



TUSTIN VETERANS
TRANSITIONAL &
AFFORDABLE
HOUSING COMMUNITY



Orange County/Inland Empire

Lewis Group Of Companies



2015



Tustin Veterans Transitional & Affordable Housing Community



Lewis Group Of Companies

Prepared for:

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WHO WE ARE



The mission of the ULI is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

Urban Land Institute

The Urban Land Institute (ULI) was founded in 1936 as a nonprofit institute to conduct research and provide information on all aspects of real estate development and land use policy. ULI has nearly 40,000 public and private sector members comprised of professionals in all aspects of real estate development, policy, and regulation. ULI has 65 district councils in the Americas, Europe, the Middle East and Asia—a worldwide staff of 155 and a \$50 million annual operating budget. ULI has been a leader in smart growth, mixed-use development, urban redevelopment, transportation and affordable housing. ULI Orange County/Inland Empire (OC/IE) is ranked among the top 10 largest district councils in the world, with over 1,000 individual members.



Community Outreach

Since 1947, ULI's Advisory Services Program has been assisting communities by bringing together panels of seasoned real estate, planning, financing, marketing, and development experts to provide unbiased pragmatic advice on complex land use and development issues. Often these panels meet with the sponsoring government or nonprofit entity for five days at a fee of about \$135,000, and typically address issues of a broad and long-range scope. ULI District Councils provide panel services of one day. A small fee of \$15,500 is charged, but the panel members are not compensated for their time.

To ensure objectivity, panel members may not be involved in matters pending before or be working for the sponsor and cannot solicit work from the sponsor during the panel's assignment period. The Young Leaders Group (YLG) of the ULI OC/IE began conducting TAPs in 2007, on a pro bono basis for charitable organizations. This type of TAP was the first of its kind for a ULI District Council.

TAPs are a way for members to give back to the community. The ULI acknowledges all members who give their time and talent to support a local organization. The final outcome of every ULI TAP is Objectivity, Transparency, and Replicability.

We would like to thank
the many resources who
contributed advice,
information, and expertise
to the ULI Pro-Bono TAP
including The City of
Tustin, Orange County
Rescue Mission, HomeAid,
and Century Villages at
Cabrillo.

Women's Leadership Initiative

ULI began the Women's Leadership Initiative with the mission of raising visibility and number of women leaders in ULI and the real estate industry. Their goals include:

- Promote the advancement of women, throughout their careers, as leaders in the real estate industry.
- Increase the number of women who serve in leadership positions in the real estate industry and in ULI.
- Increase the visibility of women leaders in the real estate industry and ULI.

In their 2014 Strategic Plan, the Women's Leadership Initiative set a goal of at least 50% participation of women as young leaders by 2018.

This 2015 YLG TAP Panel boasts the highest number of female panelists since the YLG Program's inception in 2007, comprised of 5 women and 3 men.



TAP Panelists alongside representatives from the OCRM, City of Tustin, and ULI



2015 ULI YLG PRO-BONO TAP PANELISTS

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Dmitry Galkin, Associate at RSG, Inc.

Amy Martz, Designer, Associate Partner at MVE + Partners

Jenifer Murillo, Director of Real Estate at Costco Wholesale

Yoshi Nagata, Landscape Designer at Forma Design Group

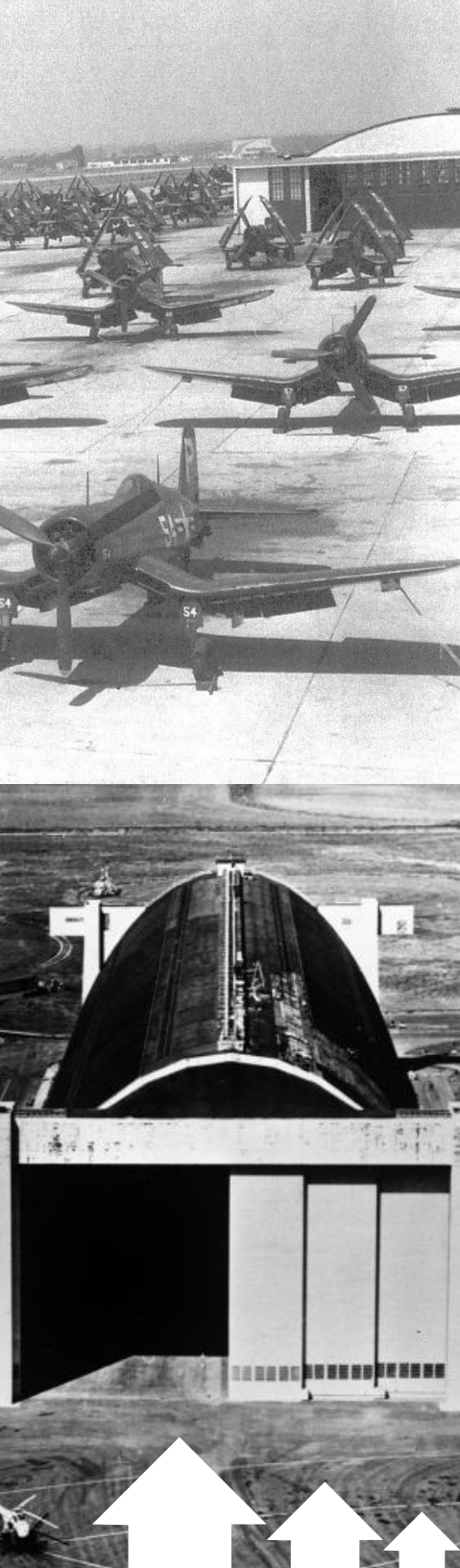
Christina Nguyen, Senior Associate at David Taussig & Associates

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INTRODUCTION

During World War II a number of military bases were established in Orange County, including the El Toro Marine Corps Air Station, the Los Alamitos Naval Weapons Station, and the Santa Ana Army Air Base. When the War ended many of the servicemen and servicewomen stationed at these military bases decided to settle in Southern California, leading to a population boom, unprecedented growth, and a general housing shortage throughout the region.

With such a rich military history, Orange County is naturally a region with a high population of veterans. However, an affordable housing shortage combined with a lack of veterans' services in the county has led to a large population of homeless veterans.

According to Orange County Commission to End Homelessness, as of 2015 , there are approximately 4,500 homeless people in Orange County, with an estimated 10-20% of whom are veterans. In addition to a lack of affordable housing, veterans are at further risk for homelessness as a result of other factors such as unemployment, access to health care, post-traumatic stress disorder (PTSD), and a lack of familial/social support.

