



2023-2028
Development
Strategic Plan

Redefining Thriving, Inclusive, Affordable Communities



Mission

Why Ausar? Why Now?

The mission of **Ausar Economic Development Corporation (AEDC)** is to address the social disparities and challenges faced by low to moderate income families and to stimulate and foster economic development in underserved and underrepresented geographical areas by developing, constructing, rehabilitating and providing affordable housing; and to facilitate a systemic process for the purpose of generating sustainable communities through programs geared towards human development, environmental sustainability, social inclusion, health & wellness and public safety.





Vision

Building a Future with 30 Years of Lessons and Legacy

Ausar Economic Development Corporation is established to develop human potential to create individual and cultural responsibility while fostering platforms for economic justice as a social legacy.



The African Sankofa bird, incorporated into our logo, translates to “Go Back and Get It”, meaning, “It is not taboo to go back for what you forgot (or left behind).”





About Ausar

tran(t)s- 'fôr-mə-tiv

Utilizing a transformative business model where profitability is inseparable from social impact, **AEDC** has been a **catalyst for change** in the **creation of affordable housing** and **economic development** activities since its inception.

This model is based upon the belief that by **creating social trust** that facilitates **coordination** and **cooperation** of key stakeholders for **mutual benefit** in the **revitalization of underserved communities** in all of its facets.

At Ausar, we envision a world **with vibrant, safe, and inclusive neighborhoods** in which all people live in **safe healthy homes** with **equitable access** to the resources and opportunities to pursue their dreams



tran(t)s- 'fôr-mə-tiv: causing a marked change in someone or something





History

CEDC to AEDC

Ausar Economic Development Corporation (AEDC) was initially founded in 1988 by then State Senator, Diane E. Watson, as *Corridor Economic Development Corporation (CEDC)* with a mission of developing and revitalizing affordable housing communities in the California 28th state senatorial district. The organization was initially funded by \$1,500 that was raised through a brownie bake sale. Since the original **founding in 1988** approximately 1,800 affordable housing units were developed throughout the service area by “Corridor”.

2013 marks the year that “Corridor” was reestablished and reinvigorated as AEDC.

We remain committed to the original mission:

- To construct and rehabilitate affordable housing units in underserved areas to help promote community stability and a sense of pride;
- To increase the delivery of free social/community services and programs for youth, families and senior residents.





History

Expanding on the Foundations of Corridor

Today, our original purpose and mission have expanded to serve a larger vision and one that is more in alignment with the current times – the challenges and opportunities.

- We are now able to introduce **new modalities of service and programs** that result from years of investigation and education.
- We can now say more assuredly that we are able to “**revitalize the physical and socioeconomic conditions of underserved communities**” in a manner that is more effective and holistic.
- Our geographic area of focus has also expanded. While originally our focus area was limited to the 28th District, today our footprint is **all urban Los Angeles County** with an **emphasis on South Central Los Angeles, Greater Watts and other adjacent communities.**
- Our current mission includes **networking** and **collaborating** with other similar organizations throughout the country to learn from as well as contribute to organizations and projects **nationwide.**





History

Founding Talent Remains Strong

We are fortunate to have serving as the
Executive Director of AEDC, Sharon Sumpter.

Ms. Sumpter is the Executive Director that grew this organization from a concept to a major provider in affordable housing. She has served faithfully in her role virtually since the founding of the organization over 35 years ago. Ms. Sumpter brings a wealth of experience to the organization in the areas of affordable housing, project development, urban planning, and programming services for the residents.





AEDC Leadership



Sharon Sumpter, MS
CEO, AEDC



Orland Bishop
Chairman of the Board



Philip Falese, JD/MBA
CFO



Stephanie Ardrey,
DBA/JD
Secretary





New Construction Strategy

AEDC 5 Year Goal

Kansas Avenue Apartments: 31 Units

Pursuant to City of Los Angeles Executive Directive 1 issued by the Honorable Mayor Karen Bass, **AEDC has committed to a Five-Year goal to develop 800 to 1,000 units in 18 to 20 properties** to support the need for deeply affordable housing for the City's most vulnerable. With significant real estate and technical assistance expertise, AEDC envisions partnerships that leverage unparalleled regulatory guidance and compress a complex series of real estate transactions into a 6 to 16-month process for each group of assets.

