Public Hearing

Enhanced-Use Lease (EUL) Initiative
Permanent Supportive Housing For Homeless Veterans

Greater Los Angeles Healthcare System (GLAHS)
April 26, 2018
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<tr>
<th>Time</th>
<th>Agenda Item</th>
<th>Presenter</th>
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<tr>
<td>5:30-6:00pm</td>
<td>Opening Remarks</td>
<td>Meghan Flanz, Executive Director West Los Angeles Campus Master Plan</td>
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<td>Heidi Marston, GLAHS Director of Community Engagement and Reintegration Services</td>
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<td>Draft Master Plan Update</td>
<td>Meghan Flanz, Executive Director West Los Angeles Campus Master Plan</td>
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<td>Public Hearing Presentation</td>
<td>Jim Sullivan, Director, Office of Asset Enterprise Management</td>
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<td>6:00-7:00pm</td>
<td>Question &amp; Answer Session</td>
<td>Panel (See slide 21)</td>
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<td>7:00pm</td>
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VA is pursuing options to house homeless Veterans as quickly as possible.

Tonight we will discuss a crucial step to take care of homeless Veterans and their families – the creation of permanent supportive housing on the North Campus, beginning with converting Building 207.

We are seeking to leverage a Principal Developer to deliver housing in the most timely way possible on the North Campus.

VA and its EUL developers will comply with the National Environmental Policy Act (NEPA), California Environmental Quality Act (CEQA), and all other applicable Federal, state, and local regulations.

We welcome your input on our plans to expedite housing for homeless Veterans and their families.
Questions or Comments?

- Please write your questions/comments on the note cards provided.
- Following the presentation, attendees will have the opportunity to read aloud to the VA panel their written question/comment about Building 207 or the Principal Developer concept.
- VA will publish a summary of the written comments received and responses to those comments on VA’s website.
- Questions/comments not related to Building 207 or the Principal Developer can be submitted to representatives in the back of the room for follow-up.

Future Status Updates to be Provided

- GLAHS Master Plan Website: https://www.losangeles.va.gov/masterplan/
- Future Town Halls
- Email Additional Feedback / Questions to: VHAGLAPublicAffairs@va.gov and EUL.Team.Management@va.gov
The WLA Campus of the Greater Los Angeles VA Healthcare System sits on 388 acres at the intersection of Wilshire Boulevard and the 405 Freeway.

Senator John P. Jones and Arcadia Bandini DeBaker donated the land to the US Government in 1887 to establish the Pacific Branch of the National Home for Disabled Volunteer Soldiers.

Shortly after the Korean War, nearly 5,000 Veterans called the Campus home.

VA maintained Veteran housing on the Campus until the 1970s, when focus shifted to a condensed healthcare and research campus and much of the land, housing and amenities fell into disrepair.
In 2011, the ACLU of Southern California filed a class action lawsuit against the VA on behalf of homeless Veterans with disabilities.

The suit alleged that VA misused the Campus and discriminated against disabled Veterans by failing to maintain housing for Veterans on the Campus and by leasing portions of the property to private companies.

VA and the plaintiff-partners settled the lawsuit in 2014. The settlement requires VA to solicit input from pertinent stakeholders to draft and implement a plan “to set out the most effective purpose of the campus for Veterans, particularly for homeless Veterans, including underserved populations, such as female Veterans, aging Veterans, and those who are severely or mentally disabled.”

VA and the plaintiff-partners collaborated to produce a Draft Master Plan which was adopted in 2016.
The Draft Master Plan outlines VA’s intent to transform the Campus into a vibrant community providing housing for homeless Veterans and healthcare, benefits, employment, and other services for all eligible Veterans.

The West L.A. Leasing Act of 2016 (Public Law 114-226) enables VA to enter into EULs with the private sector to provide permanent supportive housing on the Campus. (Note: VA has no direct authority to build or operate homeless housing).

The 1,200 units (minimum) of permanent supportive housing will serve homeless Veterans, including underserved populations, such as female Veterans, aging Veterans, and those who are severely disabled.

The West L.A. Leasing Act also enables VA to enter into leases to carry out other services that principally benefit Veterans, e.g., nutrition and spiritual wellness, training, recreation, family support services, and transportation.
VA is pursuing options to house homeless Veterans as quickly as possible.

