

A ULI ADVISORY SERVICES TECHNICAL ASSISTANCE PANEL REPORT

# NEW HORIZONS

JULY 2019



## ULI MISSION STATEMENT

At the Urban Land Institute, our mission is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

## ABOUT ULI TECHNICAL ASSISTANCE PANELS

In keeping with the Urban Land Institute mission, Technical Assistance Panels are convened to provide pro-bono planning and development assistance to public officials and local stakeholders of communities and nonprofit organizations who have requested assistance in addressing their land use challenges.

A group of diverse professionals representing the full spectrum of land use and real estate disciplines typically spend one day visiting and analyzing the built environments, identifying specific planning and development issues, and formulating realistic and actionable recommendations to move initiatives forward in a fashion consistent with the applicant's goals and objectives.

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# EXECUTIVE SUMMARY

In the midday sun, the sounds of laughter and joy bubble throughout the campus. Adults of all abilities soaking up a day with friends. Smiles abound between people of all ages and backgrounds. The smell of freshly baked cookies provides a welcoming sense of comfort. Nestled in the heart of the San Fernando Valley, New Horizons has been a shining light for thousands of individuals with intellectual and developmental disabilities.

In 1954, four families of intellectually disabled children came together to create a space and community where individuals could be cared for, nurtured, and supported to reach their capacity. Thousands of individuals have come through New Horizons in the 65 years since, and have received the job training and life skills to fulfill their aspirations and participate as exemplary members of Los Angeles's many communities.



New Horizons is a philanthropic organization committed to serving individuals with intellectual disabilities. New Horizons implements vocational training, work readiness, career placement, counseling, and residential housing. The organization has successfully created an environment which helps more than 2,000 adults annually, and provides social engagement and leisure activities to almost 3,000 individuals from throughout the regional network.

New Horizons is located in the greater Los Angeles area of North Hills, just west of the 405 Freeway. New Horizons provides services to the intellectually and developmentally disabled community of Los Angeles County, most clients residing in the Santa Clarita and San Fernando Valleys. Some New Horizons clients travel from as far away as Downtown Los Angeles or Ventura County to participate in vocational training and job services. New Horizons also owns thirteen homes within the North Hills community, housing approximately 70 clients. Six of the thirteen homes are located in direct proximity to the main campus.

New Horizons is committed to providing each client personalized attention to gain job skills, a sense of independence, and confidence. To fulfill the mission of addressing the intellectually disabled individuals and their families, New Horizons must continue to innovate, modernize and continue to creatively assist their clients achieve their goals.

The leadership of New Horizons engaged Urban Land Institute – Los Angeles (ULI) to undertake a Technical Advisory Panel (TAP) that would synthesize the challenges and opportunities of New Horizons's North Hills campus. The TAP has been tasked with assessing numerous options regarding selling all or part of the campus, evaluating new potential uses and revenue producing development, and envisioning how to continue to build a place that fulfills the mission of New Horizons.

## ASSIGNMENT AND PROCESS

The TAP falls in line with a number of recent activities New Horizons has undertaken in soliciting ideas and visions. In addition to the TAP, New Horizons coordinated with graduate students at the David Nazarian College of Business and Economics at California State University, Northridge to complete a Marketing Plan. The Plan, completed in early 2019, assessed opportunities for New Horizons to build on successes, while undergoing a rebrand and adapt to changes in technology, service models, and community demographics.

Furthermore, in September 2018 the California State Council on Developmental Disabilities unveiled a Statewide Strategic Framework for Expanding Housing Opportunities for People with Intellectual and Developmental Disabilities. The Council's report aligns closely with the mission of New Horizons, and assessed best practices for finding housing solutions for the intellectual and developmental disabled housing community.

## ABOUT THE SITE

New Horizons controls approximately seven acres in the North Hills community bound by Parthenia Street, Haskell Avenue, Aqueduct Avenue, and Rayan Street. The main campus consists of four buildings that vary in size from 7,622 square feet (sf.) to 20,091 square feet.

The main campus includes office buildings, classrooms, a workshop, a banquet hall, Sam's Cafe, and thirteen residences which provides homes for about 70 clients. The housing properties are all located within the North Hills community. These thirteen homes are shared-living, dormitory style units that aim to house six individuals each. Two of the homes are on the campus itself, six across the street from the campus site, and five at various locations in the area.



Three of the group residential homes have expiring HUD Section 811 limitations in 2021, which will free up the property from any encumbrances on how it can be used. One group home is already owned free and clear of any encumbrances. Each residence has a dedicated 24-hour a day staff to assist residents with needs while developing their living skills facilitating integration into the community.

The property consists of five buildings which includes office space ("The Annex"), a warehouse building ("The Workshop"), a banquet/meeting hall space known as Sam's Cafe, classrooms, a church, as well as a vacant lot on the southeast corner of the property. New Horizons owns all of the noted space outright.

The church, which is at the corner of Parthenia and Haskell, is leased until April 2020, and a small subsection of the Annex (the rear of the office complex) is currently under consideration for a short-term lease for storage (likely a six-month lease with month-to-month options thereafter).

## SERVING THE NEW HORIZONS COMMUNITY

Under California's Lanterman Developmental Disabilities Services Act, also known as the Lanterman Act of 1969, the state provides people with intellectual and developmental disabilities (IDD) with services and supports to meet their needs, preferences, and goals in the least restrictive environment as possible. These services and supports are overseen by the California Department of Developmental Services, the agency through which the State of California provides services and supports to individuals with developmental disabilities.

The Lanterman Act established the right to services and supports for people with IDD that enable them to live more independent lives. Upon the passage of the Lanterman Act, New Horizons shifted its focus to meet the needs of IDD adults after aging out of high school. New Horizons provided the community with a place where special needs adults would be granted the same legal rights and services as other communities. In order to fulfill the goals of the Lanterman Act, access to safe and affordable housing is critical for this population. However, with the state's longstanding housing crisis, access to housing in the community is extremely limited.

New Horizons serves Service Planning Area 2 (SPA 2) which includes the San Fernando and Santa Clarita Valleys. Recent trends in developing programs for New Horizons clients have shifted away from the full service live and work facility the campus was originally intended to support. The trend over the past decade has been a move to a decentralized model with services in community, so New Horizons clients become more integrated in the community. This has led to on-campus numbers declining from 700 clients on-campus every day to approximately 300. This decline is also met with a desire to continue to have a place where staff and clients can come for support and services. New Horizons leadership still aims to provide a "home base" for everyone, but has employed the TAP to assess possible logistics for an optimal command center.



## KEY QUESTIONS PRESENTED

The New Horizons leadership team posed a number of questions to the ULI to set a scope of work for the TAP process:

The TAP examined the current campus and its usage, the neighboring parcels of land also owned by New Horizons, and the neighborhood in North Hills in which New Horizons is situated. The study area focused on the main campus of New Horizons, with the goal of understanding the current real estate assets held by the organization. The TAP was posed with the question of reimagining the campus in line with what New Horizons leadership presented as spatial needs.

### **Sell Property or Remain in North Hills**

1. Evaluate proper cost estimate of site, houses, and other real estate assets, depending on: current entitlements, Conditional Use Permit (CUP), and market conditions
2. Determine the range of possible land uses at New Horizons site considering existing zoning, other city land use policies, potential density, and other uses that border the property
3. Evaluate benefit of selling property vs. long term value of the real estate assets
4. Evaluate costs of acquiring new space or spaces, as well as any demolition or consolidation needed

### **Real Estate Assets**

1. Define a range of value for the New Horizons main campus, considering the real estate and development potential of the main tract of land
2. Evaluate the role and value of New Horizons residential properties and cost of operation
3. Evaluate the role and value of adjacent privately-owned pre-school, which is not a part of the New Horizons real estate holdings
4. Assess current zoning and the timeline for any potential zoning changes, with relation to evaluating potential buyers

### **If Remaining in North Hills, Envisioning A 21st Century Site**

1. Evaluate the amount of space necessary for New Horizons to operate a command center and public meeting space
2. Evaluate what Conditional Use Permit would allow for construction and operation of different revenue generating facilities
3. Assess physical plant strategies to reduce unutilized space for on-site activities, understanding the current trend towards off-site community services and training
4. Resulting from the above analysis, assess the magnitude of land that could be considered available for potential market-supported, income-producing uses
5. Evaluate availability and suitability of public sector funding sources
6. Provide preliminary concept plans characterizing the potential organization of market uses and, if appropriate, a mix of existing New Horizons facilities and market uses

### **Public Realm and Rebranding**

1. Design potential site plans to accommodate client and staff needs, while integrating sustainability and community benefits into a functional campus
2. Assess potential strategic partnerships with organizations who can lease space on New Horizons main campus
3. Develop design strategies to improve safety, public transportation, and interactions between clients and the surrounding community
4. Determine ways for the envisioned site to maximize public resources and assist with other rebranding efforts
5. Match physical design improvements to meet the needs of emerging client programs in technology, food services, and retail





## MAJOR CONCLUSIONS AND RECOMMENDATIONS

All of the recommendations included in this report are designed to support New Horizons short-term and long-term financial stability, while helping New Horizons continue to serve thousands of clients gain skills and support. These recommendations help to lay out different options for New Horizons leadership.