According to the National Coalition for Homeless Veterans, half of the homeless veteran population is between the ages of 18 and 50 years old. It seems fitting then, that ULI's Young Leaders Group (YLG) selected the Orange County Rescue Mission (OCRM) for its 2015 Pro-Bono Technical Assistance Panel (TAP) program, which focused on providing transitional and affordable housing opportunities for homeless veterans.

The mission of the Orange County Rescue Mission is to "minister the love of Jesus Christ to the Least, the Last, and the Lost of our Community through providing assistance in the areas of guidance, counseling, education, job training, shelter, food, clothing, health care and independent living communities." Through the Veterans Village of Hope Initiative which OCRM incorporates the resources and award winning programs that have been successful in moving homeless men, women, and children to self-sufficiency in Orange County and the Inland Empire for Our Heroes ... Our Veterans. The initiative offers:

- Care & Support
- Case Management and Legal Services
- Mental Health Services
- Educational Assistance
- Food & Nutrition Assistance
- Spiritual Growth & Development

- Physical Health & Dental Services
- Job Training
- Post Employment Counseling

It was through the vision of OCRM President, Jim Palmer, that the TAP Panel sought a solution to help positively impact the growing homeless veterans issue in Orange County. Throughout the latter half of 2015, a panel of eight professionals, who are ULI members under the age of 35, conducted research and due diligence to prepare a presentation with recommendations for the OCRM on building a proposed housing project in the City of Tustin with supportive services for homeless veterans, known as the Tustin Veterans Transitional & Affordable Housing Community.

The panel toured veteran and affordable housing models throughout Southern California to explore the projects and speak with owners, stakeholders, and residents to gain insights into architecture, interior design, programming, and financial strategy.





BACKGROUND

In 2015, the panel was tasked with expanding the abilities of the OCRM by creating a more permanent supportive model for a specific veteran demographic, with the goal of also helping to move residents towards self-sufficiency. The envisioned project would house 150-200 flexible units on approximately 3-5 acres of land, and preferably adjacent to the existing Village of Hope facility at the Tustin Legacy to allow synergy with the services offered between the existing and proposed developments.

The objective of this facility is to aid veterans and families of veterans who have recently returned home from active duty, reengage and acclimate socially and physically to civilian life.





SCOPE OF WORK



ULI assembled the Pro-Bono Technical Assistance Panel (TAP) to begin building the framework for viable development solutions for the Tustin Veterans Transitional & Affordable Housing Community.

The panelists' expertise encompasses planning, architecture, landscape architecture, market research, cost analysis, and financing. The panel created a list of similar veterans and affordable housing developments from which they could explore best practices, gain insights and lessons learned. Various program and design elements gleaned from these case studies were implemented into the proposed solution for the OCRM Tustin Veterans Transitional and Affordable Housing Community.



From these best practices, the panel moved to identify unique and specific operational needs and site parameters to consider when designing the site for service synergy between both the proposed facility and the existing OCRM Village of Hope. By studying architectural design styles compatible with the surrounding area, the panel was able to offer a design solution compliant with the local aesthetic that also supports a psychological transition into community living. By evaluating the adjacent use compatibility, the design solution also promotes smart growth by co-locating important development components like access to public transportation, services, and park space, minimizing the need for new infrastructure.

To guide the research, the panelists, in conjunction with OCRM, produced a series of questions that would inform the solution.

Context and Design

- Are there any newly constructed veterans housing that can accommodate a range of living options for both single veteran residents and families?
- What are the unique and specific operational needs/site parameters?

Regional Specific

- What are the existing opportunities and constraints?
- What are the architectural design styles suitable and compatible with the study area?
- What special considerations should be explored for this specific veteran user and demographic?

Financing Strategy & Project Cost Estimate

- What will the project cost to build? (assuming that land is provided)
- What existing funding sources, both private and public, could be leveraged towards the financing and construction of this project? (Foundations, major donors, corporations, local, state and federal government)
- What are the specific requirements that may be imposed as related to certain types of funding sources used for the project?



DUE DILIGENCE

The TAP panelists visited and explored several local case study projects in order to gain insights into the development of similar projects.

The panel looked toward successful affordable projects by non-profit developers or partnerships that specifically address homeless populations and veterans in Los Angeles and Orange Counties.

Our team performed in-depth studies of these projects to find out what worked, what didn't work, and what could be improved upon in terms of planning, design, programming, and development financing.



Resident Vet Finds A Job Close To Home



Case Studies

The Villages at Cabrillo

Long Beach, CA

Project Highlights:

- Multi-agency collaboration designed to "Break the Cycle of Homelessness"
- Former 27-acre military site located near VA hospital
- More than 1,000 residents including 550 veterans
- Open first Phase in 1999 and continually operate last 17 years
- Onsite services provided
- Mix of housing product types: transitional, emergency & permanent
- Rental rates:
 - » 30 - 60% AMI
 - » 1 Bed: \$466 - \$932
 - » 2 Bed: \$559 - \$1,119
 - » 3 Bed: \$646 - 1,292





Anchor Place, Long Beach, CA

Project Highlights:

- 120 units including Manager's Unit
- 75 units set aside for residents with HUD-Veterans Affairs Supportive Housing (VASH) vouchers
 - » Remaining leased to low income households
- 3 acre site
- Mix of Housing Units within 5 story structure
 - » 79% One BDR
 - » 17% Two Bedroom
 - » 4% Three BDR
- Extensive services and community programming
 - » 10,000 sf of community services
 - » 73,000 sf garden & open space
- 4 full-time resident service coordinators
- Total Development Cost \$54M
- Rental Rates:
 - » 30 - 50% AMI
 - » \$458 - 1,272



Irvine Inn, Irvine, CA

Project Highlights:

- 192 SRO units completed in 1997
- Located at the District in Tustin
- Amenities include: gym, pool, paid utilities
- Units are 247-260 sf include kitchenette; \$560- \$675 per month with Utilities included
- Example of small, well-kept units successfully integrated into commercial



Lessons Learned and Best Practices

Examining the different case studies revealed common themes and practices that led to the success of the overall developments, such as location is key.

Close proximity to public transit is essential. For veterans in particular, programs or services on-site or within walking distance is preferable. In the case of The Villages at Cabrillo, U.S. VETS, the nation's largest nonprofit provider of comprehensive services to homeless and at-risk veterans, is housed on-site. They provide services daily to more than 550 veterans and offer various programs including housing, job assistance, family services, and counseling. Also of note, The Villages at Cabrillo U.S. VETS was the first location to offer the ADVANCE Women's Program design specifically for female veterans.

