elements of this work. This has been reflected in our number of repeat clients and awards received for design. Below is a just a partial list of clients for whom we have and continue to provided services.

A Community of Friends
Abode Communities
Barker Management
Community Corporation of Santa Monica
Hollywood Community Housing Corporation

Enterprise Community Partners Housing
Housing Authority of Los Angeles County
Restore Neighborhood LA
Shelter Partnership
Skid Row Housing Trust

Please refer to Tab F of our submittal for more detail about our Capital Needs Assessment and Affordable Housing experience.

Tab D

Consultant Team

Evidence of experience and capacity of proposed engineering team members.



John Labib + Associates, Structural Engineers provides outstanding structural engineering design and consulting advice to architects, developers, and contractors in the development of new structures, retrofit and analysis of existing structures including seismic mitigation, improvements to existing structures, and specialty structures. JLA has effectively produced and managed the structural design of hundreds of projects, from concept design through construction, since our founding in 2003.

We work closely with our clients throughout the entire design and construction process, believing that with our dedicated collaboration, we can provide the highest level of service throughout the life of the project. We use state-of-the art software to achieve optimum designs and are fully capable of providing construction documentation in both 2D CAD and 3D BIM software.

JLA has experienced an outstanding record of continued growth by providing quality design and personal service to our clients. We are a 17-person full-service structural design and consulting firm, with six licensed Structural Engineers and five licensed Professional Engineers.

JLA has prepared permitted plans and has successfully completed similar multiunit projects in the Los Angeles Area.

Relevant Project Experience:

- Linda Vista Senior Housing – Los Angeles – Adaptive reuse and seismic retrofit of 1940's hospital to 104-unit senior housing
- 3550 Wilshire – Los Angeles – Adaptive reuse and seismic retrofit of 1950's 13-story office tower to 200-unit housing
- Whittier Tower – Whittier – renovation and seismic retrofit of 1970's 10-story concrete tower to 155-unit housing
- Southpark Lofts – Los Angeles – Renovation and seismic retrofit of 1920's 8-story concrete tower
- The Lofts at Hollywood and Vine – 13-story Hollywood adaptive reuse project, 60-units
- 932 S. Hill – Los Angeles – Adaptive reuse and seismic retrofit of 1920's 4-story URM office conversion to housing
- Broadway Hollywood – 13-story Hollywood adaptive reuse project – 96-units. Added rooftop pool
- The Lofts at Sunset and Vine. 20-story Hollywood adaptive reuse project – 80-units
- Library Court Lofts – 5-story downtown LA adaptive reuse project. Added one resident level to existing damaged building – 45-units
- Metro 417 (Subway Terminal Building) – 13-story downtown LA adaptive reuse project. Added rooftop deck and Jacuzzi. 270-units. 2008 SEAOC Excellence in Structural Engineering Award

John Labib, Principal, S.E. John Labib + Associates Structural Engineers

Project Role: Structural Engineering Principal, Structural Engineer of Record

As Principal of John Labib + Associates, John Labib has been involved in a wide variety of projects including new commercial and residential/hospitality buildings, institutional / educational projects, seismic rehabilitation, and earthquake safety evaluations. Mr. Labib is responsible for structural concepts, quality assurance, and overall project and office management. Mr. Labib has over 19 years of engineering experience and is currently on the Industry Leaders Committee for the Structural Engineers Associates of Southern California.

Education: Bachelor of Science, University of California, Irvine
Master of Science, University of California, Berkeley

Registrations: Licensed Civil and Structural Engineer, CA

Relevant Project Experience:

- Linda Vista Senior Housing – Los Angeles – Adaptive reuse and seismic retrofit of 1940's hospital to 104-unit senior housing
- 3550 Wilshire – Los Angeles – Adaptive reuse and seismic retrofit of 1950's 13-story office tower to 200-unit housing
- Whittier Tower – Whittier – renovation and seismic retrofit of 1970's 10-story concrete tower to 155-unit housing
- Southpark Lofts – Los Angeles – Renovation and seismic retrofit of 1920's 8-story concrete tower
- The Lofts at Hollywood and Vine – 13-story Hollywood adaptive reuse project, 60-units
- 932 S. Hill – Los Angeles – Adaptive reuse and seismic retrofit of 1920's 4-story URM office conversion to housing
- Broadway Hollywood – 13-story Hollywood adaptive reuse project – 96-units. Added rooftop pool
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Hellman & Lober - Mechanical Engineers



Hellman & Lober was originally formed in 1958 by Albert Hellman and Allen Lober. Over the ensuing 57 years both founders have passed away but the firm continues to offer mechanical and plumbing engineering services to the Architectural community. In 1985 the firm's management and daily operation was taken over by Stephen Hellman. Mechanical and Plumbing Engineering disciplines for our Projects are executed by Roderick Gonzales and Francisco David Cabrera (Mechanical) and Roger Shira and Steven Phillips (Plumbing). Experience, capability and respect to our clients set our firm apart from others.

Restoration and rehabilitation projects represent 45% of all the assignments awarded to the firm. It's a specialty that requires patience and commitment to detail and more importantly mandates a commitment to developing a strategy that respects the best interest of the client.

Hellman & Lober offers conservative quality engineering respectful of the Architecture, responsible stewards of the built environment, and endorses proven technology. Each project is unique in its own way and to assure that our clients are treated with respect we engage our clients in the decision making process in terms of systems necessary to support their project. Fifty-seven years of experience helps to narrow that field but many factors must be considered when recommending to a client that one system is superior to another. That is why each unique project includes a phase where systems are discussed in terms of scope, cost and efficiency so that an informed decision can be made by all parties.

Hellman & Lober offers experience, knowledge, and understanding to our clients. The adage of "form follows function" is certainly part of our responsibility to our clients. Engineering has changed since 1958 and so has Hellman & Lober...we possess the experience and the technology to provide the appropriate engineering solutions to our clients. Experience...Commitment to Schedules...Budgets...and Cooperation.

Relevant Project Experience:

- Las Americas and Olympia SRO – Skid Row Housing Trust – Los Angeles, CA
- Restoration of American Gold Star Home and Manor – Long Beach, CA
- Packard Lofts Adaptive Reuse – Los Angeles, CA
- 6th Street and Factory Lofts Adaptive Reuse – Los Angeles, CA
- Step Up On Vine Adaptive Reuse – Los Angeles, CA
- Aqua Vista Condominiums – San Diego, CA
- Step Up on Sunset, Los Angeles, CA
- Step Up on Second, Santa Monica, CA
- Michael's Village, Hollywood, CA
- Casa Longwood Apartments, Los Angeles, CA
- Four Seasons Resort The Biltmore, Santa Barbara, CA
- Doubletree Hotel, Bakersfield, CA
- Fairmont Hotel Dallas, Dallas, TX
- The Roosevelt Hotel (aka Fairmont), New Orleans, LA

Roderick S. Gonzales, PE Hellman & Lober

Project Role: Chief Mechanical Engineer

Mr. Gonzales has served as the Chief Engineer at Hellman & Lober since 2014. His experience includes engineering design related to heating, ventilation, air conditioning systems for projects particular focused in the housing and hospitality marketplaces. He is experienced with both AutoCAD and BIM/REVIT software. Mr. Gonzales will oversee the mechanical engineering work performed on the project and has extensive experience leading teams.

Education: Bachelor of Science, Mechanical Engineering – Mapua Institute of Technology
(Manila, Philippines)

Registrations: Licensed Engineer, California

Memberships: ASHRAE

Relevant Project Experience:

- American Gold Star Home and Manor Renovation – Long Beach, CA
- Beverly Terrace Apartments – Los Angeles, CA
- Marriott Residence Inn Hotel – Rancho Cucamonga, CA
- 6th Street and Factor Lofts, Adaptive Reuse – Los Angeles, CA
- Bel Aire Hotel Guestroom Renovation – Beverly Hills, CA

Stephen Hellman Hellman & Lober

Project Role: Principal – Mechanical Engineering, Specifications and Quality Control

Mr. Hellman will manage, oversee and provide quality control of the Project. His professional experience includes managing the Fire Protection and Plumbing Departments for two other local consulting engineering firms. Residential, Commercial and Institutional projects with their varied mechanical support systems are included in his 44 years of experience.

Education: A.A., Santa Barbara College

Affiliations: American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE), American Society of Plumbing Engineers (ASPE) National Fire Protection Associates

Relevant Project Experience:

- Restoration of American Gold Star Home and Manor – Long Beach, CA
- The Roosevelt Hotel New Orleans re-flag to a Waldorf Astoria property following Hurricane Katrina
- Ojai Valley Inn & Spa – Property Renovation Public Spaces and Guestrooms
- Bel Aire Hotel Guestroom Renovation – Beverly Hills, CA (Architect: John Egan)
- Hyatt Hotel – Incheon International Airport – Incheon, South Korea
- The Ranch at Laguna Beach (aka Aliso Creek Inn) – Restoration
- Beverly Terrace Apartments – Los Angeles, CA (Architect: Egan | Simon Architecture)
- Aqua Vista Condominiums – San Diego, CA
- Packard Lofts Adaptive Reuse – Los Angeles, CA
- 6th Street and Factory Lofts Adaptive Reuse – Los Angeles, CA
- Hampton Inn & Suites Hotel – Santa Monica | LEED Gold (Currently Under Construction)
- Courtyard By Marriott Hotel – Santa Monica | LEED Gold (Currently Under Construction)
- Step Up On Vine – Adaptive Reuse – Los Angeles (Architect: Egan | Simon Architecture)

Gausman & Moore operates as a full-service mechanical and electrical consulting engineering firm. The company was founded in 1935 based on three principles: exceptional client service, intelligent engineering, and the right expertise.