The TAP recommends remaining at the current location of New Horizons. Through consolidating the main campus into a command center with a smaller footprint, New Horizons will be able to enter into new joint ventures to utilize all portions of the property. For example, creating a consolidated Command Center in a 30,000 sf. Annex Building would allow multiple buildings to be reimaged and used to generate revenue.

The TAP believes that because of high demolition costs and low-density zoning, selling the current property holdings would not yield the type of windfall needed to provide long-term financial stability. Thus, the TAP recommends that New Horizons consider a ground lease of the property east of the Annex for a Senior Living or Elder Care facility with direct ties to the New Horizons population, remaining consistent with the Conditional Use Permit. A long-term agreement with a senior housing operator would provide sustainable long-term funding

to New Horizons reserves. Under an optimal agreement, New Horizons clients could have an opportunity to ‘age in place’ and be provided with a continuum of care.

Additionally, the TAP recommends the creation of a privately-held and operated community park space that could service both New Horizons clients and the neighborhood. After consolidating buildings and deciding upon leasing agreements, New Horizons could then redevelop other buildings on the campus for new uses. New Horizons could develop some light storefront retail on Parthenia Street to operate and manage, which could benefit the community and be a source of revenue. In these retail spaces, the TAP envisioned a place for New Horizons products to be sold and additional job opportunities for clients.

To address the changing nature of serving IDD clients in a decentralized model that integrates individuals within the community, the TAP recommends establishing “satellite” offices in key transit-oriented locations in the San Fernando Valley. These satellite locations will allow New Horizons to reach new clients, provide localized trainings, and enhance brand identity. Through time-limited leases of smaller spaces in transit-oriented locations, such as the Warner Center (near the Metro Orange Line), New Horizons can test out a “hub-and-spoke” business model that will provide opportunities to experiment in ways to enhance the level of service to clients.

Finally, the TAP recommends exploring partnerships with a number of anchor institutions that will allow New Horizons to attract new clients, harness existing relationships, and create a lifelong pipeline of opportunities for both clients and staff. As discussed during the TAP, the changing needs of the IDD community might lead to more efforts in developing technology and media job training. The opportunity to partner with behavior therapy groups at satellite campuses, or academic institutions such as CSUN, UCLA, or USC for student training opportunities provides New Horizons the change to engrain themselves deeper into the fabric of the regional community.



# ULI'S TECHNICAL ASSISTANCE PANELS

## TAP PROCESS

Prior to the TAP, ULI panel members received a series of well-developed questions from the New Horizons Leadership Group. ULI selected panel members with practiced and professional skills that address the stated objectives for the TAP. Panel members reviewed background materials prepared by Leadership Group staff prior to the TAP, including site and zoning information, real estate data, and an appraisal summary.

The TAP members were met on the first day by CEO John Brauer, Chief HR Officer Diane Thorsell, VP Sandra Linares Ortiz, Facilities Administrator Carlos Arvizu, Board Members Ken Miles, Ron Burkhardt, and Greg Buesing, as well as Emeritus Council Members Judy Fisher and Susan Stearns. The TAP spent time hearing from the leadership of New Horizons, and then spent time interviewing them to determine the scope of the panel assignment.

Given the desire of the Leadership Group for a thorough study of the opportunities presented by the study area, this TAP lasted for two days. After meeting with New Horizons leadership on the first day, panel members toured the campus, including stopping in classrooms and one of the residential properties. The TAP then began researching different aspects of the site before reconvening with New Horizons leadership for dinner and more conversation.

On the second day, panelists worked through an intensive analysis of the specified issues before presenting their findings at a public event attended by New Horizons leadership.

## THE EXPERTS OF THE TECHNICAL ASSISTANCE PANEL

ULI convened a panel of professionals representing a variety of disciplines connected to land use and real estate development, including architecture and urban design, real estate development, transportation, sustainability, economic analysis, project development financing, branding, and community engagement. The ULI panel members brought professional expertise relevant to the Leadership Group's objectives for the study and a working knowledge of the real estate market, design typologies, regulatory schemes, and construction engineering found in the study area. All panel members volunteered to participate in the panel process and did not receive compensation for their work.



# OBSERVATIONS



The TAP collected a number of observations—obtained by touring the facility, interviewing stakeholders, and referencing background materials—that impact the present and future of New Horizons. Views from the members of the New Horizons executive leadership, staff, and Board of Directors included:

## Concerns that...

- The main campus will not adapt to the changing model of providing in-community services to clients, and therefore on-campus numbers will continue to decline
- Some main campus buildings are beyond repair
- Families will not choose New Horizons because of public safety issues or lack of available public transportation
- The lack of financial reserves prohibit New Horizons from making needed upgrades
- Continued minimum wage increases will decimate budget reserves

## Desires for...

- A “command center” that provides both clients and staff a physical place to run operations and engender a sense of belonging
- A multi-functional space that can host both New Horizons and community events
- A financial cushion that allows New Horizons relief in monthly operation costs
- Upgraded facilities and resources to continue providing unparalleled workforce training
- Ways to reach more of the 27,000 individuals that comprise the client pool in the San Fernando Valley regional area and adapt to decentralized model where most clients will be integrated within community

The TAP also provided an assessment of challenges and opportunities for the New Horizons site and the surrounding area.

## Challenges

- Funding challenges from government resources continue to instill “survival mode” for IDD non-profit providers
- Funding is fully tied to being community-centric; New Horizons does not know if current fad favoring decentralized model of in-community services will last
- Limited options for zoning changes to increase land value
- Lack of viable public transportation options
- Ingress and egress challenges that confuse guests about where to park and enter the campus

## Opportunities

- Excess land holdings allows New Horizons to downsize physical footprint of main campus while leasing out areas and generating critical revenue
- Selling New Horizons residential homes could provide initial capital to fund redevelopment, especially because residential home services are no longer profitable, and three group homes will be free of encumbrances in 2021
- Some buildings on campus have good bones and may be redeveloped without complete demolition
- Potential for Eldercare facility that conforms with current CUP and will allow for senior housing, thus creating critical revenue, housing aging clients, and creating local jobs
- Redesigning the facility will allow New Horizons to create spaces that help develop new workforce training programs, such as Go Grocery and Technology Media Arts
- Strategic partnerships with other San Fernando Valley anchor institutions to increase the usage of New Horizons buildings
- Developing green park space that can serve clients and the broader community, especially considering the park-poor nature of the North Hills community
- Implementing innovative wellness practices to improve quality of life of staff and clients, while reducing turnover of staff

The TAP observed that the leadership of New Horizons are committed to providing a high-quality of housing and care for their aging clients. However, the residential homes currently in operation are not profitable. New Horizons leadership expressed interest in getting out of the current status quo of residential property management. These residential properties contained excellent amenities for clients. However, because these homes were custom designed to serve clients, they might be slightly lower in value to prospective purchasers.

The TAP also appreciated New Horizons-made products, such as their famous chocolate chip cookies and client-crafted

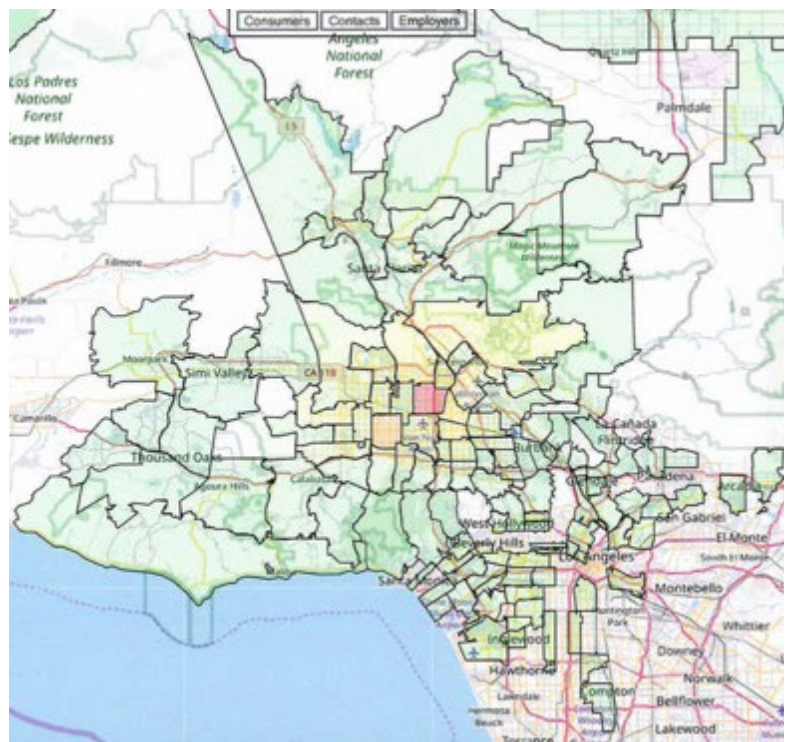
*“To compete in 2019, we need a command center, not a traditional sprawling campus”*

*- Diane Thorsell*

artwork. Promoting these products in a broader marketplace on campus or in the community would help to raise the profile of New Horizons.