Residents at the various case study projects specifically underscored the importance of a clean, attractive, and

peaceful setting. They felt that on-site managers were important as well as the security and safety. The most common complaint encountered was issues regarding noise abatement.

In addition to services, abundant amenity programs at each project is essential. Standard amenities such as laundry rooms, mail rooms, and fitness centers were commonplace. Other, more creative and intentional amenities to meet the needs of residents included storage units and lockers, community vegetable gardens, and computer labs.

Design Challenges

Our design team noticed several nuances of the case study projects which are important to address in the proposed design solution for the Tustin Veterans Transitional & Affordable Housing Community. Most of the sites have single points of access through a gated, monitored entry. The staff at the Villages at Cabrillo mentioned that it was often difficult to identify who was a resident vs. a visitor vs. a staff member. As a result, it is important to create a sense of security with seclusion. Additionally, providing private spaces that are not hidden is a continual challenge, as well as balancing spaces that encourage interaction with those that allow for private reflection.



DEMOGRAPHICS

The OC Rescue Mission's goal for the proposed development is to specifically assist the local homeless veteran population. To inform the design, the Panel sought to better understand both the homeless and veteran populations of Orange County and Southern California.

Reviewing the 2015 Orange County Homeless Count & Survey Report (Count and Survey) provided the best available data on the local homeless population.

It is important to note that while the Count and Survey report provides reliable data, the homeless population is difficult to track and accurately identify. One of the most important factors in the development of our design program was identifying the appropriate unit mix and count. The Count and Survey showed that among the counted 4,452 homeless people in Orange County as of July 2015, 1,326 lived in transitional housing. In designing a model for transitional housing, this portion of the population best represented the demographic served by the proposed Tustin Transitional & Affordable Housing Community project.

The Count and Survey indicated that 13% of the counted homeless households overall included children. However, 51% of such households living in transitional housing included children. Whether by choice, by necessity, or a blend of the two, homeless families are more common in transitional housing so one of our goals was to accommodate their specific needs. We recognized, though, that the average household even among transitional housing residents was only two occupants. These findings were further supported by the OC Rescue Mission, where according to Jim Palmer, they experience a significant number of families, often with single parents, looking for a home.

The Count and Survey identified 447 homeless veterans. For more information about the local veteran population, we reviewed a study by the USC School of Social Work titled The State of the American Veteran: The Orange County Veterans Study ("Veterans Study"). The Veterans Study explained how and why many Orange County veterans experience homelessness. According to the study, 29% of pre-9/11 veterans and 35% of post-9/11 veterans do not have a prearranged housing plan when they returned from the military;10% of pre-9/11 and 18% of post-9/11 veterans surveyed reported being homeless in the previous year.

Qualitative research suggests veterans' rates of homelessness are tied to mental illness, which is also common among the general homeless population.

The Veterans Study indicated that 44% of post-9/11 veterans and 24% of pre-9/11 veterans screened positive for Post-Traumatic Stress Disorder (PTSD). Moreover, approximately 70% of pre-9/11 and 74% of post-9/11 veterans did not have a job lined-up when they left the military.

**Homeless Count & Survey Report
Prepared for County of Orange/OC
Community Services**

| Totals | | |
|---------------------------|-------|-----|
| Total Homeless Households | 3,354 | |
| Total Homeless Population | 4,452 | |
| Average Household Size | 1.33 | |
| Household Type | | |
| Adult only | 2,888 | 86% |
| Adults and children | 451 | 13% |
| Child only households | 15 | 0% |

| Living in Transitional Housing | | |
|--------------------------------|-------|-----|
| Total Homeless Households | 649 | |
| Total Homeless Population | 1,326 | |
| Average Household Size | 2.04 | |
| Household Type | | |
| Adult only | 321 | 49% |
| Adults and children | 328 | 51% |
| Child only households | -- | 0% |



PROJECT DESCRIPTION



The following section describes in detail the ULI TAP Panelists' suggestions and recommendations for the programming and design of the Tustin Veterans Transitional & Affordable Housing Community.

Design Concept

Information regarding the statistics on homelessness, demographics of the homeless population, and the mental and physical state of veterans upon discharging from the military greatly informed the program, design concept, and considerations of the proposed Tustin Transitional & Affordable Housing Community.

The resulting design solutions and ideas all centered on flexible concepts, including units, spaces, and building elements, that allow for various, easily implemented design configurations and options to suit the needs of different residents.

The project is designed to promote healing, wellness, and physical fitness, provide a sense of safety and security, respect the privacy of residents, address needs specific to veterans, and incorporate the various services provided by the OC Rescue Mission.

Program

Residential:

- 150-200 units (flexibility for combining units to accommodate families)
 - » 60% SRO - 500-550 sf/du
 - » 20% 1BR - 650-700sf/du
 - » 20% 2BR - 1000sf/du
 - » Onsite housing manager apartment
 - 3BR - 1300sf

Landscape:

- Outdoor theater
- Meditation area
- Exercise area
- BBQ/picnic area
- Trail
- Dog run area

Support functions:

- Administrative/services/counseling offices - multi-use day & night:
 - » Offices: 150sf x (3)
 - » Copy room: 120 sf x (1)
 - » Restroom: 60sf x (1)
 - » Computer lab or area: 250-300sf
 - » Community room/TV conf. room
 - » Indoor gym
 - » Mail room/donation receiving room or area
 - » Laundry room/facility
 - » Storage lockers (personal)
 - » Storage (community)
 - » Dog wash

Parking:

- » Ratio: 0.5 ~ 1 (contingent to city approval)

Illustrative Site Plan



The Wounded Warrior Project (WWP), a national non-profit organization dedicated to providing services to injured veterans and their families, developed a housing model specifically for wounded veterans in 2011. Derived from the Wounded Warrior model home project, two unique overarching concepts provided a foundation for the basis of our design.

First, the idea of creating a place which is uniquely normal and creatively ordinary.

These conflicting ideas underscore the veterans' desire to live a normal civilian life despite physical and/or mental wounds as a result of military service.

For veterans suffering from physical ailments, a creatively ordinary living environment would accommodate their disability while retaining a sense of normalcy, thus dramatically improve their quality of life. The proposed design addresses this by providing flexible unit configurations while creating social and common gathering areas that work for everyone.

Another concept incorporated into the design is the idea of old self versus new self.

Our goal was to create a design and place that respects the veteran's identity while encouraging them as they recover, repair, and rebuild. This personal transformation is supported and celebrated through various architecture and design elements throughout the project.



The Wounded Warrior Home Project embraces flexible design concepts that celebrate a veteran's transition to civilian life.

