



DEVELOPMENT OPTIONS: 1762 DALE ROAD

COMMUNITY DEVELOPMENT
GLENORA CITY COUNCIL

AUGUST 27, 2024

VALERIE VELASQUEZ-SANTOYA, ECONOMIC DEVELOPMENT AND HOUSING MANAGER



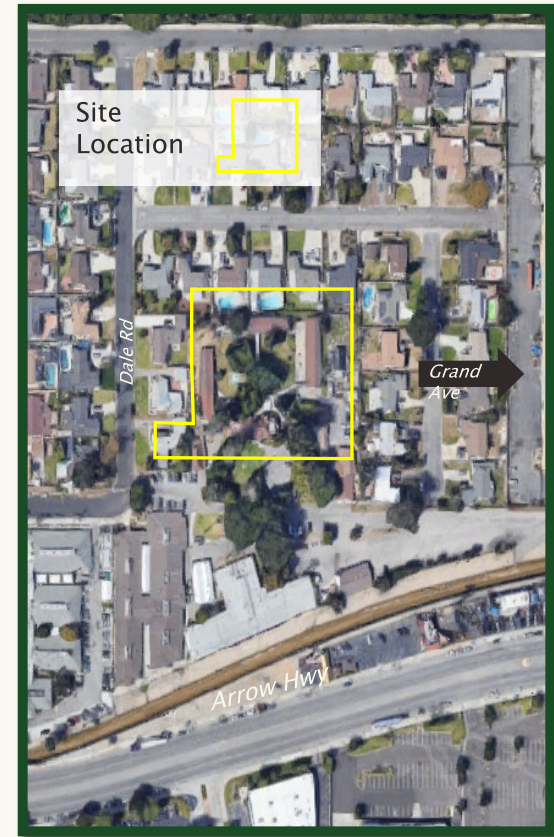
1762 DALE ROAD

Acquisition complete July 31, 2023

- In response to 2022 Community Survey:
 - Homelessness & Poverty
- Acquisition and Demolition: \$6.5 Million
 - Affordable Housing Funds & Measure E

Development type not yet determined

- SGVCOG Affordable Housing Incubator Program
 - Site Feasibility Analysis presented on February 27, 2024
 - Housing Product Types
 - Development Scenarios
 - Scenario Feasibility and Design
 - Scenario Evaluation
 - Funding



2.17 Acre Site
Located West of Grand.
North of Arrow Hwy.

HOUSING TYPOLOGIES

Deed Restrictive Affordable Housing

Permanent Affordable Housing



Target 50 – 60% Average Median Income (AMI)

Large Family Households

Multifamily rental format

Up to 36 DUA with State Density Bonus

Permanent Supportive Housing



Target 15 – 30% AMI Senior/Special Needs

Multifamily rental format

Includes supportive services

Up to 36 DUA with State Density Bonus

HOUSING TYPOLOGIES

Temporary Housing

Transitional Housing



Temporary Length of Stay(target 6 – 12 mos.)

Microunit or tiny homes format

Includes supportive services

Up to 24 DUA with State Density Bonus

Emergency (Congregate) Shelter



Temporary Length of Stay

Congregate living format

Includes supportive services

QUALIFYING INCOME LEVELS

Income Group and AMI Level	Scenario 1 (Family): 3-person Household	Scenario 2 (Senior/Special Needs): 2-person Household
Extremely Low Income 30% AMI	\$37,450	\$33,300
Very Low Income 50% AMI	\$62,400	N/A
Low Income 60% AMI	\$74,880	N/A

NOTES:

INCOME LEVELS ARE FOR HOUSEHOLDS IN LOS ANGELES COUNTY.

ANALYSIS USES THE HUD DEFINITION OF “LOW-INCOME” - HOUSEHOLDS EARNING UP TO 60% OF AREA MEDIAN INCOME (AMI) - AS THIS IS THE INCOME LEVEL ELIGIBLE FOR TAX CREDITS.

HOUSEHOLDS EARNING 80% AMI ARE NOT MODELED; PROJECTS INCLUDING UNITS AT THIS INCOME LEVEL ARE LESS COMPETITIVE FOR PUBLIC FUNDING.