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We welcome your input on our plans to expedite housing for homeless Veterans and their families.
1. What is an Enhanced-Use Lease (EUL)?

2. Public Hearing Purpose

3. Background

4. West Los Angeles EUL Initiative
   A. Objectives
   B. Approach
   C. Building 207
   D. Principal Developer
   E. Summary

5. Next Steps

6. Additional Information

7. Question and Answer Session
An EUL is a VA mechanism to provide permanent supportive housing for homeless Veterans and their families.

VA enters into a long-term ground lease with a non-VA entity, who finances, develops, renovates/constructs and operates the housing.

Since 1991, VA has executed 99 EULs, which include 44 operational housing EULs nationwide containing over 2,800 units of housing.

Selected California EUL Projects:

- **Menlo Park, CA EUL Project**
  - 60 Units of Permanent Supportive Housing for Homeless Veterans and Veterans at Risk of Homelessness

- **Sepulveda, CA EUL Project**
  - 149 Units of Permanent Supportive Housing for Homeless Veterans and Veterans at Risk of Homelessness
VA housing EULs have raised approx. $513M of private sector capital

Selected large scale VA housing EUL projects include:

**Leavenworth, KS: Dwight D. Eisenhower VA Medical Center**
- Eisenhower Ridge Association (EUL Lessee) has a 75-year lease for 38 buildings on 50 acres of land
- The lessee renovated existing buildings into 94 units of supportive housing for Veterans
- An additional 67 units are currently in development and further development is being planned

**Lincoln, NE: Former VA Medical Center Campus**
- Senior Foundation VA Vision, LLC (EUL Lessee) has a 75-year lease for approx. 59 acres of land and 21 buildings
- The lessee has constructed the first phase consisting of 70 units of permanent supportive housing for Veterans
- Additional housing phases, including senior supportive housing, are planned
Describe the planned EUL of Building 207 for Veterans’ housing as required by 38 U.S.C. § 8163*

Introduce VA’s concept to prioritize delivery of permanent supportive housing for homeless Veterans through an arrangement with a Principal Developer

Provide Veterans Service Organizations (VSOs), local residents, commercial enterprises, neighborhood organizations, community associations, and other stakeholders with the opportunity to ask questions about the Building 207 EUL and the Principal Developer concept on the West Los Angeles campus

*Note: This Public Hearing is similar to the one conducted in November 2016 for Buildings 205, 208 & 209
EUL Authority, Oversight and Compliance

- EULs require approval by the VA Secretary and oversight through annual compliance inspections
- VA refers Veterans for housing
- VA monitors housing operations
- As part of the EUL process, VA must comply with applicable laws, including all environmental requirements
- **No sale of land:** The West L.A. Leasing Act of 2016 explicitly prohibits the sale of land. All improvements will revert to VA at the end of each lease
West Los Angeles
EUL Initiative: Objectives

- Build on early EUL successes on Campus (~300 units):
  - Building 209 opened in June 2017 with 54 units
  - Buildings 205 & 208 will provide an additional ~120 units of permanent supportive housing for Veterans (Developer selected and units estimated to be operational in Spring 2020)
  - MacArthur Field developer selected and development of ~150 units pending PEIS/PEIR completion

- Develop at least 900 additional units of permanent supportive housing for homeless Veterans for a total of over 1,200 units of housing on the North Campus
Building 207:

- Next asset contemplated for development into permanent supportive housing and subject of this Public Hearing
- 51,010 gross square feet of space
- Built in 1940 and most recently used as supportive housing
- Contributing historic resource
- Will be incorporated into the ongoing NEPA Environmental Assessment (EA) for Buildings 205 and 208 described at the June 2017 PEIS/PEIR Scoping Meetings
  - NEPA process will be completed before EUL execution
  - This EA is new and replaces the previous EA from 2015
Principal Developer Concept:

- VA proposes to competitively select via a Request for Qualifications (RFQ) one qualified Principal Developer
- The Principal Developer must have experience and expertise in master planning large scale housing developments, as well as affordable housing
  - The Principal Developer’s team must also have experience redeveloping individual assets (i.e., Building 207)
- The Principal Developer would undertake all necessary investigation activities to produce development scenarios for the North Campus to provide permanent supportive housing to meet Veterans’ needs
- Upon completion of the PEIS/PEIR, the Principal Developer would proceed in implementing selected development scenarios
- Building 207 would be first asset developed by Principal Developer
- Principal Developer’s team to include all types of expertise in development, financing, property management, and supportive services delivery
Building 207: Environmental and Historic Due Diligence

- Principal Developer would renovate Building 207 into approximately 50 units of permanent supportive housing for homeless Veterans
- Principal Developer would be required to finance, develop, operate and maintain the property in accordance with Federal, State, and local requirements
Post-Selection: Principal Developer would undertake all necessary investigation activities to produce development scenarios for the North Campus to provide permanent supportive housing to meet Veterans’ needs.