Intelligent engineering leads to innovation. Striving to capitalize on the capacity of building modeling software, Gausman & Moore developed a productivity package to compliment Revit. The productivity package enhances discipline coordination, reduces redundant work efforts, provides a common database, and uses manufacturer's data readily available on the web. Our clients benefit directly from the intelligence built into every set of project documents.

Design services are provided for industrial, health care, retail, institutional, corporate, and government clients throughout the United States. Specialized services include: sustainable design, commissioning, fire protection and smoke control, energy audits, forensic studies, arc flash studies, and mission critical power systems design.

Gausman & Moore distinguishes itself in the industry by providing unmatched responsiveness during the delivery of service to our clients. We are committed to fully serving our clients and take pride in developing strong, collaborative relationships with owners, architects, and contractors.

Our people – honest, hardworking, professional, energetic – characterize Gausman & Moore. We have Professional Engineers licensed in all 50 states, the District of Columbia, and Puerto Rico. Our 46-person staff includes 14 licensed Professional Engineers and five graduate engineers, supported by 16 technical staff. Our team also includes 15 LEED Accredited Professionals. Through their dedication and integrity, our team continues to embrace the principles of our founders and is committed to meeting client's expectations on time, every time.

Gausman & Moore is a small business entity.

Relevant Project Experience:

- 6960 Centinela Mixed-Use Facility – Los Angeles, CA
 - 3-story, 10,000 sf mixed use housing facility. Provided engineering design and construction documents for the building's MEP systems
- California Polytechnic State University – Pomona, CA
 - Capital Needs Assessment and Design for Phase 2 of Student Housing
- 2430 Bowmont Drive – Beverly Hills, CA
 - Housing project
- LACCD East Los Angeles College – Los Angeles, CA
- UnitedHealth Group Katella Building – Cypress, CA
- The Aerospace Corporation (Multiple Facilities) – El Segundo, CA
- Burbank Town Center – Burbank, CA
- Del Amo Fashion Center Macy's Store Remodel – Torrance, CA
- Los Angeles County Cove & FPMD Building Assessment – Los Angeles, CA

Jared Bazar, PE, LEED AP BD+C Gausman & Moore

Project Role: Principal-in-Charge

Jared is a Managing Principal and Senior Electrical Engineer for industrial, institutional, commercial, retail, and healthcare projects. Based in our Santa Clarita, CA office, Jared's responsibilities include project management, planning, site observations, designing electrical power systems, lighting, fire alarm systems, audio/visual and data systems, photovoltaic and other renewable energy systems.

Education: Bachelor of Science, Electrical Engineering –
Loyola Marymount University, Los Angeles, CA

Registration: Licensed Engineer, California – E18082
LEED Accredited Professional

Continuing Education: Energy Management Lighting Control Systems and Applications
NFPA 79 & 99 Healthcare Electrical Systems
On-Site Power Generation – Maximum Reliability
Power System Design and Analysis Software
Title 24 Energy Code Seminar
Title 24 Non-Residential Energy Code Software
National Electric Code Update Seminars
Indoor/Outdoor Lighting Seminars

Relevant Project Experience:

- 6960 Centinela Mixed-Use Facility – Los Angeles, CA
- Del Amo Fashion Center – Torrance, CA
- Malibu Residence Electrical Service Rework – Malibu, CA
- UnitedHealth Group Katella Building – Cypress, CA
- Burbank Town Center Remodel – Burbank, CA
- The Aerospace Corporation Building Remodel (Multiple Facilities) – El Segundo, CA
- California Polytechnic State University Phase 2 Student Housing – Pomona, CA
- Alliant Techsystems Building Remodel – Northridge, CA

Jo Ann Rayner, PE Gausman & Moore

Project Role: Electrical Project Manager

Jo Ann is an Electrical Project Manager/Designer at Gausman & Moore. Based in Santa Clarita, Jo Ann provides electrical engineering services for retail, educational, commercial, industrial and institutional projects. Her responsibilities include project management, designing electrical power systems, lighting, fire protection systems and audio/visual and data systems, equipment selection, and site observation.

Education: Bachelor of Science, Engineering – Louisiana Tech University, Ruston, LA

Registration: Licensed Mechanical & Electrical Engineer, CA (E18504 & M34183) and LA
Licensed Electrical Engineer, Nevada

Memberships: Institute of Electrical & Electronic Engineers (IEEE)

Relevant Project Experience:

- 6960 Centinela Mixed-Use Facility – Los Angeles, CA
- 2430 Bowmont Drive – Beverly Hills, CA
- Del Amo Fashion Center – Torrance, CA
- UnitedHealth Group Katella Building – Cypress, CA
- The Aerospace Corporation Building Remodel (Multiple Facilities) – El Segundo, CA
- Alliant Techsystems Building Remodel – Northridge, CA
- Burbank Town Center Remodel – Burbank, CA
- Los Angeles Community College ADA Compliance – Los Angeles, CA
- Rowan Elementary/Loreto Street Elementary HVAC Replacement, Site Analysis – Los Angeles, CA

Partner Engineering & Science is a nationwide provider of environmental engineering, due diligence, and industrial hygiene services for the commercial real estate industry. Its energy efficiency affiliate, Partner Energy, Inc. specializes in energy efficiency engineering and sustainability consulting services. We have assembled a specialized yet diverse team consisting of real estate professionals, finance experts, professional engineers, architects, HERS and HERS II raters, BPI building analysts and proctors, and LEED and GreenPoint Rated professionals. We have supported hundreds of multifamily developers and public housing authorities both in and outside of California, with a special focus on energy efficiency requirements for CTCAC, CDLAC, CalHFA, HUD and the Energy Upgrade CA Multifamily rebate programs for SDG&E, Edison-SoCal Gas and PG&E.

Partner Engineering & Science has provided environmental and building science services including Phase I and Phase II ESAs, Property Condition Assessments and Reports, Industrial Hygiene and Remediation Services for hundreds of developers across the country and has worked extensively in partnership with Partner Energy on multi-scope affordable housing rehab projects. Partner Energy has worked with numerous affordable developers in CA and throughout the country on energy efficiency and sustainability projects.

Relevant Project Experience:

- CNA - Vista Towers Affordable Senior Housing, Front Porch Development – 146 Unit Rehab
- CNA - Banning Villa Affordable Senior Housing, Preservation Partners – 90 Units Rehab
- CNA - 615 Manhattan Affordable Senior Housing, Vitus Group – 165 Units Rehab
- CNA - Flower Terrace, Affordable Senior Housing, Vitus Group – 200 Unit Rehab
- CTCAC Energy Audit - Pilgrim Towners Senior Housing, Front Porch Development – 75 Unit Rehab
- CTCAC Energy Audit - Beverly Park Senior Housing, Standard Property – 185 Unit Rehab
- CTCAC Energy Audit - Bellflower Friendship Manor Senior Housing, WNC – 143 Unit Rehab
- CTCAC Energy Audits - 615 Manhattan Senior Housing, Vitus Group – 165 Unit Rehab
- CTCAC Energy Audits - Flower Terrace Senior Housing, Vitus Group – 200 Unit Rehab
- CTCAC Energy Audits - Canyon View Apartments Senior Housing, Preservation Partners – 67 Unit Rehab
- CTCAC Energy Audits - Golden Oaks Senior Housing, EAH Housing – 50 Unit Rehab

Rob Vaughn Partner Engineering & Science**Project Role:** Principal and Client Manager

Mr. Vaughn has 22 years of experience in the environmental consulting industry. Mr. Vaughn's experience includes two former Engineering News-Record Top 500 Design firms and a Fortune 500 firm. His background in environmental science, in addition to his knowledge of current environmental regulations, allows him to offer the most efficient and cost-effective means of regulatory compliance. Mr. Vaughn has served as an environmental scientist, project manager, or executive senior author on over 10,000 real estate transactions. Mr. Vaughn's due diligence resume includes experience at all levels, advising lenders and real estate investors through the following product types: Phase I Environmental Site Assessments, Phase II Subsurface Investigations, Environmental Transaction Screens, Property Condition Assessments, Probable Maximum Loss Assessments, Asbestos and Lead-Based Paint Surveys Client. Real estate investors, financial institutions, insurance lenders, and real estate equity funds have come to rely on his advice and judgment to help them with their real estate business decisions.

Education: B.A., Environmental Health & Planning, University of California Irvine

Relevant Project Experience:

- CNA - Vista Towers Affordable Senior Housing, Front Porch Development – 146 Unit Rehab
- CNA - Banning Villa Affordable Senior Housing, Preservation Partners – 90 Units Rehab
- CNA - 615 Manhattan Affordable Senior Housing, Vitus Group – 165 Units Rehab
- CNA - Flower Terrace, Affordable Senior Housing, Vitus Group – 200 Unit Rehab
- CTCAC Energy Audit - Pilgrim Towners Senior Housing, Front Porch Development – 75 Unit Rehab
- CTCAC Energy Audit - Beverly Park Senior Housing, Standard Property – 185 Unit Rehab
- CTCAC Energy Audit - Bellflower Friendship Manor Senior Housing, WNC – 143 Unit Rehab

Scott Blunk, LEED AP Partner Energy

Project Role: Multifamily Technical Director

Mr. Blunk is a licensed General Contractor and Real Estate Broker as well as a HERS I and II Rater, GreenPoint Rater and LEED Rater. He has extensive experience conducting energy audits for a variety of multifamily energy efficiency program protocols including CTCAC/CDLAC, CalHFA, HUD, SMUD Multifamily Home Performance Program, Clean Energy Sacramento by Ygrene and SDG&E, Edison and PG&E Energy Upgrade CA Multifamily Energy Efficiency Rebate Program. He has performed energy assessments and energy upgrades on hundreds of buildings including municipal, commercial, multifamily, and single family residences. He consults on energy related issues for contractors, consultants, architects, municipalities. He also teaches Building Science at Los Rios Community College. He has recently served as a commissioner on West Sacramento's Housing Advisory Commission and Sacramento's Historic Preservation Commission.