AFFORDABLE HOUSING FINANCING TOOLS

Permanent Affordable Housing (Large Family, Senior, or Special Needs)

- HCD Grant and Low-Cost Loan Funds (e.g., Multifamily Housing program)
- Target Population Funds (e.g., Veterans Housing and Homelessness Prevention Program)
- LA County Housing Funds (e.g., Housing Innovation Fund)
- **Local Grants/ Participation (e.g., land donation)**

Transitional Housing

- County Homelessness Funds (e.g., Measure H)
- SGV Regional Housing Trust (e.g., Local Housing Trust Fund)
- **Local Participation (e.g., operations and maintenance)**

➤ *The above are examples of typical funding sources, but funding sources and availability are dynamic and can change year to year.*

SCENARIO EVALUATION MATRIX

High **Medium** **Low**

Factor	Scenario 1 – Affordable for Large Families	Scenario 2 – Affordable for Special Needs or Seniors	Scenario 3 – Transitional Housing
Site Development	79 units / 3 Stories	79 units / 2 Stories	50 beds or units
Length of Stay	Permanent	Permanent	Temporary (up to 24 months)
Income Levels	<= 60% (80%) AMI	<= 30% AMI	0 – 30% AMI
Developer Interest	Med-High	High	Low
City Participation	Land Donation/Long-Term Lease	Land Donation/Long-Term Lease	Local Grant Funding; Operational Support (City maintains ownership)
Public Funding Competitiveness	Medium	High	Low
Overall Positioning	Maximize Site Capacity	Maximize Housing Affordability	Prioritize Unhoused Individuals





SCENARIO 1

Site Elevation: Affordable housing for large families.





SCENARIO 2

Site Elevation: Affordable senior or special needs housing.



Glendora

UPDATED CONSIDERATIONS:

OPTION 1: PERMANENT AFFORDABLE HOUSING

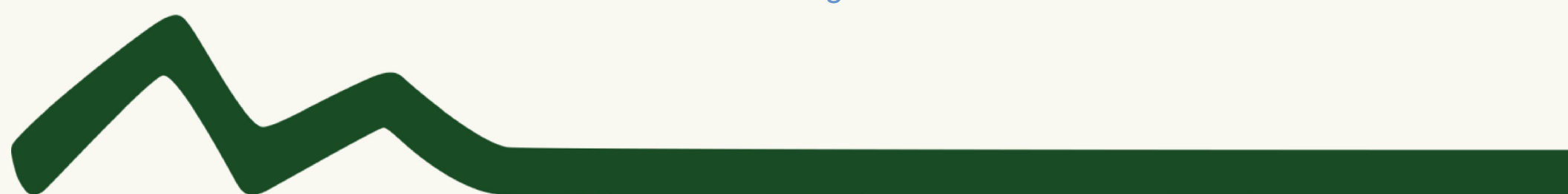
- Up to 79 units

OPTION 2: TWO SEPARATE PRODUCTS

- Transitional Housing on a 0.5 acre site
- Permanent Housing on a 1.67 acre site

OPTION 3: TWO SEPARATE PRODUCTS

- Transitional Housing on a 0.25 acre site
- Permanent Housing on a 1.92 acre site



OPTION 1: PERMANENT HOUSING

- **Up to 79 Units**
- **Permanent Affordable**
 - 50 – 60% AMI, FAMILY APARTMENTS, 3 STORY
- **Permanent Supportive**
 - 15 – 30 % AMI, SENIOR/SPECIAL NEED APARTMENTS, 2 STORY
- **An RFP would be released to partner with an AH Developer.**
- **City contribution is the land. Developer will pursue tax credits, grants, other financing sources.**

Financial Impact to the City	
Acquisition and Demolition	\$6.5 Million (Complete)
Staff Time	Ongoing affordable housing monitoring

OPTIONS 2 AND 3

Initial Capital Costs

Product Type
Pallet & Lifemark
Individual Bathrooms
Laundry Room
Community Room
Kitchen
Offices
Site Preparation

Operational Costs

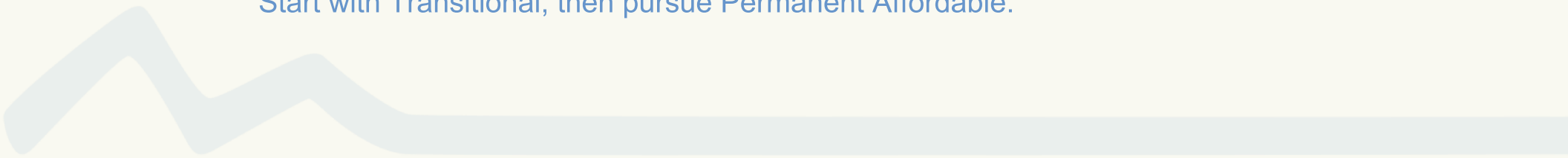
Case Management
Security
Health And Mental Service
Meals
Utilities

Funding Sources

Innovative Affordable Housing
& Homeless Program:
Permanent Local Housing \$500,000
Allocation:
Cities Councils Of Govts. \$110,000
Interim Housing Services
Fund:
\$88 per bed/nt

Two Separate Developments.