Finally, the TAP recognized the importance of public transportation accessibility to New Horizons clients and staff. Currently, New Horizons is poorly served by Metro. However, there are significant investments coming into the region via the East San Fernando Valley Light Rail and a proposed North San Fernando Valley Bus Rapid Transit (BRT) on a major east-west boulevard such as Nordhoff Street. The North San Fernando Valley BRT has been mired in delays, but should come online sometime within the next two years. The East San Fernando Valley Light Rail will have stops at both Nordhoff Staff and Roscoe Boulevard, less than 2 miles from New Horizons. The Light Rail is expected to be completed before the Los Angeles 2028 Olympics.

*Distribution of New Horizons clients within Los Angeles and Ventura Counties*





# ASSESSING REAL ESTATE & LAND USE OPPORTUNITIES

The TAP was asked to evaluate the key question of whether New Horizons should remain at its current location or sell its real estate holdings. While selling the large campus and other holdings would provide a substantial windfall for the organization, the TAP ultimately recommended remaining at the current location and making substantial changes to the current layout of the campus in order to maximize land value and usage.

The TAP evaluated the following aspects:

- Sale of property vs. long term value of asset
- Selling requires decision on whether to sell as is or with a development entitlement
- Selling requires acquisition of new space or spaces
- Staying requires consolidation and demolition
- Staying may provide long term financial security
- Staying requires solving transportation and security issues
- Staying requires committing to a new business model



## CURRENT ZONING BACKGROUND

The New Horizons main campus site is currently zoned as an RA-1 suburban zone. The existing uses that are currently allowed on the property “by-right” are:

- Single family dwellings (one per legal lot)
- Parks, playgrounds, community centers operated by a government agency
- Equine or other domestic livestock keeping (a rare and treasured zoning status in the City of Los Angeles)
- Conditional Use Permit (CUP) uses, as outlined in City of Los Angeles Municipal Code Sec. 12.24
- Agricultural uses
- Community care facilities (serving 6 or fewer individuals)

Based on the CUP authorized for New Horizons in 1979, the site may be used as a training and day-care center, as well as the ability to provide a residential home to up to 36 clients. The CUP also grants 12 parking spaces on the original training site.

If New Horizons wanted to change the use of the campus while keeping the current RA Zoning, it would require a Zoning Administrator approval. The current CUP would be permissible for a number of activities, including but not limited to:

- Educational Institution (subject to DCP Confirmation of applicability to proposed use)
- Hospital
- Public school
- Private school (other than preschool, elementary, middle, high)
- Church



### OPTION 1: SELL AND LEAVE CAMPUS

The TAP does not recommend selling the main campus. Selling the property would most likely end the CUP, which would reduce the overall value of the property. The RA-Zone limits the Conditional Uses for the site, meaning any purchaser would need to fit in one of the categories outlined by the City of Los Angeles Municipal Code 12.24.

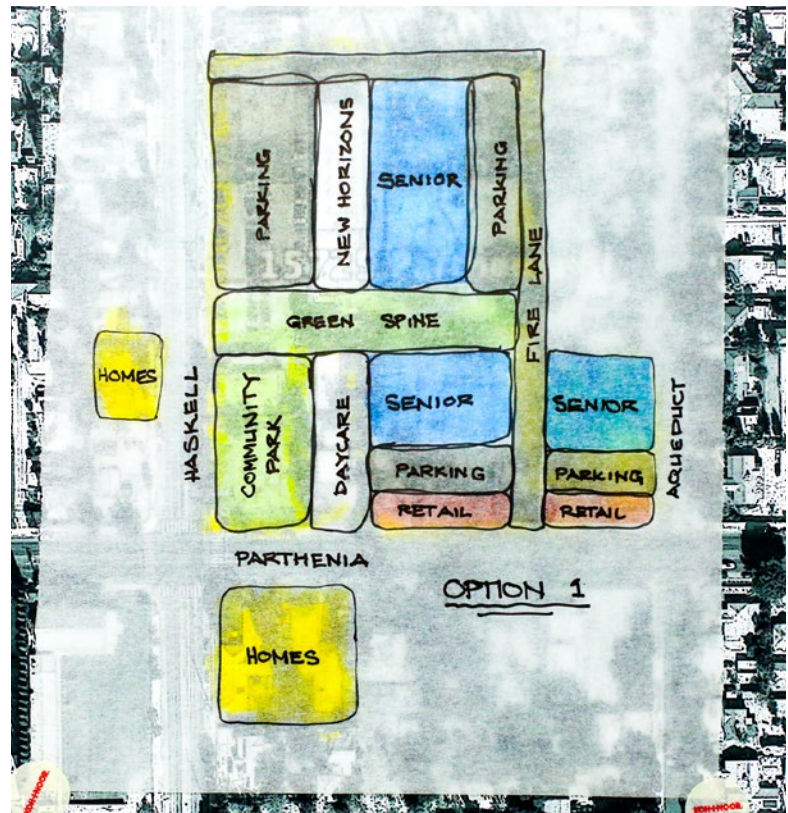
If a buyer conducts services that are outside of the scope or different from New Horizons, or plans to add new structures, then a new CUP will be required. The process of obtaining a new CUP could take multiple years. Additionally, the current RA-Zone of New Horizons does not allow as many Conditional Uses as other residential zones in the City. New Horizons has a fairly unique situation in the middle of a residential neighborhood. Changes would likely be disputed because of the low-density residential character of the North Hills neighborhood.

However, the TAP assessed three potential scenarios, depending on zoning changes. If New Horizons vacates and sells the main campus, three primary scenarios or future development of main campus site determine potential sale price:

- **Scenario 1:** As-is entitlement (RA-1): 17,500 SF lots
- **Scenario 2:** Entitled (R1): 7,500 SF lots
- **Scenario 3:** Entitled (R1): 5,000 SF lots

### Scenario 1: As-is entitlement (RA-1)

In the first scenario, the TAP looked at the potential value of the current zoning. Because the current zoning is RA-1, the minimum lot size is 17,500 sf. The TAP team drew a 15-lot map to fit the site (image below). The size of the homes would be limited by the City of Los Angeles limitations on mansionization, limiting the potential revenue from each home sale. This option would require only a public city advisory agency hearing, and would be the least amount of effort to achieve. The only entitlement required is filing a Vesting Tentative Tract Map. The land value per lot would be \$72,639, which would result in the total land value of \$1,089,583 for 15 lots.



### Scenario 2: Entitled (R1): 7,500 SF lots

In this scenario, the TAP projected the property being upzoned to R-1. In Scenario 2, the lot sizes would remain larger at 7,500 sf. This would allow for 35 lots. Any upzoning to R-1 would require a Vesting Tentative Tract Map, a General Plan Amendment, and Zone Change. The approval process would be a significant hurdle, as the zone change would require a City Planning Commission approval, City Council Planning and Land Use Management Committee approval, and a full City Council approval. The land value per lot would be \$115,464, which would result in the total land value of \$4,041,230 for 35 lots.



### Scenario 3: Entitled (R1): 5,000 SF lots

In this scenario, the TAP projected the property being upzoned to R-1 and allowed to maximize density. In Scenario 3, the lot sizes would be just 5,000 sf., allowing for 50 lots. Similar to Scenario 2, any upzoning to R-1 would require a Vesting Tentative Tract Map, a General Plan Amendment, and Zone Change. The approval process would be a significant hurdle, as the zone change would require a City Planning Commission approval, City Council Planning and Land Use Management Committee approval, and a full City Council approval. If the project were to become any denser, the project would trigger City of Los Angeles Measure JJJ requirements that dictate prevailing wage and affordable housing mandates. The land value per lot would be \$102,260, which would result in the total land value of \$5,112,985 for 50 lots.

The TAP believes that obtaining a zone change for the main campus to higher-density or commercial zone is unlikely. Due to the surrounding RA-1 zone, the City of Los Angeles would not upzone the campus to higher-density or commercial zoning. The City has openly discouraged the discretionary practice of "spot zoning." As RA-1 zones are some of the few equine-keeping and large suburban lots remaining in Los Angeles, community activists would likely challenge any changes.

Even if successful, the process of obtaining a significant upzone would take many years and lead to increased community friction. The neighborhood resistance would further deteriorate community relations, and New Horizons would be forced to pay a team of consultants to get through a litany of public hearings.

### Outcomes of Leaving

If New Horizons decided to sell all of its real estate portfolio—including the seven-acre main campus as-currently entitled and 13 homes—the sale would generate a substantial sum.