Key Considerations

In order to promote these design concepts, the elements of nature were factored in heavily. Links to nature, through both views and physical interaction, have become the focus of recent mental health facility designs. A significant body of research is dedicated to this area of health design, consistently finding that interaction with nature can induce positive emotional and physiological changes and diminish negative emotions through changes in blood pressure and heart activity.

Throughout the design of the landscape, building, and community spaces, a common theme is extended throughout the project that blends the indoor and outdoor environment, incorporates the natural landscape, and takes advantage of the Southern California climate.

This is achieved through large windows on the ground floor for landscape views, matching colors from the outside to the inside, and using modern design for larger openings into the outdoor spaces.

Sustainability was also a key consideration in both developing the site plan and suggesting building materials. Several sustainable features are incorporated into the proposed plan, but there are many others to consider. Ideally sustainable design features would be incorporated into the entire site, but for this proposed scheme we have included solar parking stalls, the use of recycled materials in the common spaces, bio-filtration in the transition spaces between buildings, and native drought tolerant planting.

We would highly encourage the incorporation of all feasible sustainability strategies upon implementation of this project. Such choices can reduce operational expenses and also alleviate some potential health issues.

Health & Wellness

Both mental and physical well-being will be an important component to the rehabilitation of the veteran residents of the Tustin Veteran's Transitional & Affordable Housing Community. A large population of the expected residents will likely suffer from mental instability in the form of PTSD, depression, or other mental illness. The goal was to design a calming, reassuring environment that will support all residents, including those with mental illness.

The proposed design provides therapeutic components that support treatment such as meditative spaces, reflection areas, and a nature trail. The design of the indoor spaces and residential units look to bring the outside in and encourage healing through nature. Much of the concept revolves around the residents' ability to connect with their surroundings signaling a degree of grounding that many veterans find helpful as they transition.

The meditative space is located furthest from the street and is meant to convey a sense of rejuvenation, peace, and harmony. With more screened landscaping, the design creates a

sanctuary where residents can reflect, contemplate, and gain balance. A circular structure in the center of the space is highlighted by a bubbling water feature, while a walking labyrinth promotes meditation through focusing on each step, terminating with a fire pit that provides another natural element.

Walking Labyrinth



Water Feature



Reflection Space



Fire Pit



Physical fitness also plays a large role in the lives of veterans as a stabilizing source of energy while providing them with an outlet for stress. Many veterans find physical exercise to be a fun, routine comfort that also helps to promote mental clarity. As a result, the proposed design includes an indoor gym, outdoor fitness obstacle course stations, a basketball court, and trail which can be further connected to a more extensive offsite trail.

The nature trail provides circulation around the community from the entry service area to the parking and meditative space. Emulating a natural meandering trail along the edge of the community, it further promotes health with parkour stations, a training discipline using movement that developed from military obstacle course training. Seating areas for breaks and reflection are also integrated into the trail. The trail experience is further enhanced with lush, native drought tolerant landscaping and attractive fences.

Indoor Gym



Nature Trail/Native Landscape



Attractive Fencing



Parkour/Outdoor Exercise Stations



Additional sports areas such as volleyball courts, swimming pools, and baseball fields are amenities that residents of the case study projects found important and useful. Unfortunately, due to the compact proposed four-acre site, a plan to accommodate such uses is not possible. However, as the development becomes realized, additional acreage could be available for supplemental amenities. At the very least, incorporating a central green belt would be an ideal way for residents to connect to neighboring public parts that can provide larger sporting facilities.

Other studies support the use of design elements such as lighting, color, noise, glare, visual disturbance, and air quality that can greatly impact a persons' mental and physical wellbeing. Particular health benefits have been linked to the positive effects of bright light - natural or artificial - and its abilities to help improve depression, agitation, and promote sleep.

The use of color throughout the project as a design tool to help evoke emotion and moods is recommended. It has been shown that greens and blues are calming and restful, yellows communicate happiness, and red stimulates energy. For the Tustin Veteran's Transitional & Affordable Housing Community, a color palate of greens and blues, mixed with more stimulating hues in active areas is recommended. Noise, glare, and air quality are among the many environmental variables that should be considered in the design of the proposed community. The use of materials and construction practices can help to relieve sound pollution and surface glare.

Visual disturbance can take many forms, but mental health facility planners generally strive to provide a calm environment with ample space and minimal clutter. Evidence through

user group interviews indicates that a calm environment free of technological distractions allows patients time and space to reflect. Something as simple as art selection can contribute to a calm atmosphere. Studies on art in wellness facilities suggest that, in addition to benefits from access to nature, viewers respond positively to art depicting nature and negatively to chaotic abstract art.



Wayfinding is also a critical element in the elimination of stress for both residents and visitors, who may be unfamiliar with the facility. A study we reviewed revealed that facilities focused on wellness that provided orientation aids on admission resulted in patients who were more self-reliant and made fewer demands on staff than uninformed visitors, who rated the facility less favorably and were found to have elevated heart rates.

Our design concept addresses circulation by separating the buildings and incorporating a substantial amount of green space along with a boardwalk path as the main directional element circulating between the buildings. Smaller gathering and active spaces for residents are tucked away throughout the boardwalk which feature seating and BBQ stations. Further, we recommend additional wayfinding and directional signage to identify building elements.

Boardwalk



BBQ Areas



Gathering Spaces



Wayfinding



Social Interaction and Private Reflection

One very specific element important to veterans is a sense of camaraderie living in close quarters in active duty. This is emulated by the design of the proposed housing community, by creating a series of personal spaces for reflection and separate community spaces for social interaction.

The grand entrance is a space wide enough to accommodate events and services, as well as seating areas for spending time with fellow residents. The unique archway that takes its shape from the aircraft hangars that used to be present on the base, provides security, gives a sense of site context and history, and provides the community with a signature landmark.

The value of social interaction for sufferers of mental illness is well researched. Social interaction with family and friends is an important element in many mental illness treatment programs, and research indicates that single rooms are significantly better than multi-bed rooms. Within the design concept is programming for both support spaces within the confines of a treatment plan as well as less formal chances of social interaction in the form of

public gathering spaces. Access to outdoor spaces that are large enough for different social and cultural groups to gather is also important. Various residents, including women and children, have particular needs and accommodations that may require separation, privacy, and/or security.

In the case of this project, the home of the veteran extends beyond their individual unit and into a collective ownership of the public spaces giving residents the opportunity to see this home as a chance to co-habit in a social ecosystem. While residents may view their personal home at times as a sanctuary or retreat, other times the home may represent the gateway to the outside world or backdrop to social events. Each unit must be flexible, equally restful and therapeutic, energetic and social.