Start with Transitional, then pursue Permanent Affordable.



OPTION 2: HYBRID PRODUCT (1/2 ACRE)

- **Permanent Affordable (Supportive) Housing on 1.67 Acre**
- **Transitional Housing on 0.5 Acre**

Two Separate Developments (0.5 / 1.67 Acre)		
Dale Site:		2.17 Acres / 94,450 SF
Transitional Housing	28 – 50 units	0.5 Acre / ~22,000 SF
Permanent (Supportive) Housing	60 units (@ 36 dua)	1.67 Acre / ~72,450 SF

- **Permanent Affordable (Supportive) Housing on 1.67 Acre**
 - 100% affordable units provides an 80% density bonus (20 dua to 36 dua)
 - 60 units on 1.67 acre
- **Transitional Housing on 0.5 Acre**
 - Pallet home can accommodate 28 beds with private bathrooms
 - LifeArk can accommodate 50 beds with private bathrooms

PRODUCT TYPES

Pallet

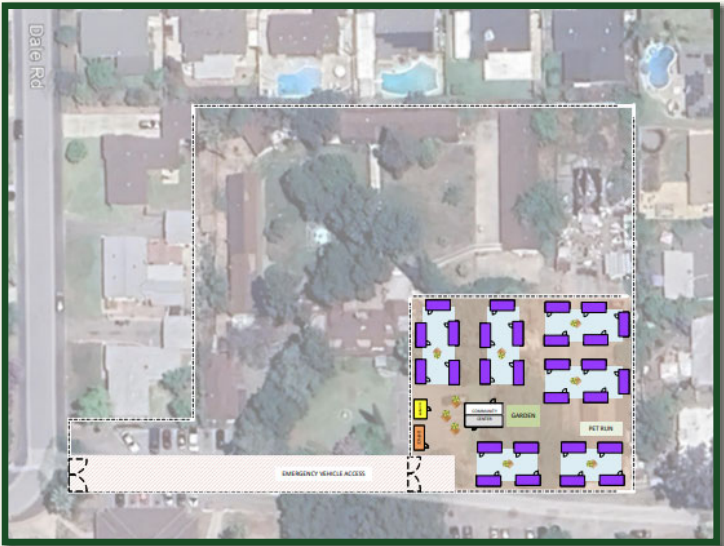


LifeArk



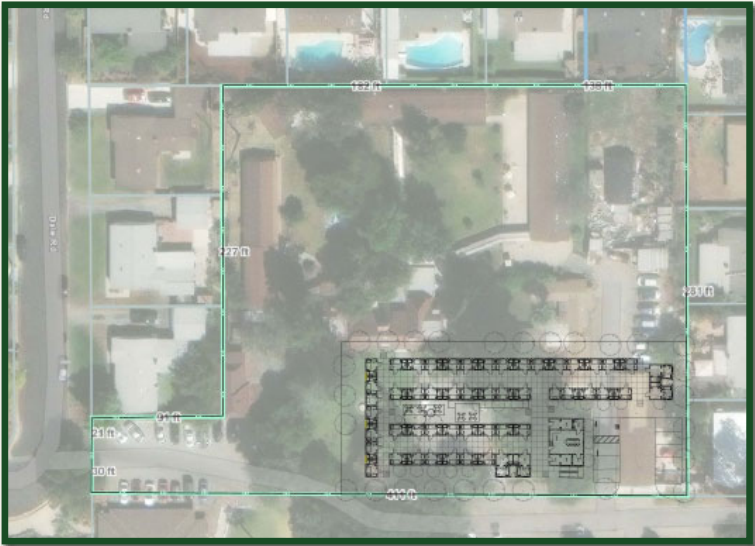
CONCEPTUAL SITE PLANS

Pallet



28 Beds, Laundry, Offices, Communal Area

LifeArk



50 Beds, Laundry, Offices, Communal Area

OPTION 2: COST ANALYSIS

Initial Year

Permanent Affordable Housing:	\$6.5 Million Complete, No further costs.			
Transitional Housing Options on 0.5 Acre (~22,000 SF)				
	Pallet (28 beds)		LifeArk (50 beds)	
Estimated Expenditures				
	No. of Beds	Total Estimated Costs	No. of Beds	Total Estimated Costs
Capital Costs:	28	\$2,451,980	50	\$5,420,908
cost per bed:		\$87,571		\$108,418
Annual Operational Costs: (at \$110 /bed / nt)		\$1,124,200		\$2,007,500
Total 1st Year Costs:		\$3,576,180		\$7,428,408
Funding Opportunities				
IAHHP		\$500,000		\$500,000
PLHA:		\$110,000		\$110,000
CCOGHIS:		\$899,360		\$1,606,000
Total 1st Year Grant Funds:		\$1,509,360		\$2,216,000
Net Impact to City 1st Year:		\$2,066,820		\$5,212,408

Year 2+

Funding in following years may be limited.