As depicted in Figure 1, the sale of the seven-acre campus would net somewhere between \$13 and \$20 million, depending on the final zoning of the site. This range also factors in demolition costs of \$350,000.

If New Horizons were to also sell the group homes, including those owned “free and clear” of the HUD responsibilities that expire in 2021, the organization would have substantial additional funds available

Alternatively, New Horizons could decide to sell some of the residential properties to help fund campus redesign efforts or satellite locations in different areas. With the three 15756 Parthenia homes being free and clear of HUD loans in 2021 and the 15859 Parthenia home already free of obligation, New Horizons could begin preparations for selling and reinvesting the proceeds within 24-36 months.

**FIGURE 1: Potential Main Campus Sale Revenue**

CLEAR SITE				
Demo of existing site per division sketch 325,000 SF				\$350,000

SUBDIVISION 1	AREA	\$PSF	NO. LOTS	
New utilities and graded/certified pads (total 245,000 SF) for 50 new lots				\$3,800,000
Asphalt streets, street lighting, lawn and parkway along streets				\$4,000,000
1,500 SF homes	1,500	\$166	50	\$12,450,000
				<b>\$20,250,000</b>

SUBDIVISION 2	AREA	\$PSF	NO. LOTS	
New utilities and graded/certified pads (total 245,000 SF) for 15 new lots				\$3,000,000
Asphalt streets, street lighting, lawn and parkway along streets				\$2,500,000
3,500 SF homes	3,500	\$150	15	\$7,875,000
				<b>\$13,375,000</b>

SUBDIVISION 3	AREA	\$PSF	NO. LOTS	
New utilities and graded/certified pads (total 245,000 SF) for 35 new lots				\$3,300,000
Asphalt streets, street lighting, lawn and parkway along streets				\$3,500,000
3,500 SF homes	2,000	\$165	35	\$11,550,000
				<b>\$18,350,000</b>

**FIGURE 2: Estimated Price of Residential Homes**

HOMES	APPRAISED VALUE (NET OF DEBT OBLIGATIONS)
15705 Parthenia Aqueduct Lot	\$420,000
15859 Parthenia Group Home	\$600,000
15756 A/B Parthenia Group Home I	\$986,351
15756 A/B Parthenia Group Home II	\$1,085,889
15756 A/B Parthenia Group Home III	\$1,061,604
<b>Estimated Total</b>	<b>\$4,153,844</b>

### Relocation Costs

Ruling out the decision to purchase another property, New Horizons would look to relocate via a multi-year lease. As stated during the TAP process, New Horizons leadership prioritizes Class B- or C office space for its cost effectiveness and low-risk of creating disturbances to traditional offices. Relocating would give New Horizons a chance to move closer to a transit hub, such as the Woodland Hills Warner Center (Orange Line) or the North Hollywood Arts District (Red and Orange Lines).

However, the TAP did not recommend relocating. If New Horizons would have to pay the rent, it would burn through its reserves quickly. Regardless of the amount of money generated from the sale of the current real estate holdings, the organization would need to raise money again within a decade. As the chart below indicates, the high cost of office space of any type in Los Angeles is prohibitively expensive. Understanding the importance of being transit-oriented, the TAP recommended piloting satellite locations around transit hubs and finding partners to share costs.

**FIGURE 3: Average Los Angeles Office Space Costs**

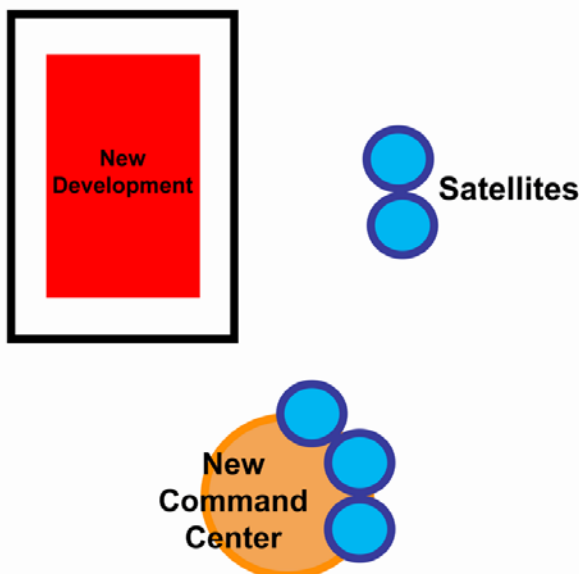
Lease Rate Range

	FLEX / R&D	C OFFICE	B OFFICE
Amount of Space	\$18.00 PSF	\$24.00 PSF	\$30.00 PSF
15,000 SF	\$270,000	\$360,000	\$450,000
20,000 SF	\$360,000	\$480,000	\$600,000
25,000 SF	\$450,000	\$600,000	\$750,000
30,000 SF	\$540,000	\$720,000	\$900,000

FIGURE 4: Visual Depiction of Leaving Current Campus

## LEAVE

All facilities relocate off site with full campus new development.





## OPTION 2: REMAIN ON CURRENT CAMPUS

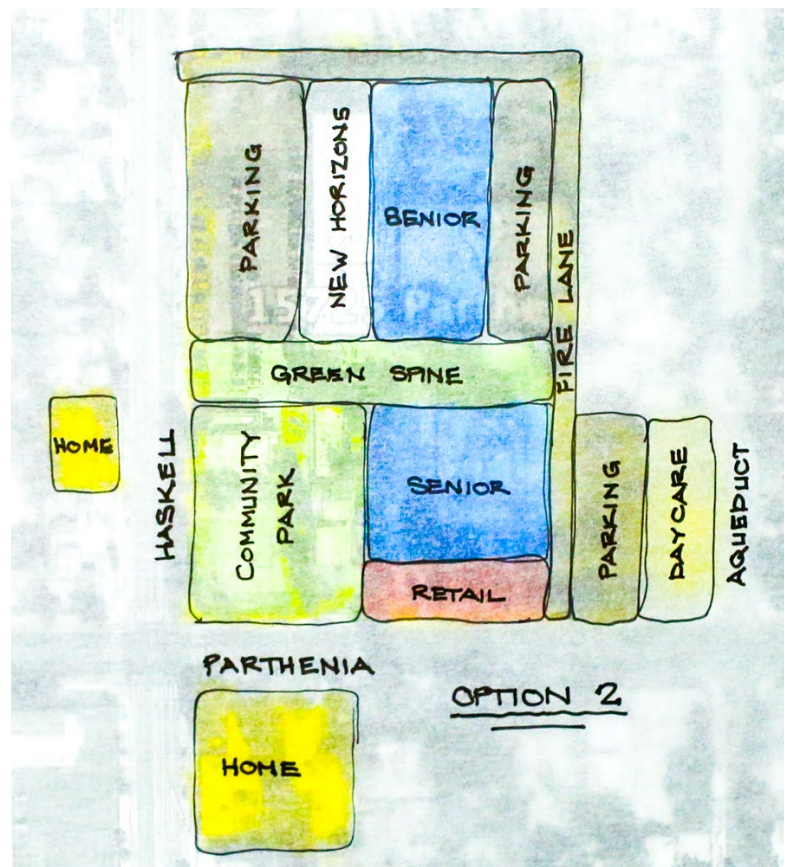
The TAP heavily favors remaining at the North Valley campus while redesigning the layout to better fit the current needs of the organization. The ample land owned by New Horizons provides countless opportunities for creating additional revenue streams and providing a home base for the organization for generations to come. Additional revenues would help alleviate the pressure of only having 2-3 months of cash reserves within the \$19 million operating budget. Through leasing portions of the property to organizations aimed at assisting similar populations or constructing some light retail for artwork and cookies to be sold, the campus provides a malleable canvas for the future of New Horizons.

In the following section, the TAP lays out physical and design improvement ideas with renderings. This section outlines how New Horizons could create a new village for its clients, staff, and community.

**Creating a Village:** Current trends for IDD services focus on integrating within the community and maintaining a decentralized model. However, if New Horizons were to create a village with multiple types of services, clients would be interacting with members of the community on a daily basis while still being around familiar faces and support systems. As new treatment models, such as the Clubhouse model, attempt to help individuals reintegrate into employment and educational opportunities, a New Horizons village would help provide opportunities to pilot new service models.

**Downsizing Campus Footprint:** The TAP recommends revisiting the preliminary space analysis done for New Horizons. In contrast to the current 57,000 sf. footprint of New Horizons buildings, the TAP envisioned the main command center, educational building, and multi-purpose event space being somewhere between a 25,000-35,000 sf. footprint. The event space would still be able to accommodate New Horizons events and dances, as well as local civic meetings and neighborhood gatherings. The warehouse, annex, church, and some parking lot space could be repurposed for a higher and better use.