Education: B.S., Mechanical Engineering, Purdue University
M.B.A., Marquette University

Registrations: PI Multifamily Building Analyst
BPI Multifamily Energy Efficient Building Operator BPI Building Analyst
Certified Energy Plans Examiner (CEPE) Residential Certified Energy Plans Examiner (CEPE)Nonresidential
Certified Energy Analyst (CEA) Residential
EPA Lead Renovator
PA 608 Clean Air
GreenPoint Rater
BPI Proctor
LEED AP
HERS II Rater
BIG Existing Multifamily
BPI Envelope, Heating, AC & Heat Pump

Relevant Project Experience:

- CTCAC Energy Audit - Pilgrim Towners Senior Housing, Front Porch Development – 75 Unit Rehab
- CTCAC Energy Audit - Beverly Park Senior Housing, Standard Property – 185 Unit Rehab
- CTCAC Energy Audit - Bellflower Friendship Manor Senior Housing, WNC – 143 Unit Rehab
- CTCAC Energy Audits - 615 Manhattan Senior Housing, Vitus Group – 165 Unit Rehab
- CTCAC Energy Audits - Flower Terrace Senior Housing, Vitus Group – 200 Unit Rehab
- CTCAC Energy Audits - Canyon View Apartments Senior Housing, Preservation Partners – 67 Unit Rehab
- CTCAC Energy Audits - Golden Oaks Senior Housing, EAH Housing – 50 Unit Rehab

MTI's wide range of experience encompasses all project types which include both new and remodel construction of the following types: housing, medical and healthcare facilities, public safety and detention facilities, youth and community centers, libraries and educational facilities, courthouses, and offices. Not only does the firm have experience with estimating the construction costs of these project types, but MTI also has expertise in developing project budgets and cost plans. MTI is dedicated to producing accurate and reliable construction costs and project budgets and is committed to communicating the data in our work in ways that the entire project team can understand.

Relevant Project Experience:

- CNA & Cost Estimating - GEDC Affordable Housing Project – Glide Economic Develop. Corp, San Francisco
- CNA & Cost Estimating - Southwest Campus Student Housing – University of California, Los Angeles
- CNA & Cost Estimating - Uptown Residential Development – City of Oakland, Oakland
- CNA & Cost Estimating - Bev and Ed Hammon Senior Center, Patterson
- CNA & Cost Estimating - City of Palmdale Aquatics with Senior Program, Palmdale
- CNA & Cost Estimating - Medical Center and Orthopedic Hospital with Geriatric Care – UCLA, Santa Monica
- CNA & Cost Estimating - New Tower with Geriatric Care – Torrance Memorial Medical Center, Torrance
- CNA & Cost Estimating - LAC + USC Medical Center with Geriatric Care, Los Angeles
- CNA & Cost Estimating - Cancer Center with Geriatric Care – UC San Diego, San Diego
- CNA & Cost Estimating - Providence Holy Cross Medical Center with Geriatric Care, Burbank
- CNA & Cost Estimating - Downey Medical Center with Geriatric Care – Kaiser Permanente, Downey
- CNA & Cost Estimating - Rehab Hospital with Geriatric Care – Loma Linda University Med. Ctr., Loma Linda
- CNA & Cost Estimating - Providence Holy Cross Medical Center with Geriatric Care, Glendale
- CNA & Cost Estimating - Make Ready Projects, Acute Care Tower Replacement & Clinics with Geriatric Care – Alameda County Medical Center, Oakland
- CNA & Cost Estimating - Hacienda La Puente School District, City of Industry
- CNA & Cost Estimating - La Mesa Spring Valley School District, San Diego
- CNA & Cost Estimating - Grossmont Union High School District, San Diego
- CNA & Cost Estimating - San Bernardino County
 - 150 W. 5th Street Building
 - Existing Warehouse
 - Existing Office Building
 - Ramona Probation Building

Marcene N. Taylor, CPE, LEED AP MTI Cost

Project Role: Principal in Charge

Ms. Taylor conducts cost planning and analysis for a variety of different facility types specializing in housing, healthcare, educational, civic, parks/recreation and academic facilities. Ms. Taylor has expertise in examining projects by their functional component or trade, value engineering, evaluation of change orders, reconciliation with construction managers, and contract management and control. Ms. Taylor specializes in early conceptual estimating in ensuring that a project's scope is achievable for the budget available, emphasizing not only the construction cost portion of the project, but also the entire project budget.

Education: Certificate in Construction Management - California State University Dominguez Hills, Carson, CA

Registrations: Certified Professional Estimator; LEED AP

Affiliations: 1st Vice President on the National Board of Trustees - American Society of Professional Estimators

Relevant Project Experience:

- CNA & Cost Estimating - GEDC Affordable Housing Project – Glide Economic Develop. Corp, San Francisco
- CNA & Cost Estimating - Southwest Campus Student Housing – University of California, Los Angeles
- CNA & Cost Estimating - Uptown Residential Development – City of Oakland, Oakland
- CNA & Cost Estimating - Bev and Ed Hammon Senior Center, Patterson
- CNA & Cost Estimating - City of Palmdale Aquatics with Senior Program, Palmdale
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- CNA & Cost Estimating - LAC + USC Medical Center with Geriatric Care, Los Angeles
- CNA & Cost Estimating - Cancer Center with Geriatric Care – UC San Diego, San Diego
- CNA & Cost Estimating - Providence Holy Cross Medical Center with Geriatric Care, Burbank
- CNA & Cost Estimating - Downey Medical Center with Geriatric Care – Kaiser Permanente, Downey
- CNA & Cost Estimating - Rehab Hospital with Geriatric Care – Loma Linda University Med. Ctr., Loma Linda
- CNA & Cost Estimating - Providence Holy Cross Medical Center with Geriatric Care, Glendale
- CNA & Cost Estimating - Make Ready Projects, Acute Care Tower Replacement & Clinics with Geriatric Care – Alameda County Medical Center, Oakland
- CNA & Cost Estimating - Hacienda La Puente School District, City of Industry
- CNA & Cost Estimating - La Mesa Spring Valley School District, San Diego
- CNA & Cost Estimating - Grossmont Union High School District, San Diego
- CNA & Cost Estimating - San Bernardino County
 - 150 W. 5th Street Building
 - Existing Warehouse
 - Existing Office Building
 - Ramona Probation Building

Tab F

Project Experience



Project Experience

Ability and competency to work with senior housing and experience with rehabilitation projects.

Capital Needs Assessments

EGAN | SIMON architecture, SBE, specializes in affordable housing rehabilitation. Virtually every project we have completed includes a comprehensive Capital Needs Assessment (CNA). Thus we have completed numerous projects with similar scope to the Mt. Rubidoux Manor Apartments' scope.

Our work on these past projects has included: the physical inspection of all major building systems, assessment and recommendations for capital improvement and replacement work that assures long-term viability. Our vision for Riverside First Baptist Homes (RFBH) is to provide you with the most useful facilities assessment and recommendations so that a solid working plan, budget and 20 year replacement reserve analysis can be established.

On the following pages, we have included examples of similar projects where we have provided these services. On each of the projects listed, we provided the following services:

ASSESSMENT:

- Obtained and conducted a comprehensive review of past construction, renovations, plans, specs and drawings
- Interviewed knowledgeable staff, including users and maintenance and operations, about the facilities' needs, functionality, repairs, general condition/current operations
- Conducted a physical inspection of the existing facilities and building systems

During this investigation phase, we also paid particular attention to any special conditions, findings and/or needs as well as document any historical significance for the building.

REPORT:

Once our initial Assessment was complete, we created our deliverable – a Site Specific Report including:

- Overview analysis of each building's capital condition/ needed repairs
- Narratives of each building system
- Written assessments indicating items needing immediate attention
- Cost estimates associated with repairs and/or upgrades for energy savings
- A budget including a 20-year replacement reserve analysis with associated cost estimates for each item
- Action/implementation plans
- Digital photos of building interiors/exterior to illustrate the priority of recommended capital improvements
- Drawings for each repair

Another unique quality of the EGAN | SIMON architecture firm is that we provide both architectural design and owner's representation services. Having expertise in both disciplines provides RFBH with a CNA not only from a design but also a construction perspective. This means that we provide you with more cost effective solutions while still reflecting the design intent of the original structure.

EGAN | SIMON architecture has long been committed to professional excellence, ultimate client satisfaction, and maintaining enduring relationships. Dedication to innovation, design, and quality customer interaction is the hallmark of our architectural approach.

Energy Focused Capital Needs Assessments and CTCAC Energy Audits



Partner Engineering & Science is a nationwide provider of environmental engineering, due diligence, and industrial hygiene services for the commercial real estate industry. Its energy efficiency affiliate, Partner Energy, Inc. specializes in energy efficiency engineering and sustainability consulting services. We have assembled a specialized yet diverse team consisting of real estate professionals, finance experts, professional engineers, architects, HERS and HERS II raters, BPI building analysts and proctors, and LEED and GreenPoint Rated professionals. We have supported hundreds of multifamily developers and public housing authorities both in and outside of California, with a special focus on energy efficiency requirements for CTCAC, CDLAC, CalHFA, HUD and the Energy Upgrade CA Multifamily rebate programs for SDG&E, Edison-SoCal Gas and PG&E.

Partner Engineering & Science has provided environmental and building science services including Phase I and Phase II ESAs, Property Condition Assessments and Reports, Industrial Hygiene and Remediation Services for hundreds of developers across the country and has worked extensively with Partner Energy on multi-scope affordable housing rehab projects. Partner Energy has worked with numerous affordable developers in CA and throughout the country on energy efficiency and sustainability projects.