Post-PEIS/PEIR Completion: Principal Developer would –
- Proceed in implementing selected development scenarios
- Begin process to design, build, and operate permanent supportive housing
- Create a cohesive, vibrant community providing housing for homeless Veterans and their families
Principal Developer Concept:

Enables VA to House Homeless Veterans 18-24 Months Sooner

- Principal Developer would already be engaged by the time PEIS/PEIR is completed (procurement savings time)
- Principal Developer would have already prepared preliminary development scenarios to be implemented following PEIS/PEIR completion
- Single efficient Federal procurement process (RFQ) for all future EULs
- Aligns private sector incentives to encourage accelerated delivery of housing for homeless Veterans
VA’s Ongoing National Environmental Policy Act (NEPA) Actions:

**Environmental Assessment**
- Buildings 205 and 208 (Developer selected)
- Building 207 (Principal Developer to be Selected)

**PEIS/PEIR**
- MacArthur Field (Developer Selected)
- Possible Future EULs (Principal Developer to be Selected)

- The Principal Developer’s development and infrastructure recommendations would inform the PEIS/PEIR process
- For any future EULs specifically identified in the Final Master Plan, the PEIS/PEIR process will have informed the location and framework of those EULs
Summary:

- Building 209 opened in June 2017 (54 units)
- Buildings 205 & 208 developer selected and units estimated to be operational in Spring 2020 (~120 units)
- MacArthur Field developer selected and development pending PEIS/PEIR completion (~150 units)
- Building 207 is subject of this Public Hearing and pending Principal Developer selection (~50 units)
- All other North Campus land and building assets not shaded in blue are subject to further analysis by the Principal Developer
Additional Information

Future Status Updates to be Provided:

- GLAHS Master Plan Website: https://www.losangeles.va.gov/masterplan/
- Future Town Halls (Quarterly Veterans Town Hall scheduled for July 2018)
- Draft EA Public Comment Period for Buildings 205, 207 & 208 anticipated in Summer 2018
- Draft PEIS/PEIR Public Comment Period anticipated in Winter 2018-2019
- Email Additional Feedback / Questions to: VHAGLAPublicAffairs@va.gov and EUL.Team.Management@va.gov

Links for Additional Information:

- GLAHS: http://www.losangeles.va.gov/
- West LA Master Plan: http://www.losangeles.va.gov/masterplan/
- VA EUL Program: http://www.va.gov/AssetManagement/
- EUL Videos:
  - https://www.youtube.com/watch?v=j-IyHQqtC1E
  - https://www.youtube.com/watch?v=2GEdFc9Q1tc
Feedback Received
to Date

- VA is grateful for all of the input received in response to the Public Hearing Notice
- VA received over 90 written comments
- All comments improve outcomes for Veterans
- The majority of comments expressed support for the redevelopment of Building 207 and the Principal Developer concept – including letters of support from:
  - U.S. Senator Dianne Feinstein
  - U.S. Congressman Ted Lieu
  - California State Assemblymember Richard Bloom, 50th District
  - City of Los Angeles Mayor Eric Garcetti
  - City of Santa Monica Mayor Ted Winterer
  - City of Los Angeles Councilmember Mike Bonin, 11th District
  - City of Los Angeles Councilmember Paul Koretz, 5th District
VA Panel

- Robert Merchant, Chief, GLAHS Strategic and Facility Planning (Moderator)
- Meghan Flanz, Executive Director, GLAHS West Los Angeles Campus Master Plan
- Heidi Marston, GLAHS Director of Community Engagement and Reintegration Services
- Jim Sullivan, Director, Office of Asset Enterprise Management
- Ed Bradley, Deputy Director, Office of Asset Enterprise Management
- Glenn Elliott, Environmental Officer, Construction & Facilities Management
Thank You!