Grand entrance and archway inspired by the local aircraft hangars

Safety, Security, & Accessibility

Safety and security go hand in hand. Safety specifically addresses the need to keep residents and administrative staff out of harm's way through physical elements in design, while security allows the freedom of movement within the facility without compromising comfort and the safety of the residents, staff, and the community. The design of the project allows residents to move freely within the community without the sense of being confined.

By limiting access points while maintaining a circulation element around the perimeter, the design creates a feeling of safety and security by implication rather than an overbearing delineation of the

site boundaries. Strategic access points are provided through the gated parking area and near the entry and services. This may change per the actual design, however keeping the access points to a minimum throughout the community would help ensure a safe place for residents. Additionally, accounting for veterans with physical disabilities by ensuring handicap access for moving around and seating is an important idea that is considered when designing the various spaces.

Trauma, post-combat stress, reduced mobility—these are issues that make it hard to feel safe and secure. It's about providing security through concealment and reduced exposure—yet also creating security through visibility, instant communication, and control of their environment without losing the feeling of freedom, which is equally important in the healing process.



Accessibility ramps and circulation at Villages at Cabrillo in Long Beach



Observation of residents and visitors by OCRM staff is important to ensure both facility security and program compliance. Observation, which is ideally achieved through passive surveillance. Providing secure courtyards allow residents to traverse freely while enabling OCRM staff with adequate surveillance capabilities to ensure the safety of all residents. This method of observation has become standard practice in wellness facilities, however there are other ways of maximizing observation without intruding on the residents. Wide corridors with common gathering spaces also enable a non-invasive approach to observation.

While security is important, it does not mean building 10-foot high walls around the community. For this project, the proper, concealed security elements for the residents without having security as a psychological barrier are introduced. For instance, rather than a standard tubular steel fence or block wall, the installation of flowing fences with colors and materials that can achieve a natural look is recommended. This idea, coupled with layered landscaping, can create an aesthetic edge and comfortable sense of security for residents.



Secure courtyard spaces at Villages at Cabrillo in Long Beach, and at the Orange County Rescue Mission

Amenities, Programs, & Services

The goal was to provide various options for homeless veterans that effectively meet their current needs for housing while promoting and supporting independence through programs such as job assistance, long-term housing assistance, counseling, and health and wellness. As such, approximately 8,200 square feet of space in the program is dedicated to support services and staff office, and common areas like community rooms, computer lab, library, and fitness center.

Additional areas specifically required to support this demographic include a large mail and package receiving room, and storage/locker space for resident belongings. Outdoor and indoor spaces to support homeless veterans with pets, specifically dogs is recommended. Areas like a dog wash, dog park, dog run, and/or kennel will be important for residents with four-legged companions.

Research revealed that having the necessary facilities, staff and consistency of services for the residents is essential for a successful community. It was also recommended by case study project administrators that a permanent office and staff for VA services, as well as a health clinic, are vastly important. In the case of the proposed Tustin Veterans Transitional & Affordable Housing Community, the site we studied assumes the project will be located within existing services provided by OCRM which would fulfill this programming requirement. Ensuring that these services and facilities are open and inviting for both visitors and residents is accomplished through outdoor seating with expansive entrances to the services inside, and landscaping for interest and shade.



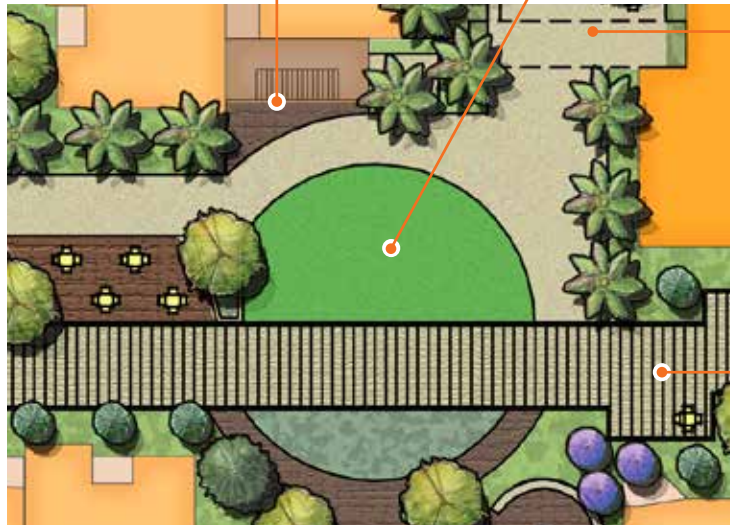
Artist sketch of entryway
and support services

Finally, various outdoor amenities for gatherings and events are proposed. A large event lawn provides the main gathering space in the center of the project, complete with a stage for performances and presentations. A great wall is proposed for projections and movie nights, as well as a boardwalk for events like farmers markets and art showcases. Seating, bbq areas, and smaller gathering areas in between the buildings and in transition spaces will activate the entire project and promote circulation. These features will be valuable in creating a sense of place and community identity for the Tustin Veterans Transitional and Affordable Housing Community.

Outdoor Stage/Movie Wall



Event Lawn



Signature Archway



Boardwalk for Events





BUILDING & UNIT DESIGN

In order to arrive at a suitable design that met the program criteria, was cost-effective, and could potentially be replicated, the design team first performed a building typology analysis. This would inform the projects density and building type - podium (Type V over Type I), wood podium (Type V), or on-grade with open parking (Type V). Through our analysis an on-grade building with open parking which met the criteria above is designed. Though capable of providing more units and building area, both the podium and wood podium solutions proved to be too costly and dense.

The team studied a 4-acre site which resulted in 165 residential units, a density of 41 units per acre (du/ac), and a total of 112 parking spaces in two surface lots (0.68 stalls/unit). Key design concepts reference the military landmark, supporting organizations, public awareness, and accessibility.

The site plan consists of three separate buildings – two L-shaped, three-story buildings featuring residential units, laundry facilities, and large lobby/social spaces; and one four-story building featuring 8,200 square feet of space for support services and offices, as well as additional units. This building configuration allows the buildings to face a central lawn and gathering area, and provides for additional usable space between the buildings.

The exterior building character is flexible and could potentially feature traditional, craftsman-style architecture indicative of the area, or more contemporary modern design aesthetic.

To keep the design both economical and consistent with the design goals of achieving a calming and healthy environment, we recommend using exterior building materials such as stucco, wood/composite siding, stone, and glass. Interior design spaces are envisioned as again, featuring natural colors, materials, and lighting. Flexible space layouts with moveable furnishings could further provide comfort and accessibility.



The first building design solution included approximately 20%, each, of 1-bedroom units and 2-bedroom units with the remaining 60% dedicated for single-resident occupancy (SRO) units.