Property	Description	Owner	C.N.A.	CTCAC Energy Audit
615 Manhattan	Affordable Senior Housing -Rehab of 165 Units	Vitus Group	✓	✓
Flower Terrace	Affordable Senior Housing -Rehab of 200 Units	Vitus Group	✓	✓
Vista Towers	Affordable Senior Housing -Rehab of 146 Units	Front Porch Development	✓	
Pilgrim Towers	Affordable Senior Housing -Rehab of 75 Units	Front Porch Development		✓
Canyon View Apartments	Affordable Senior Housing -Rehab of 67 Units	Preservation Partners	✓	✓
Banning Villa	Affordable Senior Housing -Rehab of 90 Units	Preservation Partners	✓	
Casa del Pueblo	Affordable Senior Housing -Rehab of 165 Units	Preservation Partners	✓	✓
Norwalk Towers	Affordable Senior Housing -Rehab of 185 Units	Preservation Partners	✓	✓
Ocean View Senior	Affordable Senior Housing -Rehab of 100 Units	BRIDGE Housing	✓	✓
Beverly Park Senior	Affordable Senior Housing -Rehab of 185 Units	Standard Property		✓
Golden Oaks	Affordable Senior Housing -Rehab of 50 Units	EAH Housing		✓
Bellflower Friendship Manor	Affordable Senior Housing -Rehab of 143 Units	WNC		✓
Meadowbrook Apartments	Affordable Housing -Rehab of 450 Units	Vitus Group	✓	✓
Mountain Breeze Villas	Affordable Housing -Rehab of 165 Units	Alliance Propert Group	✓	✓
Rancheria del Sol	Affordable Housing -Rehab of 75 Units	Vitus Group	✓	✓
Sullivan Manor	Affordable Housing -Rehab of 50 Units	Vitus Group	✓	✓
Rancho California	Affordable Housing -Rehab of 55 Units	Thomas Safran & Assoc.	✓	✓
Casa Blanca	Affordable Housing - Rehab of 55 Units	Levy Affiliated (buyer)	✓	✓

Their Capital Needs Assessment reports have addressed the following:

- a) Immediate repairs, ie., life safety issues; filing building systems; deferred maintenance items over \$2,000,000
- b) Replacement Capital Reserve table including estimates of all major capital outlays required over the next 20 years
- c) Review of on-site maintenance records, building drawings and proposals for future capital improvements
- d) Review of Building Department records at the City and on-site interviews with the engineering and management staff

Their TCAC Energy Audit/Sustainability Support addresses the following:

- a) On-site surveys of the subject property including nameplate date for major energy-using systems; lighting, HVAC, other
- b) Document building envelope configuration and orientation including windows, doors, overhangs, as-built drawings, condition, combustion safety testing
- c) Creation of an energy model and projected energy savings utilizing appropriate EnergyPro software as well as calculations and analyses of the identified ECMs

Mechanical Focused Capital Needs Assessments

Hellman and Lober, Inc., a consulting mechanical engineering firm, which includes HVAC and Plumbing professionals, has extensive expertise in conducting **Capital Needs Assessments**. They have completed over **15 Capital Needs Assessments** over the course of the last 5 years that are similar in scope to this RFP. Projects have included residential, higher education, hospitality, and commercial.



Capital Needs Assessments that include due diligence investigations of properties focusing on the mechanical and plumbing infrastructure are a key service to H&L's clients that own and operate older properties. Part of this work evaluation also includes examining the sustainability of building systems and providing solutions to assist the owner in evaluating the degree to which they are interested in upgrading and/or replacing systems to gain sustainability and more operating efficiencies.

Whether it's a specific system that has been targeted by the owner or it's a full property evaluation, development of a **Capital Needs Assessment** is an integral part of the services they offer that help their clients manage their assets. Their knowledge of local, regional and national codes enables them to assess and design a wide variety of mechanical systems.

Their Capital Needs Assessment reports have addressed the following:

- a) Condition of the existing Mechanical and Plumbing infrastructure equipment, piping and ductwork
- b) Assessment of remaining useful life of the principal equipment, piping and ductwork
- c) Recommendations focusing on equipment beyond useful life or equipment, piping or ducting failures
- d) Opportunities to replace failed equipment with energy savings equipment
- e) Basic ROI discussion comparing replacement in kind with energy efficient equipment if applicable
- f) Recommendations cite at minimum State of California minimum compliance with Energy Standards

Hellman and Lober have provided a Capital Needs Assessment on the following properties:

- Las Americas and Olympia SRO – Skid Row Housing Trust – Los Angeles, CA
- American Gold Star Home and Manor – Long Beach, CA
- Four Seasons Resort The Biltmore, Santa Barbara, CA
- Orange County Public Library, San Clemente, CA
- St. Mary's Tower – Senior Citizen Housing, Long Beach, CA.
- Doubletree Hotel, Bakersfield, CA
- Fairmont Hotel Dallas, Dallas, TX
- The Roosevelt Hotel (aka Fairmont), New Orleans, LA



Electrical Focused Capital Needs Assessments

Gausman & Moore has extensive experience in providing electrical engineering services as they relate to both the development of a Capital Needs Assessment as well as full design services. Services include:



Lighting Analysis/Design

- Interior and exterior building lighting
- Parking lot lighting
- Sports and recreational area lighting
- Dimming systems and lighting controls



Power and Distribution Analysis/Design

- Medium voltage power distribution
- Building power distribution
- Emergency power systems
- Mission critical power systems
- Specialty power systems
- Selective coordination studies
- Arc flash studies



Low Voltage Analysis/Design

- Smoke detection and fire alarm
- Life safety systems
- Mass notification systems
- Security/access control
- Telecommunications
- Computer/data networks
- Cable and wireless infrastructure
- Paging and public address systems
- CCTV
- Sound amplification
- Nurse call



Special Systems Analysis/Design

- Lighting protection
- Cathodic protection
- Special grounding systems

Gausman & Moore has provided facility assessment expertise on a variety of projects throughout our company's history. Some of our recent assessment experience includes the following:

- LACCD East Los Angeles College – Los Angeles, CA
- UnitedHealth Group Katella Building – Cypress, CA
- The Aerospace Corporation (Multiple Facilities) – El Segundo, CA
- Burbank Town Center – Burbank, CA
- Del Amo Fashion Center Macy's Store Remodel – Torrance, CA
- Los Angeles County Cove & FPMD Building Assessment – Los Angeles, CA



Affordable Housing Experience

EGAN | SIMON architecture specializes in multi-unit permanent affordable housing design for seniors, families, veterans and other at-risk populations. Since our firm's inception in 1997, EGAN | SIMON architecture has completed numerous affordable housing projects, including both renovations and conversion projects as well as designs for new construction. Our projects have included:

- Single and multi-family housing apartment and cottage units
- Dining Areas
- Public spaces
- Multipurpose spaces
- Commercial grade kitchens
- Individual unit and community kitchens
- ADA compliance through facilities
- Staff offices
- Medical clinics
- Laundry rooms
- Full IT capabilities throughout facilities
- Computer rooms with workstations and internet access
- Outdoor areas
- Recreation areas
- Garden areas
- Parking
- Security



As one of the leading affordable housing design and owner's representation firms in California, we have won numerous design awards, are called upon to speak at many industry conferences, bring our projects in on time and on budget and truly partner with clients to bring added value to every project.

EGAN | SIMON architecture has the vision and experience that sets our work apart. Our insight to conscious design makes each project stand peerless and unique. Dedication to innovation, design, and quality customer interaction is the hallmark of our architectural approach.

Our design philosophy is to create quality environments that reflect a harmonious balance between the visions and functions of the users, client, community, and surrounding geography. We work with both for-profit and non-profit owners including developers, non-profit agencies, corporate entities and financial institutions. We are uniquely adept at understanding the owner's project objectives.

Whether those objectives are focused on return-on-investment or supporting community members in needs, EGAN | SIMON architecture's goal is to exceed our clients' expectations, resulting in long-term associations and repeat clients.

Sustainable design is another cornerstone of our practice. Bringing innovative, green solutions to projects has enabled us to develop world renowned, energy efficient designs that are LEED Certified and recognized by international leaders, including the Clinton Global Initiative. (Please refer to Tab K for more information.)

New Hope Homes



The project included the total reconfiguration and modernization of all tenant units as well as the common areas of the facility. This mid-rise, senior housing complex included the interior rehabilitation of all living areas and designing new kitchens and bathrooms for all units. Asbestos abatement throughout the building was a critical issue. EGAN | SIMON collaborated on the design and acted as the executive architect and owner's representative for this project.



Reference: Peter Barker, Barker Management | 714.533.3450 | pbarker@barkermgt.com

Bicentennial Towers



EGAN | SIMON architecture is providing full executive architect and owner's representative services including design plan review for UFAS compliance, general architectural and technical review of drawings, cost estimating/verification for a 330 unit affordable housing project.

This 12-story existing apartment complex for seniors and families is being completely rehabilitated through a HUD renovation program. In addition a full ADA review on construction documents was conducted.

Reference: Monique Lawshe, GHC Housing Partners | 818.808.0600 ext. 350 | monique@ghchousing.com

South Village Apartments



EGAN | SIMON architecture is currently providing executive architect and owner's representative services for the South Village Apartments.

With over 300 units, this existing apartment complex for seniors and families is being completely rehabilitated through a HUD renovation program.

Our work includes oversight of design, bidding and construction process. We are also responsible for schedule and budget management throughout the project. In addition a full ADA review on construction documents was conducted.

