



May 8, 2023

Emmett Badar, Mayor
City of San Dimas
245 East Bonita Avenue
San Dimas, CA 91773-3002

Dear Mayor Badar:

**AFFORDABLE AND PERMANENT SUPPORTIVE HOUSING DEVELOPMENT
AT 740 EAST FOOTHILL**

The Los Angeles County Development Authority (LACDA) is in receipt of your opposition letter to Supervisor Barger for the proposed permanent supportive housing project at 740 East Foothill. This letter serves to address several concerns raised in that letter.

Public Outreach and Engagement

One of the items of concerns raised is relative to the substantial need for public outreach and engagement. While we are in agreement that public outreach is an important component of developing affordable housing, the LACDA does not require public outreach at the NOFA application stage because there are numerous projects that will not be successful in securing NOFA funds. However, I understand that the **National Community Renaissance Company (NCRC) is planning to schedule community meetings both virtually and in person to hear directly from your community.**

Differences in Submittal

With respect to the concern raised regarding the difference between the development submitted for NOFA 28 funding and what was submitted to the County, the NOFA application does indicate that the project is a four-story building and the LACDA has not seen building plans submitted to the County. However, it is not unusual for projects to modify their scope after funding has been approved and any changes must be approved by the LACDA prior to funding any project loan. The difference in project scope by itself is not reason for the LACDA to withdraw a funding recommendation because the **LACDA has a comprehensive design review process where this discrepancy will be addressed and any impacts to the project funding evaluated.**



lacda.org

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Commissioners: Hilda L. Solis, Holly J. Mitchell, Lindsey P. Horvath, Janice Hahn, Kathryn Barger



Significant Risk Exposure

In response to the significant risk exposure in developing the site, the NOFA application states that **in 2022 NCRC entered into a Purchase and Sale Agreement (PSA) for all three parcels upon which the project would be developed.** The PSA was included in the NOFA application. The application further states that the project would include the demolition of site improvements. According to the NOFA application materials, the site would be delivered to NCRC vacant at the time of sale. It would be the responsibility of NCRC to have all development rights to the project before the LACDA would fund the project. Lastly, developers have negotiated easements with adjacent properties in the past and this would not be a unique occurrence.

Selection Process

It is important to clarify how the 740 East Foothill project was chosen and how the selection process works. Projects are scored on a wide range of components, which include:

- Committed Permanent Public Funds
- Committed Rental Operating Support for Special Needs Units
- Development Team Experience
- Project Geography
 - Unincorporated Los Angeles County, or
 - Incorporated Jurisdictions Outside of the City of Los Angeles
- Project Readiness
 - All Other Project Funding is Committed
 - Entitlements Are Complete or the Project Can Be Developed By-Right
- Project Size
- Project Type – Percentage of Special Needs Units
- Equity Points

The NOFA's project selection process is based strictly on eligibility and scoring, which is completed by three contracted reviewers in the fields of affordable housing financing, architectural design, and supportive services. LACDA staff do not score projects themselves. Staff review and confirm scores with the contracted reviewers and these reviewers also address any appeals submitted by applicants. Regarding the projects reference in your letter, the 740 East Foothill project received a score that was 72 points higher than the US Vets project and the Jubilo Village project did not meet the minimum scoring to be eligible for funding.

Onsite Services

Your letter also outlined several concerns about a lack of local services for the target population. The development will be targeting seniors and the developer will be providing services specifically targeted to this population to deliver the support they need to remain successfully housed. These services will allow residents to age with dignity and remain

Emmett Badar, Mayor
May 8, 2023
Page 3

independent in their own home, ensuring their basic needs are met, physical and mental health is maintained, while they remain connected to their community. For example, onsite staff monitor and assist with health management linking seniors to vital health resources and provide fitness and community engagement activities to promote health and well-being.

The LACDA and the County of Los Angeles remain committed to bringing affordable housing opportunities to our most vulnerable residents of the County and we look forward to working with you to deliver a project that will save the lives of seniors experiencing homelessness. We will remain engaged and will be available to answer questions at the May 9, 2023 virtual meeting regarding our NOFA process.

Sincerely,

A handwritten signature in blue ink that reads "Emilio Salas". The signature is written in a cursive style with a large initial "E" and "S".

EMILIO SALAS
Executive Director