**Ground Lease Revenue Potential:** In a scenario where New Horizons wanted to enter into a partnership with an eldercare provider or similar senior living administrator, the southeast parcel of the campus would be available and optimal for a building to be constructed. An eldercare or similar facility would unlock significant ground lease revenue potential, assuming ground lease payment at 6% of residual land value. The new facility could then be leased out to the provider in a standard 99-year lease, which would provide certainty, increase housing options for aging clients, and generate sustainable revenue for New Horizons.



*“Watermark could be interested if the market supports it and the terms are sorted out. In other words, sharing a campus with a special needs program would not be a detractor for us — it might even be viewed as a major positive element to the potential project.”*

*- David Freshwater, Chairman, Watermark Retirement Communities*

**Eldercare Facility Potential:** The TAP estimates that a land-lease on an 80-100 bed eldercare or senior housing facility would generate between \$8-10 million per year. Because New Horizons would remain the property owner and the eldercare facility would be serving the IDD community, the facility would comply with the existing CUP. The eldercare provider would eliminate the stress of managing residential housing of New Horizons clients, while generating ongoing revenue. This option also allows New Horizons the option to avoid taking on the risks associated with development, given the unpredictability of the market and real-estate cycles. Considering the mission of New Horizons as a non-profit, remaining at a distance from the responsibilities of direct development might be wise. Providing a continuum of care would also allow New Horizons clients to age in place and offer specialized services (e.g. memory care, assisted living).

**Permitting for an Eldercare Facility:** In contrast to the rezoning needed for dense multi-family housing, an Eldercare Facility Permit (LAMC Section 14.3.1) can be approved by a City Zoning Administrator. The permit requires a finding of approval to be made on the compatibility with surrounding neighborhood (e.g. project’s location size, height operations). The Eldercare permit does require an extra finding of “necessary hardship,” which can be made by proving a lack of available units in the area. The hardship cannot be self-imposed. Based on a recent Woodland Hills project battle where the City approved the permit, the TAP is optimistic about the New Horizons location. The likelihood of success will improve if New Horizons can receive support and positive public comments from neighbors in the North Valley community.

**Reusing Existing Buildings:** The TAP also recommends utilizing the strong bones of many campus buildings, as well as the state-of-the-art resources that help New Horizons stay competitive today. For example, New Horizons could look at potential partnerships to use its industrial kitchen area in Sam’s Cafe. While needing to ensure safety for clients and staff, New Horizons could generate revenue by working with one or two strategic partners (e.g. universities, caterers) for renting the industrial kitchen space. Additionally, the TAP recommends revisiting the existing lease for the church property, and assessing whether intermediate upgrades could lead to more revenue generation.

**Lease-Leaseback Opportunity:** The Lease-Leaseback construction law authorizes an organization to lease a site to a contractor for a token amount (e.g. \$1), if the lease contract requires the contractor to construct—or provide for the construction of—a building to be used by the organization in furtherance of its mission.

**Other Opportunities To Raise Capital:** E: Either in addition or alternatively to the ground lease opportunity, New Horizons could look to other funding resources to support a campus redesign. The TAP also listed ideas such as a fee-based developer, joint-venture, or tax-credit development opportunities for partnership with well-funded developers. Some of these opportunities would require an RFP process to identify the appropriate developer and development concept. Since New Horizons would be acting as a partner in this scenario, the non-profit would need to be aware of and comfortable with the risks associated with that role. These opportunities could also help to support redevelopment efforts of specific buildings, such as the Church or Annex.

# PHYSICAL AND DESIGN IMPROVEMENTS

Based on the expertise of the New Horizons leadership and staff, the TAP recommends a three phase model to redesign the campus.



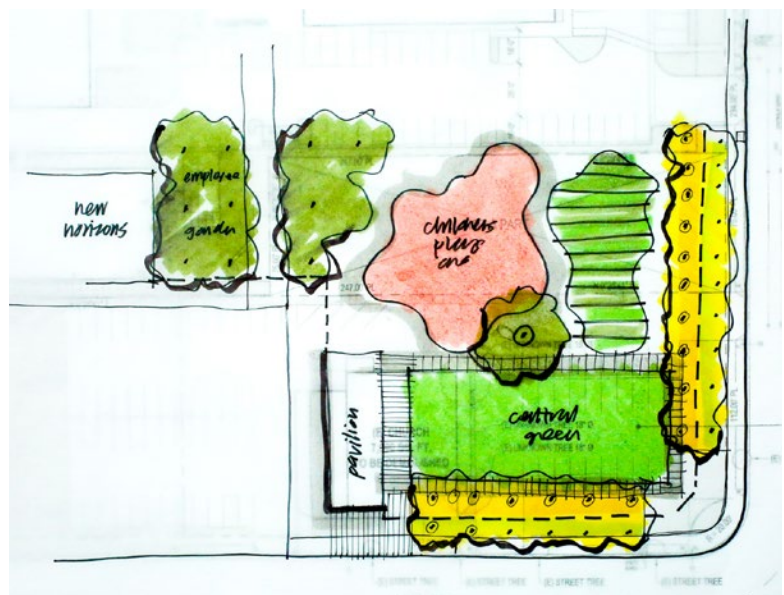
## Renderings

The goals of the TAP urban design leaders were to make the campus feel safer via design solutions. By eliminating the “open campus feel,” new families will hopefully have a sense of security and comfort when touring New Horizons. The three options drawn by the urban design leaders highlight the numerous options available to New Horizons, including eldercare/senior housing, light retail, and flex space.

## OPEN SPACE/PARKS

The TAP recommends utilizing excess space on the main campus to develop a small park or green space that can be enjoyed primarily by clients and staff. This green space would provide a space for outdoor activities and potentially workforce training in gardening. A green space would reduce summer temperatures due to removing heat-trapping concrete, and New Horizons could use recycled water from other aspects of campus to keep costs down.

Additionally, the TAP recommends designing a park space that could be opened to the public at certain times. The North Valley community around New Horizons is deemed park poor. The below map from the Advancement Project ranks the North Valley in the worst category for park needs in Los Angeles County. Looking west of the 405 freeway, the closest park to New Horizons is 2.4 miles away. Even a park that is privately operated and only open to the community at certain times could help improve relations with the neighborhood. Similarly to how New Horizons makes space available for Neighborhood Council meetings, the park space could be rented out for additional revenue and used as a community gathering location dozens of times a year.



## TRANSPORTATION

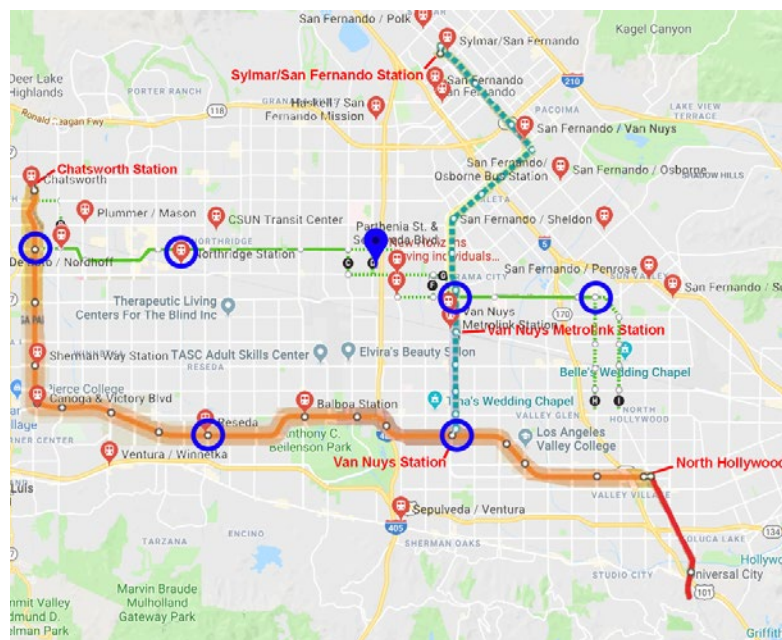
The TAP also reflected on the transportation challenges for both clients and staff. Since 90 percent of clients use some form of public transportation to arrive on campus each day, improving mobility will retain clients and entice new families. The TAP broke down the transportation challenge between (1) ingress/egress and walkability, and (2) local and regional public transportation reliability.

To ensure that the campus is both secure and welcoming, the TAP recommends New Horizons prioritize a clear “front-door” that individuals can easily access. As New Horizons assesses campus redesign options, there exists the need to balance client and staff safety with the desire to have an entrance that entices prospective families from the moment they arrive. Through redesigning the parking structures and layout of buildings, New Horizons can improve ingress and egress to improve how people arrive and enter the secured portion of the campus. Additionally, Parthenia Street is particularly unfriendly to pedestrians due to its long blocks and proximity to the 405 Freeway underpass. As New Horizons assesses

redesign options, the TAP recommends reaching out to the local city councilmember to improve walkability and safety so New Horizons clients living in nearby group homes have additional ways to access the campus.