Reference: Monique Lawshe, GHC Housing Partners | 818.808.0600 ext. 350 | monique@ghchousing.com

St. Mary's Tower



EGAN | SIMON architecture is currently working, as the architect of record, on the complete rehabilitation of the existing St. Mary's Towers for Mercy Housing. The existing building is 13 stories with a total of 115,154 SF. There are 12 units per floor with 148 units in total. Unit types include: 1-Bedrooms, and Studio units. The building accommodates both seniors and individual residents. This is also a TCAC project requiring 10% of units to be accessible and compliant with UFAS for residential and common areas. The complete scope includes both total rehabilitation and ADA upgrades.

Reference: Ben Rosen, Mercy Housing California | 213.743.5823 | brosen@mercyhousing.org

Terra Bella Bell Gardens



Terra Bella is an affordable housing development in the City of Bell Gardens where seniors can age independently in place. The facility provides housing, case management, advocacy counseling and recreational activities. This is a LEED for Homes Platinum building where EGAN | SIMON architecture provided executive architect and construction management services.

The complex has 62 one-bedroom units and 3 two-bedroom units with 60,049 SF of residential, 2,235 SF of common area and parking. The complex also includes: a resident resource center with three computer stations, common kitchen and social gathering area; central courtyard with physical activity stations, edible community garden and laundry.

Reference: Dana Trujillo, Skid Row Housing Trust | 213.683.0522 ext. 123 | dana@skidrow.org
(formerly with Abode)

Step up on Vine



The award-winning Step Up on Vine project provides 34 affordable, studio units for previously homeless individuals with severe and persistent mental health issues. The facility provides the resources needed to surround these individuals with supportive services and human relationships as a crucial component of maintaining housing stability.

Each unit has an efficiency kitchen and is fully ADA accessible. The building also houses a common room, commercial grade kitchen, ground floor café, computer lab, roof top terrace and garden.

On-site services include a range of recovery services, including relapse prevention, life skills training, psycho-social support and 12-step groups, and two daily hot meals served in the ground floor dining area.

As one of the first LEED Platinum affordable housing project in the US, sustainable features were incorporated into individual units, common areas, building systems, and landscaping in order to promote energy efficiency, water efficiency, and indoor air quality. In addition, a GreenScreen covering the front façade helps reduce the heat island effect while lessening heat gain by shading the structure. Additionally, shadow boxes provide screening of the apartment units from the morning and afternoon daylight.

It was also recognized by the Clinton Foundation, President Bill Clinton’s organization that focuses on improving global health and wellness.



Reference: Bill Harris | 323.469.0710 | bharris@hollywoodhousing.org

Tab G

Construction Administration Experience



Construction Administration Experience

Experience in construction administration on an occupied rehabilitation.



Because EGAN | SIMON architecture is both an architectural design firm and construction manager, we have specialized expertise during the construction administration phase of any design project. The administrative procedures of the Construction Administration phase are intended not only to facilitate construction but also to forge a durable working relationship based upon clearly defined responsibilities between the owner, contractor, and architect.

We look at all projects to determine how to minimize disruption on occupied facilities and plan accordingly. Communication with all involved parties is key to minimizing disruption and to keeping all affected parties aware of safety zones and construction activities. We will work closely with the on-site staff to coordinate noise, dust and construction impacts.

During construction our approach to dealing with field issues as they arise is that of a team atmosphere. Our typical procedures are as follows:

- Attend pre-construction meeting and establish lines of communications, protocol, material and information handling and distribution, review construction schedule and milestones, etc.
- Establish spreadsheet for tracking all Request of Information, Proposal Requests, and Change Orders
- Establish spreadsheet for tracking all submittals
- Respond to all Requests for Information
- Review all submittals
- Prepare, review, and process all change orders
- Conduct period site visits
- Review Contractors Certificate of Payment
- Review progress schedules
- Perform final project walk-through and punch list for each phase of work
- Prepare and distribute any close-out documentation required



Post Construction

- Return all loaned documents to the owner
- Review and forward operations and maintenance manuals to the owner
- Prepare list of all written guarantees due by the contractor
- Prepare as-built documents based on red-line drawings submitted by the contractor

Tab H

TCAC Experience





TCAC Experience

Experience in working with TCAC requirements and construction administration.

John Egan has been designing affordable housing projects since 1992. Consequently, John and the EGAN | SIMON architecture staff have unmatched expertise in TCAC requirements. Over 95% of the work that is produced in our office address the tax credit requirements in California.

Because of John's expertise on this subject, he is often called upon to speak at conferences and participate on panels related to this subject – including the Housing California and the Southern California Association of Non-Profit Housing annual conferences.

EGAN | SIMON architecture is relied upon by industry leaders and executives to guide them through the TCAC process and as trusted advisors. We encourage you to contact our references provided in this response to learn more about our expertise, but would also be happy to provide additional references upon request.

Please refer to Tab G for information about our construction administration expertise.

Cost Control | Quality | References

Past performance with respect to cost control, quality and compliance with performance schedules as evidenced by three (3) general client references, including names and phone numbers.

Cost Control

Our approach to every project in order to control costs begins with the reconciliation of the scope and budget at the commencement of the job. This is essential so that the client and the architect have a clear and agreed upon understanding of the entire scope. Once the scope has been fully developed, a more accurate budget estimate can be derived and utilized as a realistic starting point.

This methodology proves to be successful on all projects by virtually eliminating the requirement for extra services and reducing the number of change orders during construction. In addition, we have specific internal cost control methods including checklists to ensure proper documentation.

We prepare cost estimates at various stages of the project's design as required. During the programming stage, prior to the beginning of the design phase, estimates are based on an approximate cost per square foot (or per cubic foot, if more applicable). This budget is allocated to the various elements of construction - structural, mechanical, electrical, site work, etc. The key personnel in each discipline then assess the actual project work in their area of responsibility and consider the scope, size, special features, time schedules and other considerations, all of which will affect the cost.

As the project develops and detailed cost estimates become feasible, the key people prepare quantity take-offs by contacting the construction trade representatives for the latest available unit costs. This data is then assembled for an overall estimate. We are accustomed to looking at the entire project as well as limited parts of the work. We are proud that all of our projects have been within 5% of the estimate and in most cases, have come in under the estimate.

EGAN | SIMON also has specific Value Engineering and Constructability expertise. Value Engineering is a process of checks and balances through the life of a project. With all of our projects, we perform cost assessments throughout the life of the project in order to determine the best options and cost effective building components. We have assisted clients by:

- Identifying product/material alternatives
- Analyzing options
- Developing an implementation plan
- Determining a means of delivering the project on time
- Decreasing costs

Cost Control | Quality | References (cont.)

Quality Control

EGAN | SIMON has a thorough QA/QC program and procedure in place. For QA/QC we utilize an experienced architect, outside of the project, to provide QA/QC reviews and provide a “fresh set of eyes” on the documents at various stages throughout the development of the project.

At EGAN | SIMON, controlling the quality of work begins with an assessment of the criteria by which evaluations will be made. Five functions generally form the criteria: function, aesthetics, buildability, integration with systems and cost. These standards are considered independently and are also interrelated. As experienced architects, we are capable of seamlessly integrating these various elements to support and enhance each other.

EGAN | SIMON is a firm not only providing planning and design services, but also construction management services. Having expertise in both disciplines makes for a better building – one that is more cost effective while still reflecting the design intent of the owner. We save our clients’ money by knowing how to develop award winning designs but from a practical, builder’s perspective.

It is our goal to produce the best design solution and product on schedule at the best value. We will work very diligently together with the project team to deliver and our proven track record demonstrates our ability to satisfy all needs of our clients.



Performance Schedule

Please refer to Tab E for specific information about our adherence to Performance Schedules.