Commencing with the development of **305 initial units** of affordable housing, the proposed execution assumes a simultaneous and non-competitive closing process utilizing public and private equity and HUD 221(d)(4) guaranteed mortgage loans. While not cross collateralizing the Projects, the grouping of assets will provide cost savings, sharing of some soft costs, and a rebalance of equity and other soft sources to right size the final permanent sources and uses.





New Construction Strategy

Streamlined Solutions

Ben Avenue Apartments: 40 Units

Streamlined Solution: AEDC's integrated services solution (development, construction, architecture and property management) ensures a comprehensive, streamlined solution for achieving the following deliverables: site plan; project budget/financial pro forma; conceptual design plans for rehabilitation; and a detailed development schedule.

Resident Services: AEDC will assess the health impacts and aligns with the resident-first model by using quantitative, qualitative and participatory techniques to determine the appropriate on-site services programming to enable residents to maximize residential stability, develop independent living skills, and promote an interactive and vibrant living community. AEDC's property management division partners with several organizations to provide lease-up and resident services. Some of the organizations include PATH, Brilliant Corners, The Los Angeles Homeless Services Authority (LAHSA), and rental assistance from the Los Angeles County Development Authority (LACDA) in connection with the Los Angeles Housing Department (LAHD). These Supportive Service Providers ensure an increase in positive health effects, amplify housing retention/stability, and minimize negative health effects for residents.

Neighborhood Planning: AEDC commits to creating neighborhood connectivity and developing an overall master plan to guide how the development of the surrounding property can be integral to the neighborhood's broader revitalization.





36th Place Apartments: 114 Units

This five-story, type III affordable housing building consists of 114 units. Designed with an efficient layout, it aims to redefine the neighborhood aesthetic by featuring varied facade heights, articulations, and modern sustainable materials. Blending with the surrounding color scheme, the building stands out while harmonizing with its environment.

Western Avenue Apartments: 120 Units

This is a five-story, type III affordable housing building comprising 120 units. It boasts a contemporary design with stucco cladding and features an open-space courtyard that divides the structure. The overall design aims to revitalize the corner lot by creating a standout building with clean and defined elements. The proposed materials for the building include white and grey stucco, brushed aluminum metal railings, and expansive street-facing windows. These materials not only provide visual interest but also allow ample natural light into the building.





Senior Housing Preservation Strategy

Reinvestments Where it Matters

In the nearly **30 years** since the creation of the Century Freeway Housing Program, many of the **3,000 units** created in the early 1990s are in need of significant reinvestment/recapitalization. Initial review of AEDC's existing 42-unit portfolio and comparable properties in Los Angeles County, many do not account for the full value of Federal, State and Local rental subsidies and supportive services for vulnerable residents. In addition, upcoming expiration of affordability covenants and restrictions creates a heightened sense of urgency to preserve these deeply affordable housing units serving vulnerable seniors and families.





Senior Housing Preservation Strategy

Asset and On-site Property Management

AEDC will commit to facilitating capacity-building and/or business plans that allows AEDC to assume management and control of the project. As the leader of a blended team of property management staff, AEDC is responsible for creating a **collaborative environment** in which **shared accountability** for property and resident outcomes is reflected in the policies and procedures that govern our housing communities. Specific training in policies and procedures will be developed to ensure property management conformity to program requirements and ensure staff becomes knowledgeable through training and ongoing property management provision.





Senior Housing Preservation Strategy

Resident and Stakeholder Engagement Plan

A marketing plan and Affirmative Fair Housing Marketing Plan will include resident and stakeholder engagement on an ongoing basis during operation. During the development and design phase, we hold several stakeholder meetings to share strategy and vision and receive input. These stakeholders include, but are not limited to, **residents, local community groups, local contractors, City of Compton, HACOLA, and LAHSA**. We communicate process, design intent, utilization of space, and overall operating strategy upon completion of project, while actively soliciting feedback to incorporate throughout the process.