New research and ongoing conversations with Mr. Palmer at OCRM indicated that the demographics had changed and the homeless population now included larger families. A new approach was proposed with tandem doors in between units, which could open to combine them, allowing 3- and even 4-bedroom units to be created without construction. This design idea, often implemented in hotels, greatly empowers transitional housing developers with the flexibility to welcome larger family units.

A home, especially a veteran's home, is rarely set in stone. In a household, roles shift, preferences change and most important, physical and mental impairments dictate an evolving set of challenges. This demands a flexible design that allow for both defined and undefined space. Each unit is designed with flexibility and accessibility in mind. Instead of static kitchen islands, we propose a dinette or furniture that can be easily reconfigured to suit the lifestyle of the resident. Additionally, each unit includes a private outdoor deck.





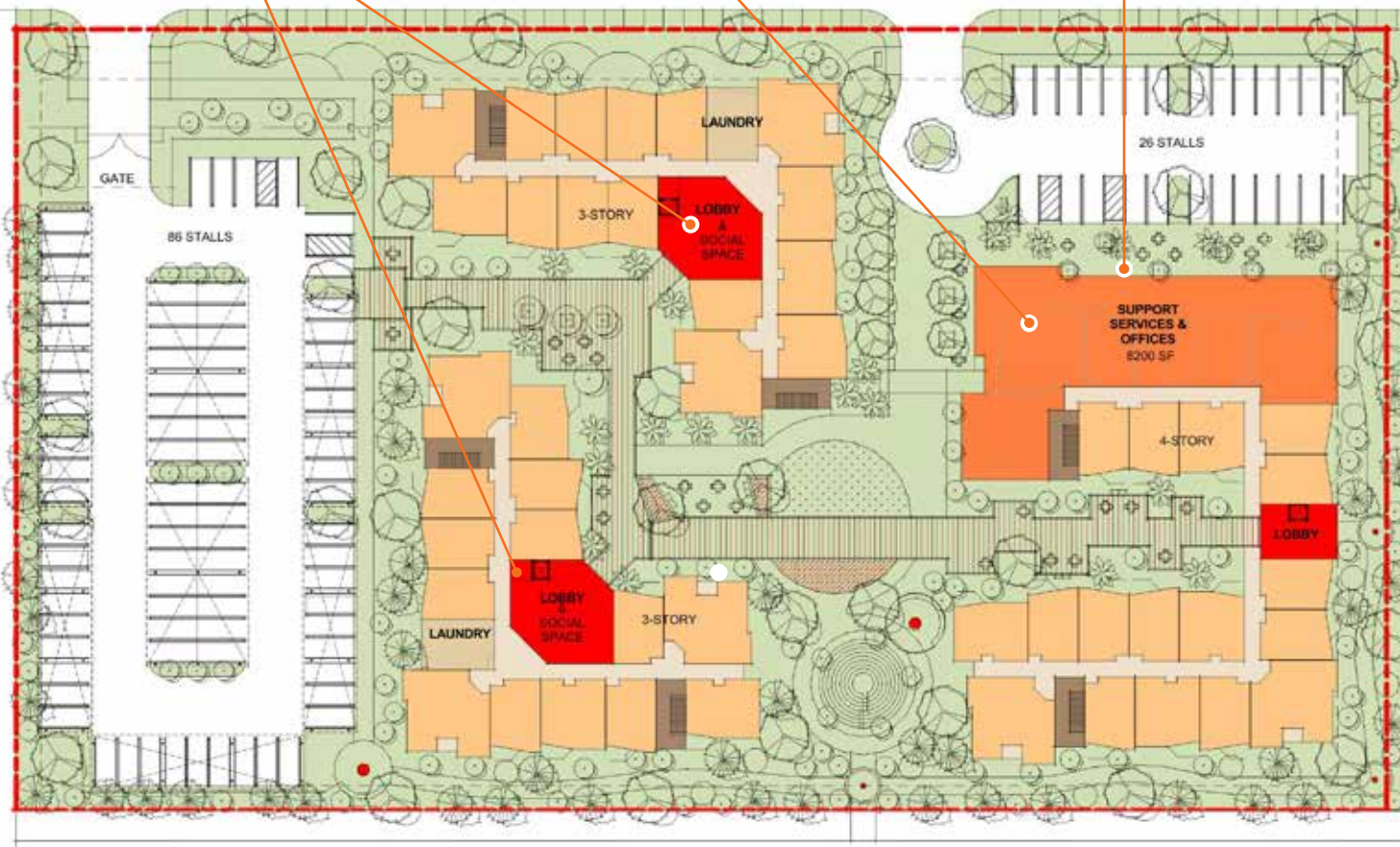
Centrally located open social space to promote sense of community, and eliminate 'tunnel' corridors.



Support services includes: welcome lounge, counseling and supporting offices, mail and package receiving room, computer and library area, gym, and storage,



Welcoming space and front facade





COST ANALYSIS

Incorporating details from the model design, we referred to Marshall Valuation Service (MVS), a complete, authoritative appraisal guide that is an industry standard throughout the country used to estimate construction costs.

It should be noted that the costs estimated are tied as much as possible to the design specifications identified (in model 3) and are limited to the time at which they were estimated (since construction costs constantly change), to the local geography, and to additional assumptions about construction quality (average to good) and materials (generally wood). The results were discussed with, and approved by, a licensed broker.

Aside from the land costs, the largest component of the total cost is the base building construction cost. Therefore, if a developer were looking to make this model’s construction more affordable, the most effective place to start would be to reconsider the size and design of the residential units.

The estimated land cost is based on local, residentially-zoned land. We did not identify a specific site, but the area was selected based on the Rescue Mission’s desire to develop a model near its current office. A different location or different land zoning would change the cost to acquire the land. Alternatively, a land donation would completely remove the land cost from the cost of developing the transitional housing project.

Financing costs are excluded with the understanding that the Rescue Mission, or a similar non-profit focused on transitional housing, could build relying almost exclusively on equity and low-interest or no-interest loans from charitable foundations. If this is not the case, the development cost would also include a construction financing cost based the market’s interest rate at the time, the percentage of construction costs financed, and the duration of construction. City fees were similarly excluded based on the assumption that a City would be willing to waive common fees for such a project.

The total construction cost estimate exceeded \$41.1 million, although 45% of the total cost relates to the land acquisition.