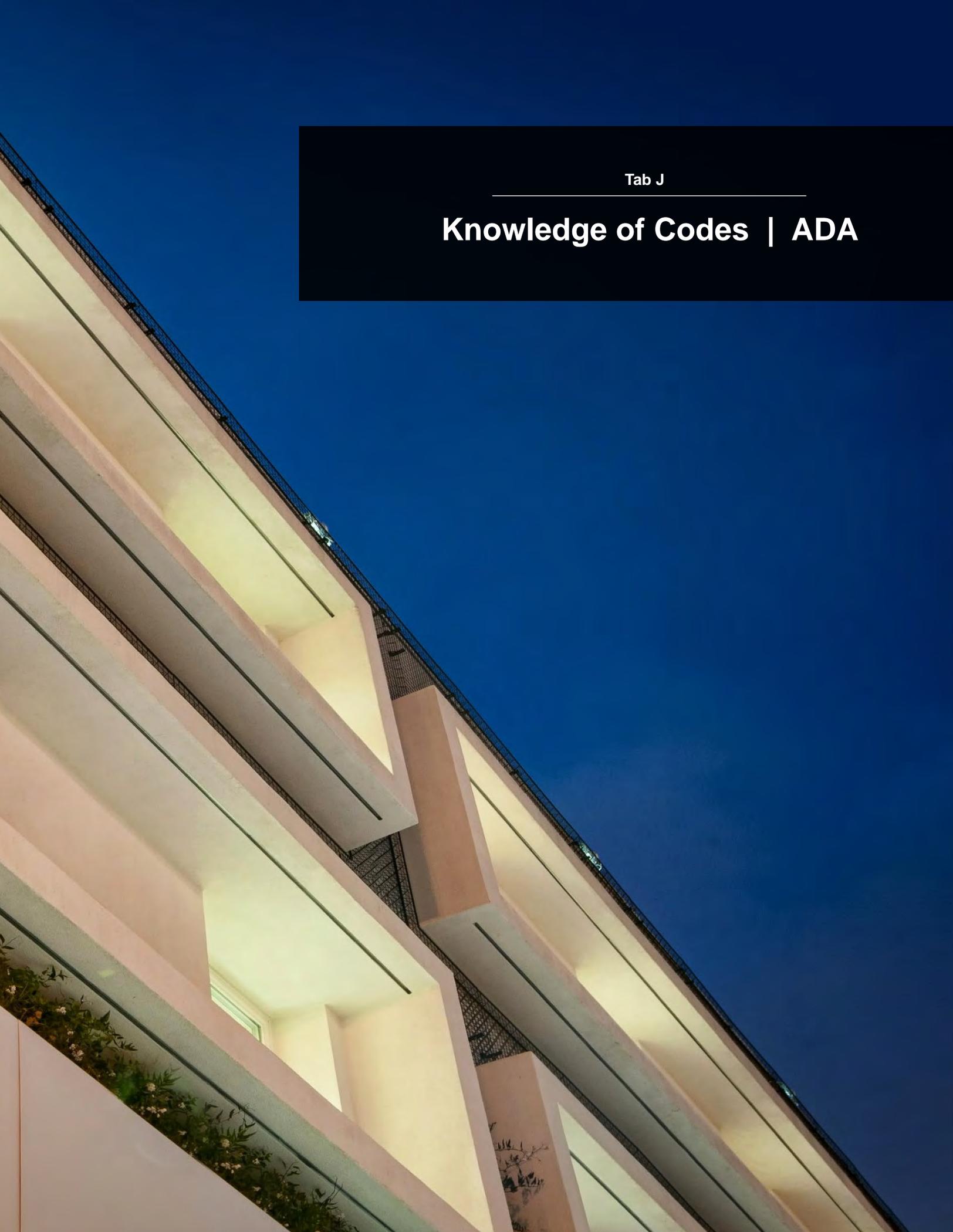
References

Below please find three references that can attest to our performance regarding cost control, quality and schedule compliance. We have completed multiple housing projects for each of these organizations/ references.

Skid Row Housing Trust Dana Trujillo | 213.683.0522 x 123

A Community of Friends Dora Leong Gallo | 213.480.0809

Barker Management Peter Barker | 714.533.3450



Tab J

Knowledge of Codes | ADA

Knowledge of Codes | ADA

Demonstration of knowledge of all local codes and applicable federal and California State standards for accessibility.



EGAN | SIMON architecture understands and provides unmatched expertise on all local codes, applicable Federal standards and California Access Compliance standards as they relate to the Mt. Rubidoux Manor Apartments project. We specialize in affordable senior and multi-family housing renovations and new construction projects – consequently we address all codes and California standards on every project – Capital Need Assessment, Design or Construction Management. (Please also refer to Tab K for additional information on this subject.)



Our consultant team is also well versed in the codes and regulations which pertain specifically to their specialty. We have worked together with each of the consultants included in our team on many affordable housing projects and are confident that they will provide the best marketplace experience for both the Capital Needs Assessment as well as the subsequent design work that will follow.



EGAN | SIMON architecture also has highly specialized expertise in ADA and Access Compliance, reviews, assignments and upgrades. We have completed numerous ADA upgrade projects for affordable housing complexes and public/institutional entities. Services include comprehensive site surveys, assessment of ADA compliance, transition/barrier removal plans, architectural design and construction cost estimates.

By having vast rehabilitation experience in the affordable housing marketplace, we are intimately familiar with the ADA Codes and Statutes that are mandated for these facilities and understand their impacts not only from a code perspective, but also from a funding and tax credit perspective.



Knowledge of Codes | ADA

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Tab K

Other Factors





Other Factors

Other factors determined to be appropriate and in the best interests of the project and Owner.

Sustainability

Sustainable design is another cornerstone of our practice. Bringing innovative, green solutions to projects has enabled us to develop world renowned, energy efficient designs that are LEED Certified and recognized by international leaders, including President Bill Clinton’s Global Initiative.

At EGAN | SIMON architecture, we work hard to sustain natural resources and our environment for future use through conscious and prudent architectural choices. We incorporate strategies that work with nature, not against it. Not only does this decrease the adverse impact on our planet, but we believe that it also creates architectural spaces and buildings that are more enjoyable and enhance the quality of life for the occupants. We are always looking to the future, learning more, and evolving to benefit the environment in which we live.



In addition, John Egan, is currently on the Board of the U.S. Green Building Council. As a Board Member, John has access and is on the front-line of cutting edge technologies, methodologies and trends as they relate to sustainability in the built environment. As a testament to this, EGAN | SIMON architecture’s project, Step Up On Vine, was awarded the first LEED Platinum Certification for an affordable housing project in the United States. It was also recognized by President Bill Clinton’s Global Initiative in 2013.

John also has been involved with environmentally responsible architecture from the onset of his career. During his practice as an Architect, Construction Manager, Business Owner and Philanthropist, he has participated in numerous social based initiatives of which his personal agenda involves the incorporation of environmentally responsible decision making.



Award Winning Design

As a testament to our continuing focus on quality and sustainability, below is a partial list of awards and honors received by EGAN | SIMON architecture.

Step Up on Vine

Winner in the Green Building Category of the Los Angeles Architectural Awards (2014)

Step Up on Vine Apartment Finance Today, Reader's Choice Awards Finalist "Green Finalist" (2013)

LEED Platinum Certification (2013)

USGBC Sustainable Innovation Award: Innovation in Design Project of the Year (2013)

USGBC Sustainable Innovation Award: Energy + Atmosphere Honorable Mention (2013)

Recognized by the Clinton Global Initiative (2010)

Step Up on Fifth

AIA, Honor Award (2010)

AIA National Institute, Honor Award for Architecture (2010)

AIA California Council, Design Merit Award (2010)

AIA National Housing Award (2010)

Residential Architect, Merit Award (2010)

LA Design Awards, Merit: Multifamily (2010)

Westside Urban Forum Prize (2009)

Villas at Gower

LEED Platinum Certification (2011)

Seven Maples

Enterprise Community Partners, Green Communities Award

Winner (Construction Manager - 2007)

Vendome Palms

National Association of Local Housing Finance Agencies (NALHFA), 2012 Multifamily Excellence Award

Ivy Terrace

SCANPH, Multifamily Housing Development of the Year (2011)

LEED Certification (2010)

La Primavera Apartments, Jackson Aisle Apartments

Orange County Affordable Housing Award (2005), Award of Appreciation

Gower Street Apartments

SCANPH, Project of the Year, Special Needs category

Maxwell Award of Excellence.

CSH California Supportive Housing Award Finalist

Urban Land Institute, 1000 Homes Innovation in Community Improvement Award

Courtyards in Long Beach

Southern California Association of NonProfit Housing (SCANPH), Special Needs Housing Development of the Year CSH Quality Awards, Award Finalist (2011)

ULI, Innovation in Community Improvement (2010)

Ten Museum Park

AIA Florida, Honor Award

Cube

AIA Florida, Merit Award, unbuilt

Miami AIA, Award of Excellence, unbuilt

USGBC Outstanding, LEED Core and Shell

Space 01

Miami AIA, Award of Excellence in Architecture, and Merit Award

Florida AIA, Merit Award of Excellence

Sky Harbor Island

Miami AIA, Award for Excellence in Architecture and Merit Award

Broward County Association of the AIA, Award for Excellence in Architecture, built category

Florida Association of the AIA, Award for Excellence in Architecture

Hotel Bel-Air

Gold List, Conde Nast Traveler

Rio Vista

LEED for Homes Platinum (2011), Construction Manager

USGBC-LA, Sustainable Innovation Award (2012)

USGBC, Outstanding Affordable Project of the Year (2012)

USGBC-LA, Sustainable Sites – Locations & Linkages (2013)

International Finance Bank Headquarters

Engineering News Record Southeast, Best Office Building of 2012

Building Design and Construction, International Finance Bank and Milliken Modular Carpet,

"The Professional's Choice"



los angeles

7740 w. manchester avenue, suite 205
playa del rey. CA 90293
o: 310.306.7804 // f: 310.306.9072

chicago

8 s. michigan avenue, suite 2310
chicago. IL 60603



miami

5 n.w. 39th street, suite 1
miami, FL 33137

china

suite 28A, liang feng tower, 8 dong fang road
shanghai, 200120, PRC



www.EganSimon.com

John Egan HUD & TCAC Experience

HUD Funded

American Goldstar Manor -Construction Management – Rehabilitation
HUD 236

367 multi-family apartments

Lutheran Villages – Architect of Record - Rehabilitation
50 multi-family apartments

HUD 223F

New Hope Homes – Construction Management- Rehabilitation
108 senior apartments.