Innovative Affordable Housing & Homeless Program intended for upfront capital expenditures.

CCOGHIS may be available, although intended for first year operations.

Transitional Housing Costs, Year 2+		
	Pallet (28 beds)	LifeArk (50 beds)
Estimated Expenditures:		
Annual Operating Costs:	\$1,124,200	\$2,007,500
Grant Opportunities		
PLHA:	\$110,000	\$110,000
Net Estimated Costs/ Years 2+:	\$1,014,200	\$1,897,500

OPTION 3: HYBRID PRODUCT (1/4 ACRE)

- **Permanent Affordable (Supportive) Housing on 1.92 Acre**
- **Transitional Housing on 0.25 Acre**

Two Separate Developments (0.25 / 1.92 Acre)		
Dale Site:		2.17 Acres / 94,450 SF
Transitional Housing	25 units	0.25 Acre / ~11,000 SF
Permanent (Supportive) Housing	69 units (@ 36 dua)	1.67 Acre / ~83,450 SF

- **Permanent Affordable (Supportive) Housing on 1.92 Acre**
 - 100% affordable units provides an 80% density bonus (20 dua to 36 dua)
 - 69 units on 1.67 acre
- **Transitional Housing on 0.25 Acre**
 - LifeArk can accommodate 25 beds with private bathrooms

OPTION 3: COST ANALYSIS

Initial Year

Permanent Affordable Housing:	\$6.5 Million Complete, No further costs.	
Transitional Housing Options on 0.25 Acre (~11,000 SF)		
	LifeArk (25 beds)	
Estimated Expenditures		
	No. of Beds	Total Estimated Costs
Capital Costs:	25	\$2,889,639
cost per bed:		\$115,586
Annual Operational Costs: (at \$110 /bed / nt)		\$1,003,750
Total 1st Year Costs (est.):		\$3,893,389
Funding Opportunities		
IAHHP		\$500,000
PLHA:		\$110,000
CCOGHIS:		\$803,000
Total 1st Year Grant Funds:		\$1,413,000
Net Impact to City 1st Year:		\$2,480,389

Year 2+

Funding in following years may be limited.

Innovative Affordable Housing & Homeless Program intended for upfront capital expenditures.

CCOGHIS may be available, although intended for first year operations.

Transitional Housing Costs, Year 2+	
	LifeArk (25 beds)
Estimated Expenditures:	
Annual Operating Costs:	\$1,003,750
Grant Opportunities	
PLHA:	\$110,000
Net Estimated Costs/ Years 2+:	\$893,750

ADDITIONAL CONSIDERATIONS FOR OPTIONS 2 AND 3

Minimum two years operation of transitional housing recommended.

A phased approach could be considered

Permanent affordable on 1.67 or 1.92 acre, with opportunity for additional units or amenities once at the termination of the transitional housing.

Local Preference is permissible.

Priority may be given to individuals experiencing homelessness in Glendora.

Cannot restrict to only those in Glendora

CCOGHIS requires beds available regionally when occupancy falls below 95%.

Housing Authority Fund

\$1.3 M utilized in acquisition. Requires an increase to number of affordable units in the City.

California Surplus Land Act

Future disposition will require compliance with the SLA.

Restricting site to 100% affordable housing will qualify site to be declared exempt surplus.

OPTIONS SUMMARIZED

OPTION 1: PERMANENT AFFORDABLE HOUSING*

- Up to 79 units

No Additional Cost to City

OPTION 2: TWO SEPARATE PRODUCTS

- Transitional Housing on a 0.5 acre (28 – 50 beds)
- Permanent Housing* on a 1.67 acre (60 units)


Approximately \$2M to \$5.2 M first year.
\$1M - \$2M years 2+

OPTION 3: TWO SEPARATE PRODUCTS

- Transitional Housing on a 0.25 acre (25 beds)
- Permanent Housing* on a 1.92 acre (69 units)

Approximately \$2.5M first year.
\$900,000 years 2+

Permanent Affordable will allow for either Permanent Affordable or Permanent Supportive Affordable Housing.



RECOMMENDATION:

THAT THE CITY COUNCIL:

1. Provide staff with direction on how to proceed with the site's development

