

## Pooled Money Investment Board (PMIB) -- Stalled Funds

### Story Template

**Development Name:** Vendome Palms Apartments

**Location:** 975 N Vendome Street, Los Angeles, CA 90026

**Type of homes (number of bedrooms -- apartments, condos, or single-family homes):**  
Thirty-three studio apartments and two 1-bedroom apartments. One 2-bedroom Manager's unit.



**Status of the development (fully completed, nearly completed, mid-construction, shovel-ready):** This Project is Shovel- Ready. It has been funded by the Los Angeles Housing Department and the County of Los Angeles. The project has also been awarded a 5-year Shelter Plus Care rent subsidy for all units. Vendome has been on the MHP Loan and Grant Committee agenda since January, and continues to await its award. The project has been recommended by CDLAC staff for a bond allocation. That allocation is scheduled to be made on March 25<sup>th</sup>.

**What types of people/families would live there (population to be served):** This is a permanent supportive housing project that will house formerly homeless adults disabled by way of mental illness.

**The Development needs a commitment of \$ 4,800,000 in MHP funds by April 2009.**

**What will happen if the funds aren't received on time?**

Closing of construction financing cannot move forward unless Prop 1C MHP funds are secured. The construction lender for Vendome cannot provide financing unless MHP funds are guaranteed to be available at the end of the construction period. This is because MHP funds are used to repay the construction lender.

Vendome Palms will permanently house 35 formerly homeless adults in a building that will include supportive services and case management. Supportive Services will be provided by Homeless Health Care LA, an organization with over 20 years experience serving the homeless. Once operating, Vendome will employ 2 full time case managers and a resident manager, on site. Many of the residents of Vendome Palms will be housed directly from 'the streets,' others will come from shelters and transitional housing. The mental illnesses facing Vendome's residents make them an extremely vulnerable group for whom a safe, permanent, home with on-site support, will be paramount to their achieving a sense of normalcy and stability.

The Vendome Palms project has a construction budget of approximately five million dollars and will provide many jobs in all major construction trades for the duration of the rehabilitation period, estimated to be 14 months. Currently our organization has outstanding acquisition loans on the project which are accumulating interest at a rate of \$12,500 per month. This project is an acquisition/ rehab, which means that our organization is holding a vacant building for which we paying about \$3,000 per month in property taxes and \$3,800 per month for liability and property insurance. As an empty, damaged structure in a dense residential neighborhood, 975 Vendome remains an unfulfilled promise to area residents who await this development as a key piece of neighborhood revitalization.