HUD 221D4

Tax Credit Allocation Committee (State of California) Funded

Beverly Terrace Apartments– Architect of Record – New Construction
40 multi-family apartments

Riverwalk Apartments Construction Management – New Construction
77 multi-family apartments

235 Berendo – Architect of Record - Rehabilitation
24 apartments

Exhibit A - Continued Firm Representative Project List

226 Berendo – Architect of Record – Rehabilitation
48 apartments

Terra Bella – Construction Management – New Construction
62 multi-family apartments

Step Up on Vine – Architect of Record – Rehabilitation
34 SRO hotel units

Vendome Palms – Architect of Record - Rehabilitation
42 apartments

The Courtyards – Architect of Record - Rehabilitation
46 apartments

Rio Vista - Construction Management – New Construction
50 multi-family apartments

Ivy Terrace – Construction Management – New Construction
52 multi-family apartments

Casa Dominguez – Construction Management – New Construction
70 multi-family apartments

Morgan Place – Construction Management – New Construction
55 senior apartments

**DEVELOPERS' SOQ
AND DISCLOSURES**

CONTENTS

- Community HousingWorks: SOQ, Disclosure
- Mercy Housing California: SOQ, Disclosure

DEVELOPER STATEMENT
OF
QUALIFICATIONS/
FINANCIAL SUMMARY

DEVELOPER STATEMENT OF QUALIFICATIONS & FINANCIAL SUMMARY

I. DEVELOPER INFORMATION

Name: Community HousingWorks

Address: 2815 Camino del Rio S, Suite 350 San Diego, CA 92108

Telephone/Fax: 619 450-8709 (Anne B. Wilson)

Contact Name: Anne B. Wilson
Senior Vice President
awilson@chworks.org
(619) 450-8710

Mary Jane Jagodzinski
Vice President – Development
mjjag@chworks.org
(619) 450-8710

Is the Developer a subsidiary of/or affiliated with, any other Corporation(s), Joint Venture(s) or Firm(s)? X No Yes

If yes, list each such Corporation, Joint Venture, or Firm by name & address, specify its relationship to the Developer, the % of interest of the partners & identify the Officers & Directors or trustees common to the Developer & such other Corporation or Firm:

Name of Corporation/Joint Venture/Firm: _____
Address: _____
Relationship to Developer: _____
Officers/Directors/Trustees: _____
%of Interest of the partners: _____

Individual(s) authorized to negotiate, on behalf of the development entity/team & responsible for project execution:

Name(s): Anne B. Wilson
Senior Vice President
(Authorized signer)
awilson@chworks.org
(619) 450-8709

Mary Jane Jagodzinski
Vice President – Development
mjjag@chworks.org
(619) 450-8710

Telephone/Fax: see above
Email: see above

II. FINANCIAL CAPACITY

A. Sources & amount of cash available to Developer to meet equity requirements of the proposed undertaking in Bank(s):

CHW has been able to achieve an impressive level of production due to success developing its own **Housing Futures Fund (HFF)**, a highly flexible facility that provides multi-stage capital advances. CHW's fund currently has \$12.4 million in resources, consisting of \$6.9 million in retained earnings and restricted funds, and \$5.5 million in third-party lines of credit. CHW invests this working capital to acquire raw land, acquire and preserve existing multifamily housing, and pay for predevelopment costs. Projects repay these investments when CHW closes on construction or permanent financing sources.

- 1) **Bank Name:** The Housing Futures Fund (HFF) has an **equity balance** of \$6,900,000. Most, if not all, of that cash when not deployed is at Bank of America. Lee Morrison, Business Banking Sr. Client Manager, San Diego
Bank of America Merrill Lynch
Bank of America, N.A.
Phone – (760) 697-9042

B. By loans from affiliated or associated corporations or firms:

The Housing Futures Fund (HFF) has a debt balance of \$7,575,000 and is made up as follows:

PVCHA – \$2,500,000

PVCHA Board member: Robert Kent bobkent84@gmail.com
Community Resource Center, Dir of Finance and Operations
(760) 230-6526

Chase (JP Morgan Chase) – \$1,000,000

Matthew D. Craig, Vice President
707 Broadway, Suite 1200, San Diego, CA 92101
(619) 358-6345 matthew.d.craig@jpmchase.com

Torrey Pines (Western Alliance) – \$2,000,000

Vince Kingsley, Senior Vice President
9280 Clairemont Mesa Boulevard, San Diego, CA
(858) 259-5303 vkingsley@torreypinesbank.com

AHMI II – \$ 775,000(net)

Geoff Hardies, Controller
NeighborWorks@ Salt Lake
(801) 539-1590 x 105 geoff@nwsaltlake.org

Union Bank – \$1,300,000(2 loans – staggered originations)

Johanna Gullick, Managing Director
1901 Avenue of the Stars, Suite 600 Los Angeles, CA 90067
(310) 551-8967 johanna.gullick@unionbank.com

C. Following are Three Bank References

- 1) **Bank Name: Morgan Stanley**
Address: 5464 Grossmont Center Drive, Suite 200 La Mesa, CA 91942
Contact Person: Robert Taylor
Telephone: (619) 668-4350 robert.taylor@morganstanley.com
- 2) **Bank Name: Union Bank**
Address: 1901 Avenue of the Stars, Suite 600 Los Angeles, CA
Contact Person: Johanna Gullick, Managing Director
Telephone: (310) 551-8967 johanna.gullick@unionbank.com
- 3) **Bank Name: Torrey Pines Bank**
Address: 9280 Clairemont Mesa Boulevard, San Diego, CA
Contact Person: Vince Kingsley, Senior Vice President
Telephone: 858-259-5303 vkingsley@torreypinesbank.com

D. Following are Four Business References:

- 1) **Company: San Diego Housing Commission**
Address: 1122 Broadway, Suite San Diego, CA 92101
Relationship: Lender (Public) multiple properties
Contact Person: Deborah Ruane, Senior Vice President
Telephone: (619) 578-7566 debbier@sdhc.org
- 2) **Company: City of Vista**
Address: 200 Civic Center Drive, Vista, CA 92084
Relationship: North Santa Fe (ground lease, DDA);
So Santa Fe RFQ (selected 5/16)
Contact Person: John Meyer, Director of Redevelopment & Housing Department
Telephone: (760) 639-6190 jmeyer@ci.vista.ca.us
- 3) **Company: Jones Lang LaSalle (JLL)**
Address: 625 West College, Grapevine, TX 76051
Relationship: Agency Lender (Freddie Mac TEL), several properties
Contact Person: Timothy R. Leonard, Managing Director
Telephone: (817) 310-5800 tim.leonard@am.jll.com
- 4) **Company: CBRE Affordable Housing**
Address: 1918 Eighth Avenue Suite 3200, Seattle, WA 98101
Relationship: Broker on multiple acquisitions by CHW
Contact Person: Dmitry Gourkine Dmitry.gourkine@cbre.com
Telephone: (206) 826-5766

- E. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the developers officers or principal members, shareholders or investors been adjudged bankrupt, either voluntary or involuntary, within the past ten years? X No Yes

If yes, please provide the following information:

Date:

Location:

Bankruptcy was filed under the following name (s):

- F. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the Developer's officers or principal members, shareholders or investors been involved in litigation relating to a development project either voluntary or involuntary, within the past three years? X **No** Yes

If yes, please provide the following information:

Date:

Place:

General Description:

Current Status:

- G. Total amount of development work completed by developer during the last three years:

See Attached table

- H. Projects currently in planning or development by the Developer or Principals of the development entity:

See Attached table

- I. Does any member of the Developers' Corporation/Partnership have any known relationship in connection with purchasing & implementing the Project with any member of the governing body of the Agency to which the accompanying proposal is being made, or to any officer or employee of the local public agency who exercises any functions or responsibilities in connection with the carrying out of the Project under which the local public agency covered by the Developers proposal is being made available? X No Yes

If yes, explain:

- J. Statements & other evidence of the Developers Qualifications & Financial Responsibility are attached thereto & hereby made a part hereof as follows:
See Attachments and Certification, below.

Community HousingWorks
Development: Work Completed 2012-15: Pipeline

Project Name	City	Type	# Units	New	Rehab	Year Completed	Year Start	Total Project		Comments
								Cost	Cost	
Work Completed, 2013-16										
Completed Construction										
North Santa Fe	Vista	Family	68	X		2015		\$20,200,000	city RFQ 2012	
Azusa Apartments	Azusa	Family	88		X	2014		30,100,000		
Los Robles	Vista	Family	76		X	2012		17,700,000		
Total, Completed Construction			232					\$68,000,000		
Acquisitions						<i>Yr Acq</i>		<i>Acq price</i>		
Cypress	Escondido	Family	200			2015		\$ 25,450,000	Acquisition closed 2015	
Mayberry	San Diego	Family	70			2015		8,500,000	Acquisition closed 2015	
Parks at Fig	Fresno	Family	366			2015		17,000,000	Acquisition closed 2015	
Sun Ridge	Concord	Family	198			2016		20,400,000	Acquisition closed 2016	
206 Cedar (land)	Vista	Family	50			2014		1,000,000	Acquisition land closed 2014	
Keeler (land)	San Diego	Family	59			2015		900,000	Acquisition land closed 2015	
Total, Acquisitions			943					\$ 73,250,000		
TOTAL, Work Completed			1,175					\$ 141,250,000		
Pipeline										
Under Construction										
Paradise Creek I	National City	Family	109	X			2014	\$ 51,700,000	city RFQ 2008	
The Groves (aka NW Manors)	Pasadena	Family	44		X		2015	15,838,000		
Maplewood	Lakeside	Family	79		X		2015	15,700,000	Resyndication and moderate rehabilitation	
Cypress	Escondido	Family	200		X		2015	42,000,000		
Mayberry	San Diego	Family	70		X		2015	16,350,000		
Total, Under Construction			502					\$ 141,588,000		
In Planning/Finance										
Paradise Creek II	National City	Family	92	X			2016	\$ 54,926,000	city RFQ 2008; 4%, closing July 2016	
Mission Cove Seniors	Oceanside	Seniors	138	X			2016	38,215,000	city RFQ 2010, 9%, closing Dec 2016	
North Park Seniors	San Diego	Seniors	76	X			2016	28,400,000	LGBT seniors, closing 2016	
Cedar-Nettleton	Vista	Family	68		X		2016	12,200,000	Resyndication and moderate rehabilitation	
Parks at Fig	Fresno	Family	366		X		2016	41,600,000	closing Dec 2016	
Sun Ridge	Concord	Family	198		X		2017	50,000,000		
206 Cedar (land)	Vista	Family	50	X			2017	14,500,000		
Keeler (land)	San Diego	Family	59	X			2017	16,000,000		
South Santa Fe	Vista	Family/Arts	46	X			2017	12,282,000	city RFQ 2016, selected	
Total, In Planning/Finance			1,093					\$ 268,123,000		
TOTAL, Pipeline			1,595					\$ 409,711,000		

CERTIFICATION

I/We, Susan M. Reynolds, certify that this Developer Statement of Qualifications and Financial Responsibility & the attached evidence of the Developers qualifications and financial responsibility are true and correct to the best of my/our knowledge and belief, and that the information contained in this statement is considered public record and will be made available for public inspection and copying upon request. Availability of these public records begins when the Developer selection process includes public meetings.