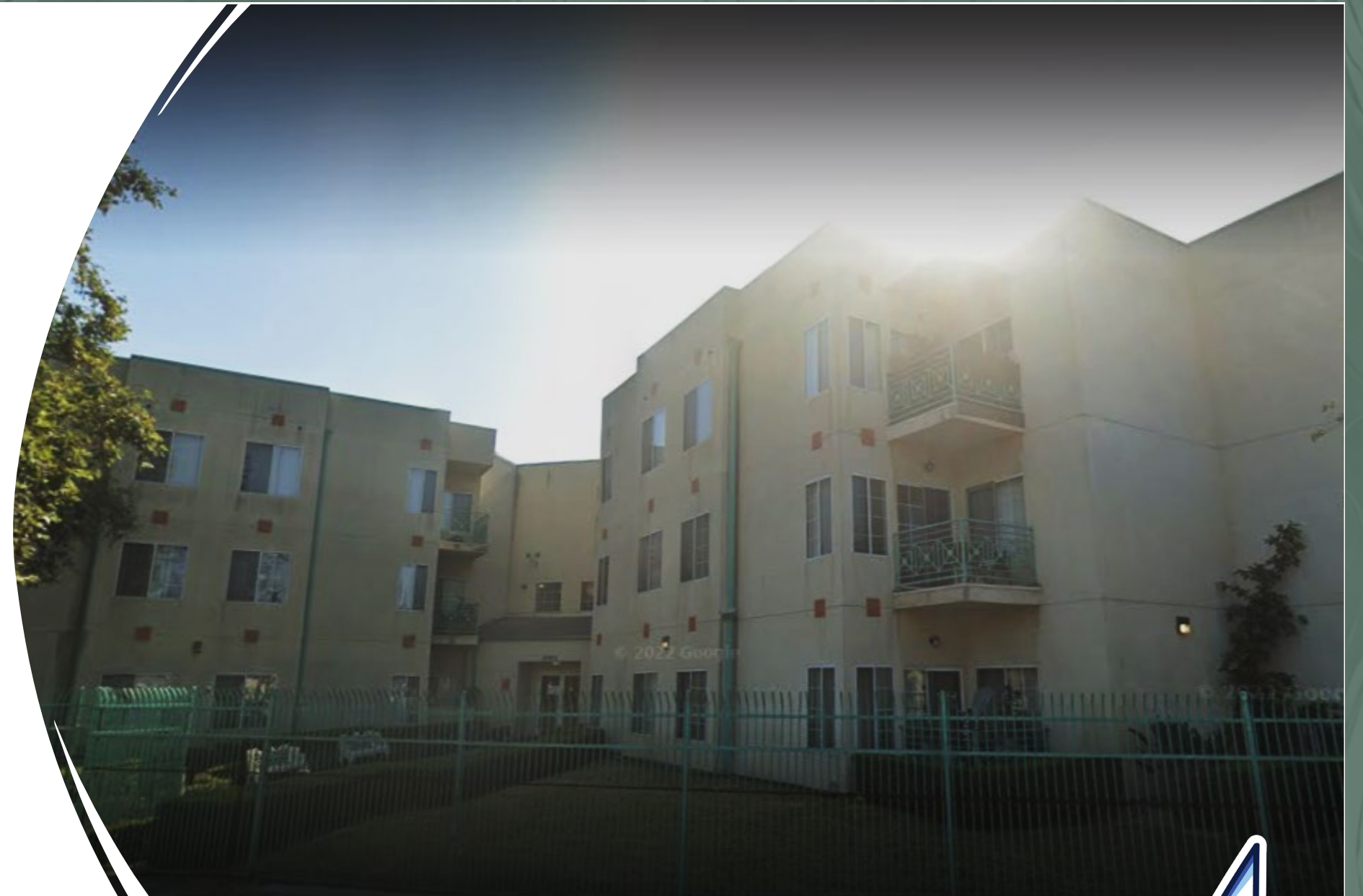


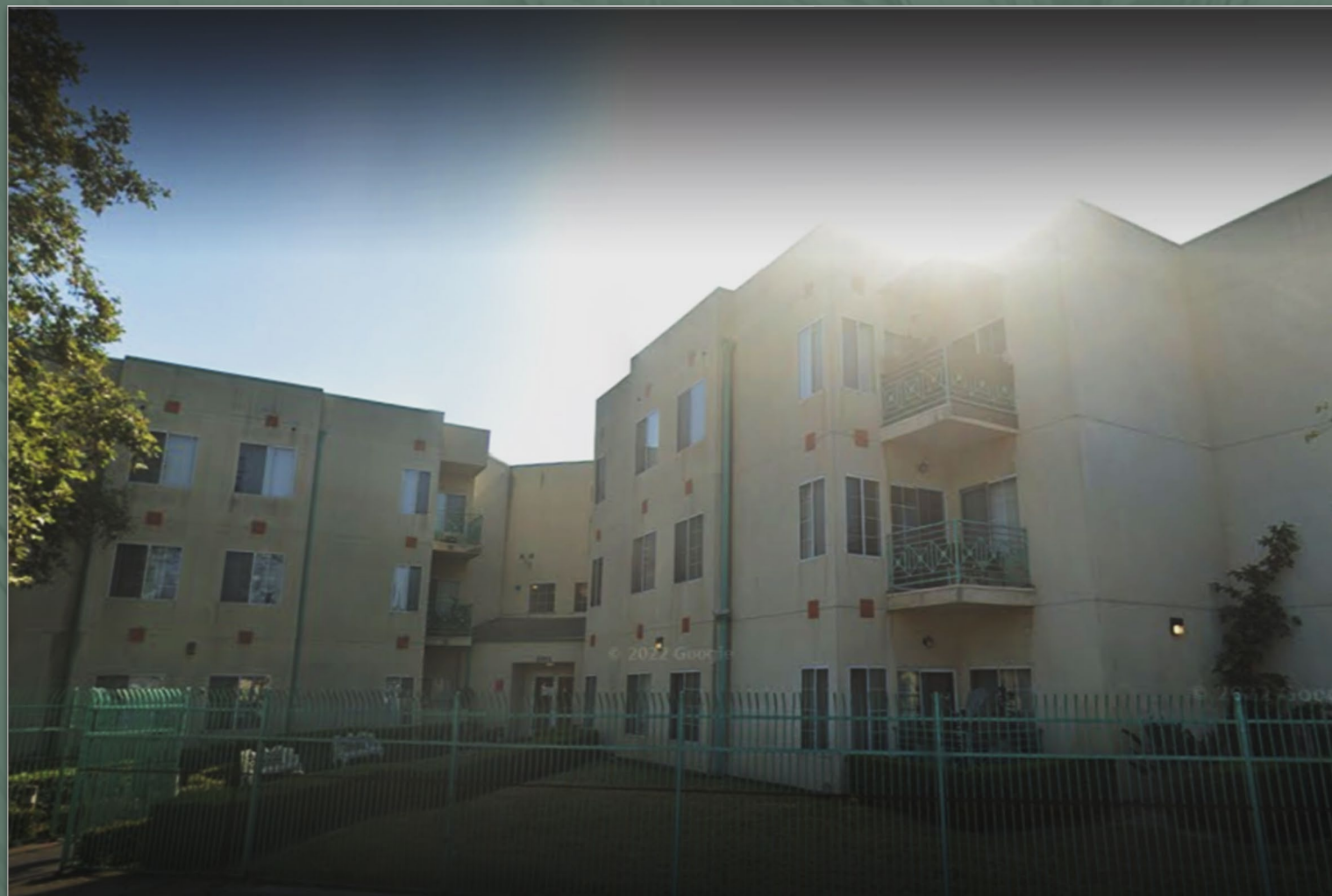
Senior Housing Preservation Strategy

Small and Local Business Partnerships

AEDC has a strong preference to Section 3, minority owned, women owned and emerging businesses.

We strive to engage subcontractors and residents that are in close proximity to the municipalities in which the project is located. We find this has a wide variety of benefits to the project schedule, quality, and budget. Strategic plans used to comply include on the job training, subcontracting provisions, advertising, specific informational meetings, coordination with State & local hiring agencies, and Youthbuild – to name a few.