The role of public transportation in getting New Horizons clients to campus everyday cannot be understated. Most clients arrive at the campus through public transportation, primarily ACCESS or Metro. New Horizons' curriculum has also educated clients on how to use public transportation through the “Green Light to Mobility” program. With numerous public transportation investments coming to the North San Fernando Valley, including the East San Fernando Valley Light Rail, North Valley Bus Rapid Transit, and a reconfiguration of Metro's existing bus service (NextGen), there exists an opportunity for New Horizons to advocate for better service. The TAP recommends reaching out to ACCESS and Metro community liaisons to advocate for more frequent and reliable service. New Horizons could advocate running the Roscoe Boulevard bus (#152) on a regularly scheduled Parthenia-detour or for a last-mile shuttle to bring clients to campus. Understanding the mobility needs of clients and seniors (at a potential eldercare facility), New Horizons could advocate for a shuttle similar to LANow, a DASH-pilot

FIGURE 5: Expected San Fernando Valley Public Transportation Investments





## CAMPUS SUSTAINABILITY

As New Horizons looks to potentially significantly upgrading campus facilities, numerous opportunities exist for installing cost-reducing measures that will reduce the carbon footprint of the organization. Sustainability initiatives such as on-site renewable energy generation, stormwater capture, and zero waste goals would teach clients about the environment and help them participate in the new green economy.

Although New Horizons utility bills are quite low for a campus of its size (\$15,000 - \$18,000 per month for energy and water), Property Assessed Clean Energy (PACE) financing programs can help provide cheap equity without a lien against the property. PACE is a financing mechanism that provides upfront financial support for energy efficiency, renewable energy and water efficiency improvements. Unlike a tax lien, repayment is made through the property tax bill over the course of a period up to 25 years. For New Horizons, PACE financing might be a way to reduce energy costs and install resilient infrastructure for generations to come.

For example, PACE could finance:

- Rooftop solar to generate on-site clean energy
- Solar canopy in parking lots to generate on-site clean energy and increase shade
- Cool roofs to reduce the negative effects of heat islands by reflecting heat back to the atmosphere
- Lighting and LED retrofitting to improve classroom and office wellness
- Energy Storage to ensure resiliency in case of blackouts or natural disasters (earthquakes)
- Low-flow water fixtures or water capture systems



New Horizons could look at partnering with mission-driven organizations to take responsibility for installing clean energy projects. Organizations such as Grid Alternatives, The Solar Foundation, and Solar United Neighbors have all done projects to the size and scope of the New Horizons campus.

Additionally, Los Angeles Department of Water and Power offers a variety of programs that New Horizons could participate in:

- AC Optimization Program
- City Plants (Free Tree Programs)
- Consumer Rebate Program
- Free Water Conservation Items
- Home Energy Improvement Program (for residential homes)
- Water Conservation Rebate
- LED Bulb Distribution
- Solar Incentive Program

## CAMPUS WELLNESS

90% of New Horizons budget goes to paying staff. Whereas LEED certification measures the environmental footprint of a building, the WELL Standard measures how healthy a building is for people who operate inside. If New Horizons can reduce staff turnover—a common problem for all non-profits—the organization will save significant resources to deploy elsewhere.

New Horizons's brand is intrinsically tied to wellness and health. The TAP recommends New Horizons look into how adopting the WELL standards will lead to actionable and measurable aspects of value creation, help to classify and respond to a client's motivation, and support and retain staff. The mantra of WELL is to "Invest in People for ROI."

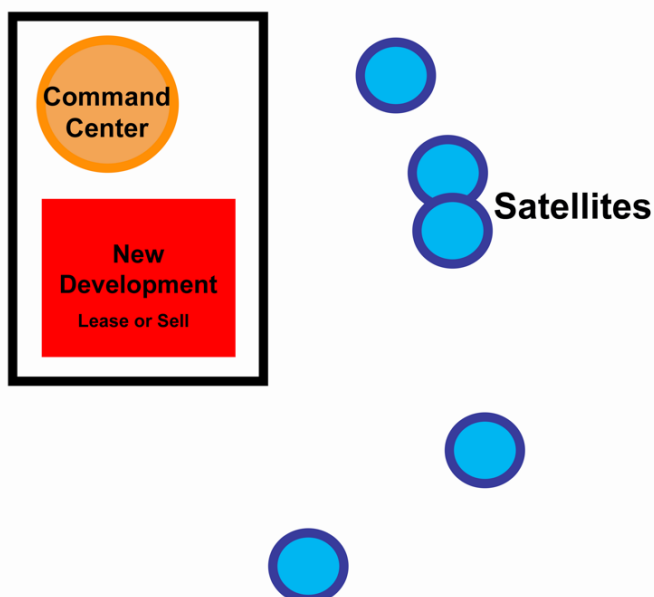
Among the WELL activities that could benefit the campus are:

- Natural light and daylight in buildings through the use of skylights and solar tubes
- More art (done by New Horizons clients) on walls
- Free address/hoteling for staff and clients to have flexible work stations
- Increasing community areas and spaces in nature for clients and staff to spend time

FIGURE 6: Visual Depiction of Remaining in Current Location & Opening Satellite Campuses

## STAY

**Command center on site with new development**



## POTENTIAL SITES FOR SATELLITE CAMPUSES

Building on the desires for bringing in new clients, integrate within the community, and provide staff more accessibility in getting to the job, a pilot satellite campus would allow New Horizons to expand its footprint. In the next 2-3 years, the TAP recommends piloting a satellite campus in a transit-centric location within the San Fernando Valley. The pilot satellite location will give New Horizons a chance to run community-centric programs in new areas and reach new clients. The TAP prioritized locating the satellite near other services, and transit, within a 5 minute walk.

As funding is shifting to an emphasis on integrating clients within the community, satellites will create new localized communities without losing the command center on the central campus. New Horizons leadership discussed funding the cost of renting a satellite location through grants or partnerships. The TAP believes the cost of rent could be underwritten by new revenue generated on campus. Additionally, it would be reasonable to assume modest tenant improvement funding from any property owner who is willing to rent to New Horizons.

The TAP developed the following reasons for establishing a satellite campus:

- Desire/need to meet client needs (e.g. access/proximity to transit lines, distance to care facilities for IPP sessions)
- Opportunity to provide services to localized populations
- Opportunity for re-branding of New Horizons, or node-centric branding to cater to an expanded population (e.g. Autism)
- Safe, clean, appealing intake areas in the community for initial and ongoing Individualized Program Plan (IPP) meetings

Depending on the success of the first pilot, New Horizons can determine whether it wants to move forward with implementing a "node" model where the organization oversees programs at numerous locations. In determining real estate needs, the TAP recommended starting with 1,5000 sf. class B- or C office space.

## METRICS

The TAP determined the following metrics for the New Horizons Board to use in assessing future opportunities:

- Short Term Finance
- Long Term Finance
- Brand
- People
- Community Engagement
- Mission and Jobs
- Desire to Manage Real Estate



# IMPLEMENTATION

In the short term, the TAP recommends the following:

- **Maximize Existing Space:** Consider short term leasing of commercial space to compatible uses in vacant or underutilized buildings to generate revenue.
- **Revisit Acquiring Tiny Tinkers Preschool:** Advance discussion with adjacent day care facility to determine their propensity to move, and the sales price to ascertain viability of an acquisition or relocation.
- **Prepare For Campus Redesign:** Finalize designs through prioritizing amenities to bolster New Horizons enrollment, staff wellness, and long-term benefit to clients and community.
- **Rekindle Strategic Partnerships:** Assess opportunities to partner with similarly situated organizations (e.g. Behavior Learning Network) to build pipeline of services for clients and look at cooperative approach to renting 'satellite' training space.
- **Share The News About Campus Decision:** Whatever New Horizons decides regarding the future of its current campus, ensure that more families know about the bright days ahead for the organization. Assess branding efforts to inform new communities (e.g. autism community) about emerging technology and Go Grocery programs.
- **Reassess Housing Assets:** Determine cost benefit analysis of HUD housing vs. "Regional Center Behavior Therapy" housing given its apparent more consistent revenue stream, and timing.

The TAP recommends the following longer term goals for New Horizons over the next 2-5 years:

- **Initiate Leasing Negotiations:** Initiate ground lease negotiations with viable senior living or eldercare provider.
- **Reposition Annex Building:** Undertake fundraising campaign or use residential home sales to fund repositioning the Annex Building.
- **Pilot Satellite Locations:** Establish 1-3 "Satellites" in the San Fernando Valley along transit corridors to enhance retention of both clients and staff, reach more of the 27,000 individuals who comprise the Regional service area, improve in-community services for clients, and engage new communities with targeted resources (e.g. Autism).
- **Enhance Strategic Partnerships:** Engage with anchor institutions, including CSUN, LAUSD, UCLA, and USC to build pipeline of opportunities for client training.
- **Develop Strategic Plan:** With stable cash flow, develop a strategic plan that continues to build upon more stable revenue streams to allow New Horizons to accomplish its mission and determine whether centralized campus model or "hub-and-spoke" satellite campus model works more effectively.