OC Rescue Mission Hypothetical Development Financial Pro Forma

Program: 166 residential units
Development Density: 0.61 : 1.0 FAR (37.5 - 50 du/ac)

| Project Scope | | | | |
|------------------|-------|---------|--------------|----------------|
| Proposed Project | Units | Bldg SF | Footprint SF | Footprint/Unit |
| Site Area | -- | -- | 174,240 | -- |
| Building Area | -- | 105,550 | 53,381 | -- |
| Parking | 113 | -- | 42,375 | 375 |
| Landscaping | -- | -- | 78,484 | -- |
| Remaining Land | -- | -- | -- | -- |

| Project Costs | |
|-----------------------------|---------------|
| Total Land Acquisition | \$ 18,686,000 |
| Total Construction | \$ 18,927,000 |
| Total Soft Costs | \$ 3,511,000 |
| Construction and Soft Costs | \$ 22,438,000 |
| Total Project Costs | \$ 41,124,000 |



FINANCING

Affordable and transitional housing projects are funded primarily by the following four sources:

1. Private Grants
 2. Public (Federal and State) Grants
 3. Federal/State Tax Credits
 4. Conventional Bank Loans
-

Generally, private grants and loans can fund both capital and operating costs, subject to limitations as stipulated by the grant or loan provider. While the US Department of Veterans Affairs Homeless Providers Grant and Per-Diem (GPD) Program funds both capital and operating costs, many other federal and state grants fund only capital costs. Finally, federal and state tax credits may fund only capital costs.

The first three (3) sources of funding are examined in further detail in the following sections.

Private Grants

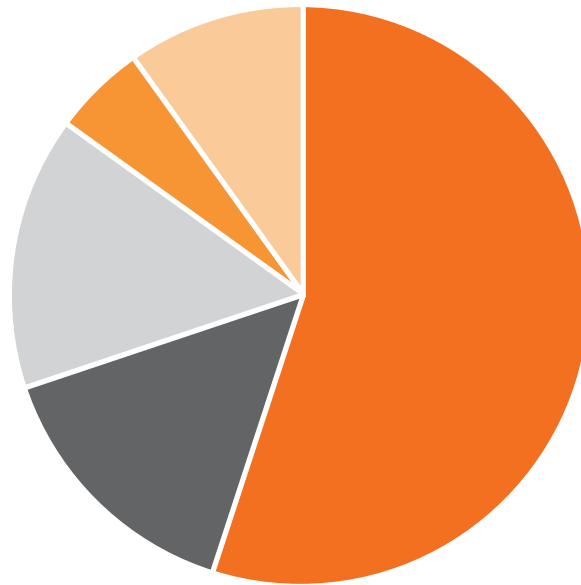
A major advantage of a private grant is that it affords program administrators relative freedom. Although the use of grant monies may be limited to broad categories of expenses, for the most part, projects do not need to satisfy conditions on an ongoing basis, such as rent restrictions. A major disadvantage is that individual grants tend to be smaller, so they tend to comprise a minority share of the overall cost of the project.

A number of non-profit organizations and foundations offer grants for projects providing assistance to veterans. For example, one of the Annenberg Foundation's seven (7) programmatic areas is "Military Veterans." It gives the highest priority to nonprofits serving constituents in Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties. The typical grant is between \$10,000 and \$100,000, and there are no published requirements for matching sources. Likewise, the Home Depot Foundation awards grants to nonprofit organizations for the development and repair of veterans housing.

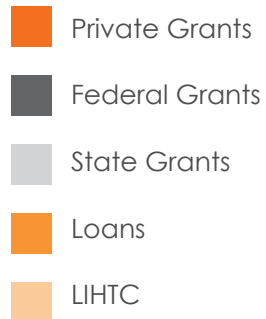
The typical grant amounts have been relatively large, ranging from \$100,000 to \$500,000. However, the Home Depot Foundation requires that their funding comprise less than 50% of total development costs, and 75% of all funding sources must be identified by project submission.

In addition, many non-profit organizations and foundations focus grant making on projects serving the Orange County/Southern California regions. For example, the Weingart Foundation funds organizations providing services in Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, and Ventura Counties. The highest priority is given to activities that provide greater access to people and communities that are economically disadvantaged and underserved. Prior grants have been awarded to HomeAid (\$75,000), People Assisting the Homeless (\$200,000), and Vets Advocacy (\$25,000). Similarly, Pacific Life Foundation contributes primarily to projects in the Orange County area; it awarded \$6 million in grants to nearly 300 organizations in 2015.

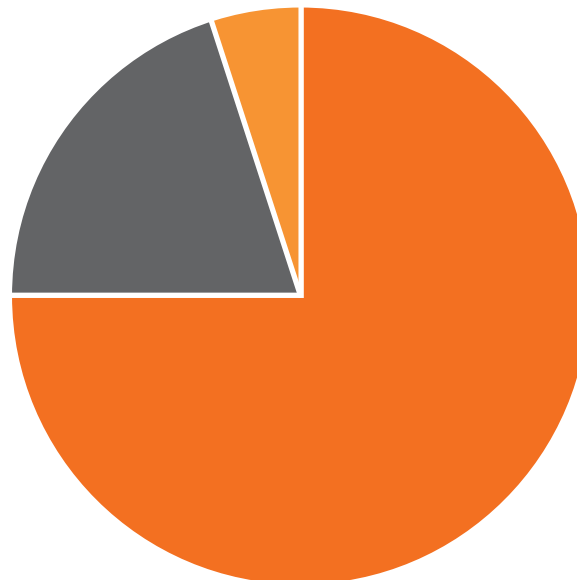
Capital Costs
(Transitional & Affordable)



General Approach to Financing



Operating Costs



Federal/State Tax Credits

The Low-Income Housing Tax Credits (LIHTC) Program provides federal or state income tax credit to investors in low-income rental housing projects. The general process is as follows: (1) The project developer applies for the credits and if successful, is able to "reserve" them. (2) The project manager or developer "sells" the tax credits to an investor, or works with a syndicate (like a bank) who gives access to equity funds in exchange for the tax credits. (3) The tax credits provide a dollar-for-dollar reduction (more or less, depending on the market) in the investor's tax liability for a 10-year period.

LIHTCs can fund new construction, rehabilitation, or acquisition and rehabilitation: 20 % or more of the units must be rent-restricted and occupied by individuals whose income is 50% or less of area median, or 40% or more of the units rent restricted and occupied by individuals whose income is 60 % or less of area median. The current federal credit ceiling is \$2.30 per capita, state credit ceiling is approximately \$94 million.

Public Grants (Federal and State)

The US Department of Veterans Affairs Homeless Providers Grant and Per-Diem (GPD) Program has historically provided funding for supportive housing (up to 24 months) and/or supportive services. The Department of Veterans Affairs's stated goal is to help homeless veterans achieve residential stability and increase their skill levels. Grants may fund 65% of the costs of construction, renovation, or acquisition of a building for use as transitional housing or service centers. Per Diem awards may fund up to \$43.32 per day per veteran for operational costs, including salaries. As of late 2015, the GPD Program is undergoing modifications which may affect the availability, amount, and structure of future funding.