Susan M. Reynolds
Name

President/CEO
Community HousingWorks

Title

Signature

May 11, 2016

Date
2815 Camino del Rio S, Suite 350

Street Address
San Diego, CA 92108

City, State, Zip

Robert Gottlieb
Name

Secretary
Community HousingWorks

Title

Signature

May 11, 2016

Date
2815 Camino del Rio S, Suite 350

Street Address
San Diego, CA 92108

City, State, Zip

If the Developer is a Corporation, this statement should be signed by the President & Secretary of the Corporation; if an individual or proprietorship, by such individual; if a partnership, by one of the general partners; if an entity not having a President & Secretary, by one of its Chief Officers having knowledge of the financial status & qualifications of the Developer.

Disclosure

Community HousingWorks is not presently party to any pending major litigation nor is it subject to any major outstanding claims, liens or judgments between team members and municipalities or redevelopment agencies.

DEVELOPER STATEMENT
OF
QUALIFICATIONS/
FINANCIAL SUMMARY

DEVELOPER STATEMENT OF QUALIFICATIONS & FINANCIAL SUMMARY

I. DEVELOPER INFORMATION

Name: Mercy Housing California ("MHC")

Address: 1500 S. Grand Ave., Ste. 100, Los Angeles, CA 90015

Telephone/Fax: 213-743-5820 / 213-743-5821

Contact Name: Ed Holder

Is the Developer a subsidiary of/or affiliated with, any other Corporation(s), Joint Venture(s) or Firm(s)? No Yes

If yes, list each such Corporation, Joint Venture, or Firm by name & address, specify its relationship to the Developer, the % of interest of the partners & identify the Officers & Directors or trustees common to the Developer & such other Corporation or Firm:

Name of Corporation/Joint Venture/Firm: Mercy Housing Inc.

Address: 1999 Broadway #1000, Denver, CO 80202

Relationship to Developer: Parent and Sole Member (MHI has many subsidiaries which may be considered affiliates of the developer; in addition, MHC has "single asset entity" subsidiaries for project ownership. Information on these affiliated entities is available upon request.)

Officers/Directors/Trustees: Officers in common for MHI/MHC, respectively: Jane Graf, CEO/VP; Val Agostino, Senior VP/VP; Melissa Clayton, Senior VP/VP; Doug Shoemaker, Senior VP/President; Vince Dodds, VP/Treasurer; Steve Spears, CFO and Senior VP/VP

%of Interest of the partners: N/A

Individual(s) authorized to negotiate, on behalf of the development entity/team & responsible for project execution:

Name(s): Ed Holder

Position: Vice President, Real Estate

Telephone/Fax: 213-743-5830 / 213-743-5821

Email: eholder@mercyhousing.org

II. FINANCIAL CAPACITY

A. Sources & amount of cash available to Developer to meet equity requirements of the proposed undertaking in Bank(s):

- 1) Bank Name: US Bank
Address: 950 17th Street, Denver, CO 80202
Amount: \$: 5,918,633 (as of 3/31/16)

- 2) Bank Name: _____
Address: _____
Amount: \$: _____

B. By loans from affiliated or associated corporations or firms:

- Name: Mercy Housing, Inc.
Address: 1999 Broadway, Suite 1000, Denver, Colorado 80202
Source: Line of Credit with US Bank
Amount: \$: \$8,750,000 available as of 3/31/16

C. The Following are Three Bank References:

- 1) Bank Name: Bank of America
Address: 555 California Street, 6th Floor, San Francisco, CA 94104
Contact Person: Ari Beliak, Relationship Manager
Telephone: (415) 913-3215

- 2) Bank Name: Wells Fargo
Address: 333 Market Street, 18th Floor, San Francisco, CA 94105
Contact Person: Tim McCann, VP
Telephone: (415) 975-6334

- 3) Bank Name: Citibank
Address: 1 Sansome Street, 26th Floor, San Francisco, CA 94104
Contact Person: Merle Malakoff, Relationship Manager
Telephone: (415) 658-4309

D. The Following are Three Bank References:

- 1) Company: Bank of America
Address: 555 California Street, 6th Floor, San Francisco, CA 94104
Relationship: Bank of America has provided construction and permanent financing, as well as LIHTC equity, for numerous rental housing developments.
Contact Person: Ari Beliak, Relationship Manager
Telephone: (415) 913-3215
- 2) Company: Wells Fargo
Address: 333 Market Street, 18th Floor, San Francisco, CA 94105
Relationship: Wells Fargo has provided construction and permanent financing, as well as LIHTC equity, for numerous rental housing developments.
Contact Person: Tim McCann, VP
Telephone: (415) 975-6334
- 3) Company: Citibank
Address: 1 Sansome Street, 26th Floor, San Francisco, CA 94104
Relationship: Citibank has provided construction and permanent financing for numerous rental housing developments.
Contact Person: Merle Malakoff, Relationship Manager
Telephone: (415) 658-4309

- E. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the developers officers or principal members, shareholders or investors been adjudged bankrupt, either voluntary or involuntary, within the past ten years? No Yes

If yes, please provide the following information:

Date:

Location:

Bankruptcy was filed under the following name (s):

- F. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the Developer's officers or principal members, shareholders or investors been involved in litigation relating to a development project either voluntary or involuntary, within the past three years? No Yes

If yes, please provide the following information: Please see attached list of litigation

Date:

Place:

General Description:

Current Status:

- G. Total amount of development work completed by developer during the last three years: MHC has completed 18 development projects since May 2013 with 1,330 units and total development cost of \$443,600,000.

- H. Projects currently in planning or development by the Developer or Principals of the development entity: MHC currently has over 2,500 units in development from feasibility through construction with total development cost of \$895,000,000, see attached list.

- I. Does any member of the Developers' Corporation/Partnership have any known relationship in connection with purchasing & implementing the Project with any member of the governing body of the Agency to which the accompanying proposal is being made, or to any officer or employee of the local public agency who exercises any functions or responsibilities in connection with the carrying out of the Project under which the local public agency covered by the Developers proposal is being made available? No Yes

If yes, explain:

- J. Statements & other evidence of the Developers Qualifications & Financial Responsibility are attached thereto & hereby made a part hereof as follows:

Attachments:

- 1) Mercy Housing Inc. details of litigation
- 2) Mercy Housing California development pipeline

CERTIFICATION

I/We Doug Shoemaker and Amy Baley certify that this Developer Statement of Qualifications and Financial Responsibility & the attached evidence of the Developers qualifications and financial responsibility are true and correct to the best of my/our knowledge and belief, and that the information contained in this statement is considered public record and will be made available for public inspection and copying upon request. Availability of these public records begins when the Developer selection process includes public meetings.

Doug Shoemaker

Name

President

Title

Signature

5-9-16

Date

1360 Mission Street, ste. #300

Street Address

San Francisco CA 94103

City, State, Zip

Sister Amy Bayley

Name

Corporate Secretary

Title

Signature

5-9-16

Date

1360 Mission Street, ste. #300

Street Address

San Francisco CA 94103

City, State, Zip

If the Developer is a Corporation, this statement should be signed by the President & Secretary of the Corporation; if an individual or proprietorship, by such individual; if a partnership, by one of the general partners; if an entity not having a President & Secretary, by one of its Chief Officers having knowledge of the financial status & qualifications of the Developer.

**Mercy Housing
Disclosure**

Claimant/Plaintiff	Defendant 1	Detailed Cause(s) of Action	State	Date of Orig Status	Summary
AFE Urban, Inc.	Mercy Housing California	Breach of Contract, Mutual Mistake of Contract	CA	4/22/2014 Closed	Alleges that the successor developer "owns the rights to the reports and entitlements", being used for the development of the Project
Born, Zak	Mercy Properties California	Breach of Contract & Negligence re alleged construction defects	CA	4/19/2013 Open	Breach of contract and negligence action brought by Plaintiffs who allege that Defendant, who developed and sold home to Plaintiffs, negligently constructed home and breached terms of written agreement by failing to repair construction defects.
City Cottage Group, Inc.	901 West 63rd Limited Partnership	Claim for construction costs	IL	6/1/2012 Open	Claimant challenges approval by County of Alameda of the Conditional Use Permit
Hancocks, Richard	Mercy Housing California		CA	11/6/2014 Open	Hesperian Boulevard in San Lorenzo by Mercy Housing affiliates.
Madison Construction Company	104th Street Limited Partnership	Failure to pay for work	IL	4/2/2015 Open	This claim was filed the day after Owner provided notice of default and made claim on the P&P bonds relating to contractor's failure to complete the work. This claim appears to have been filed as a delaying tactic.
Specialized Concrete Innovations, LLC	Mercy Housing Georgia 13, LP	Foreclosure on lien.	GA	10/23/2015 Closed	Money owed for services.
The Siding Specialist, Inc.	Mercy Housing California 52, LP	Monies due&owing, quantummeruit, foreclosure of mech lien	CA	5/16/2013 Closed	Monies due and owing, quantum meruit, and foreclosure of mechanics' lien. Plaintiff requests the court to enter an order providing that 104th Street, LP breached the contract by refusing to pay Madison amount allegedly owed, refusing to allow Madison to cure any alleged defects
Travelers Casualty	104th Street, Limited Partnership	Declaratory judgment for breach of contract.	IL	11/18/2015 Open	