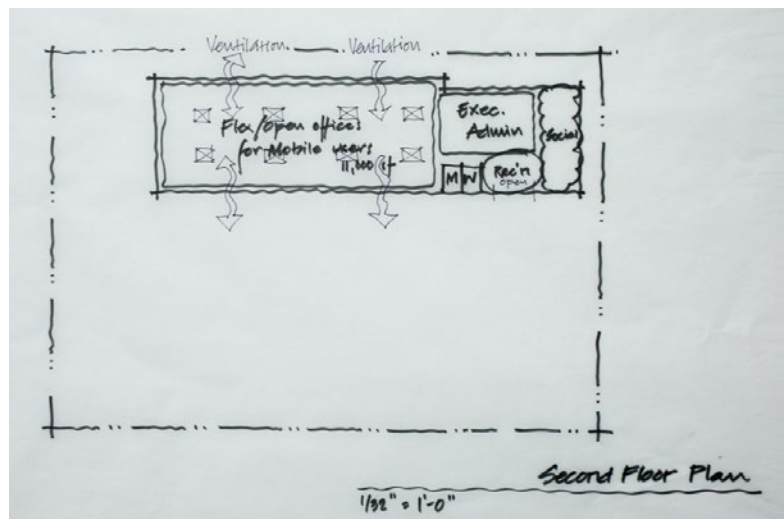
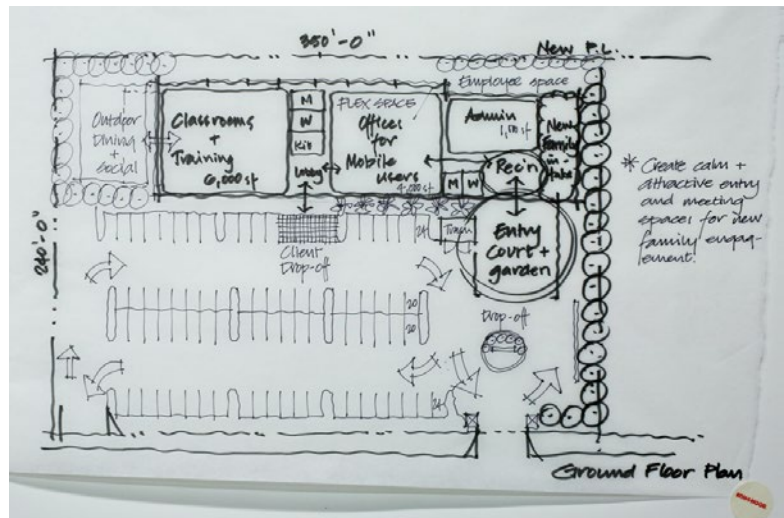


# CONCLUSION

The TAP commends New Horizons for its exemplary goal of serving its clients and taking the time to find ways to improve ways to help members of the community. The mission-driven nature of the organization inspired and energized the TAP. Participants felt privileged to offer consultation to such a worthy entity.

The TAP believes that New Horizons has the leadership and resources to continue a bedrock of support for the IDD community of the San Fernando Valley. While selling the current real estate holdings will provide New Horizons with a substantial windfall, the TAP believes that remaining at the main campus will be the most prudent decision for the organization. At the same time, the TAP hopes that it has provided New Horizons with the initial ideas for redesigning the campus, bringing in strategic partners, and creating long-term revenue sources to support the organization. These strategic, incremental improvements over the coming years will position New Horizons as a unique land holder in the region.

The TAP is enthusiastic to witness New Horizons's ongoing efforts to make full use of its properties so that it can continue to enhance its services as a leading organization in the Los Angeles area.



# CASE STUDIES AND RELEVANT RESOURCES

TAP members also reflected on experiences working with other organizations that have successfully adapted to new challenges and created new programs to serve clients. These three organizations, Homeboy Industries, Step Up on Vine, and Purple Tree Café, all provide some lessons learned to New Horizons.



## HOMEBOY INDUSTRIES

Over the past 30 years, Homeboy Industries has grown to become the largest gang intervention, rehabilitation and re-entry program in the world. Now assisting more than 8,000 people per year, Homeboy Industries has continuously innovated to find new job opportunities for their clients. Homeboy operates successful cafés and diners at locations including Los Angeles City Hall and LAX. They have a model for New Horizons to follow if it wishes to sell its cookies to vendors in larger quantities, or access new markets.

Understanding the affordable housing crisis in Los Angeles, Homeboy is attempting to partner with the City of Los Angeles to enter into a long-term ground lease of a 25,000-square foot vacant lot beneath the Metro Gold Line. Homeboy hopes to develop the parcel for supportive services or transitional housing. The local councilmember has called for the City to negotiate with Homeboy for use of the property at a below market rate. If completed, this project could provide an exemplar for New Horizons as it engages with the city and eldercare providers about the need for housing

### CASE STUDY: STEP UP ON VINE

Step Up on Vine is a 34-unit LEED Platinum apartment complex in Hollywood developed to house and serve previously homeless affected by severe and persistent mental illness. It was a model for the WELL Building Standard prior to WELL's creation. The project integrates psychosocial rehabilitation and provides support services and job training for residents and the public through community spaces including a computer lab, restrooms, cafe and commercial kitchen. The rooftop outdoor respite area for tenants includes an aeroponic garden where tenants and other participants can grow their own herbs and vegetables. Located next to a school, the project has been a holistic model of showing a resistant community the benefits of having transitioning folks in their neighborhood.

### CASE STUDY: PURPLE TREE CAFÉ IN DAVIS, CA

In Davis, California, the Purple Tree Café is a non-profit organization that creates competitive integrated employment for people with disabilities via their bicycle-driven coffee cart. If New Horizons is interested in incorporating light retail or a coffee shop into its redesign, Purple Tree Café provides a blueprint for employing people with and without disabilities. A small coffee shop along Parthenia would create a brick-and-mortar venue to sell the famous New Horizons Cookies, and conduct job skills trainings for clients. The Purple Tree Café has also been successful in catering public and private events, which could be a source of additional revenue.

# ACKNOWLEDGEMENTS



The Technical Advisory Panel (TAP) wishes to acknowledge the sponsors of the study, New Horizons.

The TAP is thankful for the commitment and participation of stakeholders. The following is a list of individuals from New Horizons who were interviewed or provided valuable information and perspective during the TAP process:

John Brauer, CEO

Diane Thorsell, Chief Human Resources Officer

Carlos Arvizu, Facilities Administrator

Sandra Linares Ortiz, Vice President

Ken Miles, Board Member

Ron Burkhardt, Board Member

Greg Buesing, Board Member

Judy Fisher, Emeritus Council

Susan Stearns, Emeritus Council



# PANEL CHAIR BIOGRAPHY

## JONATHAN WATTS

Principal, Killefer Flammang Architects

Jonathan has been practicing architecture and land-use planning since moving from the UK to Los Angeles 30 years ago. His passion for great design and livable communities has led to work in many cities and on myriad building types including mixed-use urban infill, multi-family housing, hotel, office, retail and entertainment. Jonathan believes that design is the real value architects bring to clients and communities. He designs by hand with pen and watercolors, believing it is the best way to arrive at good proportions and the right feel for the solution and has a thorough understanding of the marketplace and the positioning of specific projects within it. Jonathan has served as Chair of two Urban Land Institute committees; he is the current Chair of the ULI's Building Healthy Places Initiative, which is an effort to use the ULI's global networks to improve community health through shaping projects and places.



# PANEL MEMBER BIOGRAPHIES

## GWYNNE PUGH

Principal, Gwynne Pugh Urban Studio

Gwynne Pugh has been practicing architecture, planning, civil, structural, and design engineering since 1971. He launched Gwynne Pugh Urban Studio in 2010 after leading Pugh + Scarpa Architects for 22 years. During his time as Principal, the firm received over 20 national and international awards, including the AIA National and State Architecture Firm of the Year Award in 2010, and six AIA/COTE Top Ten Green Project Awards, in addition to numerous local awards. Gwynne became a Fellow of the AIA in 2010. He has served as the Chair of the Santa Monica Planning Commission and the President of the Planning Department of the League of California Cities. Additionally, Gwynne has far-reaching experience working with local community groups and public and private agencies, serving as a Peer Review Consultant to the City of Carson, the City of Los Angeles, and the Getty Conservation Institute. Gwynne has been on the AIAILA board for the last three years, was the past Chair of its Political Outreach Committee, and is currently a Representative on the AIA California Council. Gwynne is a LEED Accredited Professional and is considered an expert in sustainable structural design and engineering.