The California Department of Housing and Community Development Veterans Housing and Homelessness Prevention (VHHP) Program provides funding for the acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans and their families. Funding is awarded for the acquisition and/or construction or rehabilitation of an affordable rental housing development or transitional housing. 45% of more of the assisted units must be rented to

extremely low income veterans, with rents not exceeding 30% of 30% of area median income. In addition, the project must utilize an organization to provide resident services. \$75 million is available under the October 2015 Notice of Funding Availability, with approximately \$400 million to be offered in subsequent years.

The California Strategic Growth Council Affordable Housing and Sustainable Communities Program provides funding and loans to land-use, housing, transportation, and land preservation projects to support infill and compact development that reduces greenhouse gas emissions. Funding for a Transit-Oriented Development (TOD) Project Area can go toward new construction, acquisition and substantial rehabilitation, or conversion of non-residential structures to residential dwelling units. 20% of more of the units designated as affordable, the project must include at least one (1) transit station/stop served by high quality transit within ½ mile, and one (1) eligible use: (i) sustainable transportation infrastructure, (ii) transportation-related amenities, or (iii) programs. \$130 million was awarded in 2014, and 20% of Greenhouse Gas Reduction annual proceeds (from cap-and-trade auctions) will be apportioned beginning in 2015.



IMPLEMENTATION

The panel presented recommendations with a design package consisting of case study research with best practices extrapolated, concept designs exploring different unit types, basic massing, site design strategies focused on physical and mental rehabilitation, site selection criteria for 150-175 units, development cost estimates, potential funding sources, and long-term maintenance including programming services.

Demographics support a growing need for affordable housing opportunities for Orange County homeless veterans.

The proposed project consisting of 4 acres, 150-200 Residential units (Mix of SRO, 1bd, 2bd), and Administrative/Services/Counseling Services will cost an estimated \$41M (including land costs), changes in design, location, market and other factors (e.g. waiver of fees, donation of land) could impact the total cost of development. The unit mix is attributed to housing design needs responsive to more veterans who served post 9/11 and are trying to support their families.

Many homeless veterans do not have access to cars, which translates to a need for proximity to transit and housing that is close to job centers. Seventy percent of veterans that transition to civilian life do not have jobs, which are key to perpetuating a self-sufficient livelihood. And, 29% of veterans are suffering from Post-Traumatic Stress Disorder (PTSD), so housing design and the surroundings need to feel safe and secure yet calming and healthy to assist in the necessary mental and psychological healing.

Key design considerations revolve largely around the wellness of the end user including mental health (PTSD), flexible spaces, design elements that enhance security and the balance of private/public spaces. Through the TAP process, panelists learned from their research that a key component of a successful housing project, particularly for veterans, is security – the security of a home, a job, and a safe community.

The importance of this panel resonates with the beginnings of the Orange County Rescue Mission where the founder of the organization saw the plight of the homeless was everywhere in 'idyllic and affluent' Orange County, but the community seemed ignorant of them.

It was the response to 'impassioned pleas' that united real estate professionals with expertise on some of the largest multi-family and commercial developments to build the framework for a housing solution that could be replicated in other cities.

What it stands to do is provide a mechanism for self-sufficiency to 150-200 individuals/ families. To make this project a reality, possible funding opportunities may include public/private grant funding and low income housing tax credits and a working relationship with the local jurisdiction.



KEY TAKE-AWAYS

1. Demographics support growing need for affordable housing opportunities for Orange County homeless veterans
 2. Proposed Project - 4 acres; 150-200 Residential units; Mix of SRO, 1bd, 2bd; Administrative/ Services/Counseling Services
 3. Estimated Project Costs - \$41M (including land costs), changes in design, location, market and other factors (e.g. waiver of fees, donation of land) could impact the total cost of development
 4. Key design considerations include mental health (PTSD), design elements that enhance security and the balance of private/public spaces
 5. Possible funding opportunities may include: public/private grant funding and low income housing tax credits
-

RESOURCES

Affordable Housing

- Jim Palmer, Orange County Rescue Mission
- Scott Larson, HomeAid Orange County
- Brian D'Andrea, Century Villages at Cabrillo
- Erig Higuchi, Lehman Brothers Holdings, Inc.

City of Tustin

- Elizabeth Binsack, Community Development Director
- Jerry Craig, Economic Development & Housing Manager
- Ryan Swiontek, Economic Development Project Manager

Photography Credit

- Clark Realty Capital
- Cristian Costea Photography
- David Harrison Photography
- Doug Johnson Photography
- Eric Figge Photography
- Ezra Gregg
- Frank Paul Perez Photography
- Gunnery Sgt. Andrew Pendracki
- John Zacherle
- Lance Cpl. Erick Galera
- Lance Cpl. Melissa Eschenbrenner
- Lance Cpl. Paul Peterson
- MCS 3rd Class Kathryn E. Macdonald
- Roger Klingman
- Sgt. Jason Stender
- Sgt. Marcy Sanchez
- Sgt. Melissa Karnath
- Sgt. Jennifer Schubert

Online Resources

- Affordable Housing Finance
<http://www.housingfinance.com/>
- California Department of Housing & Community Development | <http://www.hcd.ca.gov/>
- California Tax Credit Allocation Committee
<http://www.treasurer.ca.gov/ctcac/>
- Century Villages at Cabrillo
<http://centuryvillages.org/permanent-housing/>
- Los Angeles Times | <http://www.latimes.com/>
- National Public Radio | <http://www.npr.org>
- Orange County Commission to End Homelessness
<http://occommunityservices.org/hcd/homeless/commission>
- Orange County Register
<http://www.ocregister.com/>
- Orange County Rescue Mission
<https://www.rescuemission.org/>
- Tustin Legacy
<http://www.tustinca.org/depts/ed/legacy/>
- ULI Orange County/Inland Empire
<http://orangecounty.uli.org/>
- US Department of Housing & Urban Development
<http://ushud.com/>
- US Department of Veterans Affairs
<http://www.va.gov/>
- U.S. Marines | <http://www.marines.com>
- U.S. Veterans Initiative
<http://www.usvetsinc.org/longbeach/>
- USC Social Work | <https://sowkweb.usc.edu/>
- Wounded Warriors Project
<https://www.woundedwarriorproject.org/>



Orange County/Inland Empire

Lewis Group Of Companies