## EVAN MATHER

Principal, MIG

Evan Mather (PLA, FASLA, SITES® AP) is an award-winning landscape architect and filmmaker whose work in both mediums is a high-level practice of inquiry and exploration. Evan has walked these dual paths since college—applying his creativity on the land and through the lens. For over 25 years, he has been committed to delivering sustainable projects that impact people and the environment in tangible, measurable ways. From streetscapes and schools to parks and infrastructure, Evan seeks to reveal the stories inherent in the context, history, geology, ecology, and culture of a project site. His films investigate and communicate landscape architecture, urban design and sustainability issues by immersing audiences in a landscape's narrative. Evan's unique synthesis of disciplines and his incorporation of new technologies enables him to educate and inspire clients and the general public—offering a fresh perspective and unveiling unexpected project possibilities. With each project, he strives to elevate his craft and his profession—using his experience and expertise to create healthy, beautiful environments that engage and endure.

## RYAN ALTOON

Executive Vice President, AndersonPacific

Ryan Altoon is Executive Vice President with AndersonPacific, LLC, a Los Angeles-based development company focusing on investment, entitlement and development of mixed-use infill projects that are sustainable, transit-oriented and create walkable communities. Anderson Pacific is developing projects in key downtown areas throughout California.

Mr. Altoon has over 15 years experience in real estate, strategic planning, management and finance. He is responsible for overseeing entitlement and development projects for the firm, financing and investments, and asset management. He has entitled over 2,700 residential units, 150,000 sf of commercial office/retail, hotel, transit and civic uses in California, totaling over \$1BB in value. Projects include a 17- and 35-story luxury rental project in Downtown Long Beach called “The Current” and “Shoreline Gateway” respectively; “Hercules Bayfront”, an 18-block mixed-use, LEED-ND Gold, transit-oriented community in the East Bay, among others.

Prior to joining AP he worked at George Smith Partners, Inc., a real estate investment bank and financing company, where he was responsible for underwriting debt and equity packages for acquisitions, development and refinancing myriad product types.

Mr. Altoon received a Masters in Business Administration from the University of Southern California, a Certificate of Architecture from the Harvard Graduate School of Design, and a Bachelor of Business/Economics & Art History from the University of California, Santa Barbara.

## JOE DIEGUEZ

Senior Vice President, Kosmont Companies

Mr. Joseph Dieguez is a Senior Vice President with Kosmont Companies serving public and private sector clients primarily through market and economic analyses, strategic planning, and real estate development advisory. His recent work includes special / tax increment district implementation (including Enhanced Infrastructure Financing Districts and Community Revitalization and Investment Authorities), market supply and demand analysis, fiscal impact and economic benefit studies, financial feasibility and development pro forma evaluation, and property reuse strategies for municipalities, real estate investment and development firms, and multiple Fortune 500 clients.

Prior to joining Kosmont Companies, Mr. Dieguez served as a senior analyst at a real estate investment and development firm and as an analyst at a top management consulting firm, responsible for industry, market, portfolio and property-level analysis, negotiations, and transaction execution support for investment banks, private equity firms, and other financial institution clients.

## VAHE AVAGYAN

Senior Associate, RCLCO

Vahe Avagyan is a Senior Associate in RCLCO's Real Estate Economics Practice Group, based in our Los Angeles office. Since joining RCLCO, Vahe has served as project manager for consulting engagements spanning a wide range of geographies and product types. Vahe's work focuses on providing private and public sector clients with strategic guidance and insights relating to market and financial feasibility, highest-and-best use, and fiscal and economic impacts for complex real estate projects. In particular, Vahe specializes in large-scale, high-density, urban mixed-use projects as well as resort residential and hospitality projects, from beachfront destinations to ski resorts. Working for some of the most respected companies and organizations in real estate, Vahe seeks to add value to clients by providing sound and actionable analysis that integrates data-driven insights with a deep and forward-looking understanding of market drivers and preferences to help clients create vibrant, innovative, and successful spaces. He received a B.A. in History and Psychology from Columbia University.

## DONNA SHEN TRIPP

Vice President, Craig Lawson & Co., LLC

Ms. Tripp has more than 15 years of experience in community planning and development, and land use entitlements. Since joining Craig Lawson & Co., LLC at the end of 2012, Donna has conducted zoning and land use analyses, prepared due diligence reports, and processed discretionary entitlement requests for projects ranging from large residential subdivisions to affordable housing projects, and from commercial towers to transit-oriented mixed-use projects throughout the greater Los Angeles area.

Prior to joining Craig Lawson & Co., LLC, Donna was the Regional Manager at Schmitz & Associates, Inc., specializing in Coastal and hillside projects throughout Los Angeles, Ventura and Orange County. During her over 10 years at Schmitz & Associates, Donna not only managed all operational functions and staff at the company, she also prepared development feasibility analyses for hundreds of sites in the aforementioned communities, as well as successfully represented and secured discretionary approvals for dozens of complex, multi-jurisdictional development projects. These projects ranged from high-end residential estate homes in the Santa Monica Mountains to agricultural and equestrian facilities, and from municipal park projects to urban commercial projects.

A member of the Urban Land Institute and American Planning Association, Donna obtained her Bachelor's degree from Georgetown University, her Masters of Science degree in Public Policy and Management from Carnegie Mellon University, and her Juris Doctor from the University of San Diego.



## JENNIFER BERTHELOT-JELOVIC

President and CEO, A SustainAble Production

Jennifer Berthelot-Jelovic, LEED AP BD+C, LEED AP Homes, LEED Faculty, LEED Fellow, WELL AP, WELL Faculty, is the President and CEO of A SustainAble Production, LLC (ASAP). ASAP is a woman owned, full-service, global sustainability and wellness consulting firm. ASAP provides an array of holistic consulting services including sustainable, regenerative, resilient and healthy design & construction consulting for single buildings, communities and portfolios; LEED certification; WELL certification; Living Building Challenge; Net Zero; CSRs; Waste Audits; and more. Jennifer is an expert in the International WELL Building Institute's (IWBI) WELL Building Standard (WELL). Jennifer was one of the first Provisional WELL APs, WELL APs, and WELL Faculty in the world, and a Peer Reviewer for v1.0 and v2.0 Pilots of the Standard. Jennifer is the WELL Consultant and Portfolio Advisory Representative for numerous WELL Portfolio Clients. As a holistic wellness and sustainability Consultant; Jennifer also has extensive experience with the USGBC's various LEED rating systems including LEED for Homes, New Construction, Core & Shell, Commercial Interiors, LEED for Schools, Retail, LEED Volume, Campus, Arc and more. Jennifer has been working on Net Positive projects since 2006. Jennifer's contribution to some of the most innovative and "first of their kind" sustainability & wellness projects in the country and world, has been invaluable.

## TODD PENNINGTON

CEO, Pennington Construction Advisers

Todd opened the company in 2011 focused on improving the customer awareness of the overall Construction process from front end planning to contracting detail to overall construction performance and claim free close outs. Todd has leverage and deployed his 35 years of experience and vast contacts across the country to best position creation of new and reinventing existing assets for a better built environment of tomorrow.

PCA seeks out customers who need professional and well-trained support to get their projects on track to be successful and lead by a team capable of delivering "win-win" quality results, safely. The firm offers services including Program planning, Preconstruction Services, Construction management, claim and dispute avoidance/resolution support,

The key ingredients for success always include starting with a clear and optimized plan, well defined scope and coordinated documents aggressive but realistic schedule and budgets and lead by a great team that communicates together well.

## BRIAN DUNN

Director, Tauro Capital Advisors

Brian Dunn joined Tauro Capital Advisors in 2017 as the first employee. In this role, he has built complex cash flow models for all major property types and performed detailed review of all documents related to the tenants, capital sources and principals involved in each transaction. As Tauro grows, Brian continues to expand his role in supporting the Capital Advisors, often interfacing with clients and lenders alike.

Prior to joining Tauro, Mr. Dunn worked on the investment team of a prominent Multifamily Private Equity group in Los Angeles with nearly \$2 billion in acquired assets. In this role, he performed both property and market analysis, in addition to preparing investment memoranda for capital raising efforts. Mr. Dunn began his career in residential real estate sales in Manhattan and subsequently worked as an analyst at a boutique capital advisory and management consulting firm.

Brian received his BS in Environmental Science from Columbia University. He is a member of Urban Land Institute.

## VINCE MORRIS

Vince Morris is an experienced project manager in the real estate industry.



*TAP Panelists from left to right:  
Joe Dieguez, Gabriel Barrett-Jackson, Vahe Avagyan, Evan Mather, Jennifer  
Berthelot-Jelovic, Gwynne Pugh, Donna Shen Tripp, Vince Morris, Sophie  
Watts, Jonathan Watts, Ryan Altoon, Ross Zelen, Marty Borko, Brian Dunn*

**At the Urban Land Institute, our mission is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.**

Established in 1936, ULI is a nonprofit education and research institute with over 40,000 members across the globe – 2,000 here in the Greater Los Angeles area. As a nonpartisan organization, the Institute has long been recognized as one of America's most respected and widely quoted sources of objective information on urban planning, growth, and development.

The membership of ULI Los Angeles represents the entire spectrum of land use and real estate development disciplines. They include developers, builders, investors, architects, public officials, planners, real estate brokers, appraisers, attorneys, engineers, lenders, academics and students.



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