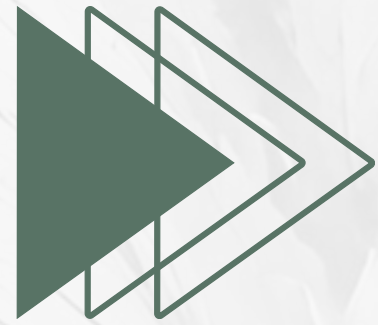
E. Lynn Brown Senior Apartments: 48 Units

Located catacorner to the Curry Temple Christian Methodist Episcopal "CME" Church at 1001 North Hickory Avenue, Compton, California 90220, E. Lynn Brown Senior Apartments was built in 1994 in honor of its namesake, E. Lynn Brown, the 46th Bishop of the CME Church. Bishop Brown was a recognized Civil Rights leader, well-known in the L.A.-area for his strong community and social justice activism through the 1990s.

Adams West Senior Apartments: 52 Units

Since opening in 1994 at 2635 South Western Ave, Adams West Senior has served as the gateway to the West Adams and Jefferson Park historic neighborhoods. Anchored by approximately 14,000 square feet of retail and full-service grocery, the fifty-two (52) affordable units for seniors have benefited from meaningful, high-quality access to essential community services and resources that positively impact Social Determinants of Health.



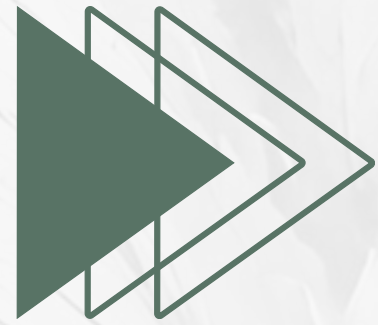


The Key Developer Experience

Step by Step

- Identify and establish site control
- Review development budgets to ensure all costs included through closing
- Coordinate selection and implementation of market study, environmental review and appraisal
- Review and approve or re-select, as needed, MEP consultant/engineers
- Select partnership counsel for debt and equity
- Review preliminary operating budgets for finance underwriting
- Pursue real estate tax exemption
- Review primary design and programming
- Manage relationships with lenders, investors, and other capital sources provided to the project and secure all changes necessary to close on and complete the project
- Meet with institutions that are identified sources of equity, primary debt, construction financing or other funding for project
- Prepare or cause to be prepared all organization documents necessary for the limited partnership
- Review, approve, and submit soft cost invoices for payment as part of monthly draws
- Coordinate all legal aspects of real estate closing(s)
- Review and approve change orders, including any changes to the scope of work, costs, and/or construction schedule
- Oversee owner's rep/construction manager who will inspect and approve contractor's work and ensure compliance with contract
- Support the property management company's lease up and marketing efforts prior to conversion





Resident Supportive Services & Rental Assistance Providers

Brilliant Corners & Housing for Health

Brilliant Corners provides **innovative, supportive housing** for people who need it.

Supportive housing combines affordable housing with services that help people facing the most complex challenges to live stably with autonomy and dignity. In collaboration with **Housing for Health** program office, the focus is projects like AEDC's that create **new Permanent Supportive Housing rental units with accompanying services**. Brilliant Corners partners with government, health care, service providers, landlords, and developers to create supportive housing solutions that empower people to achieve housing stability.





Resident Supportive Services & Rental Assistance Providers

Brilliant Corners

With a wide variety of rental assistance programs, Brilliant Corners expands housing for the populations that need it most by offering an array of scattered-site (individual units) and project-based rental assistance programs for vulnerable people including:

- Landlord engagement services
- Varied portfolio of customized legal instruments
- Pinpointed tenant and landlord matching
- Move-in assistance
- Rent subsidy administration
- Ongoing tenant supports

These programs dramatically enhance the capacity of public systems serving vulnerable populations to provide rapid, scalable housing outcomes by breaking down silos across public systems, bringing new property providers and developers into the supportive housing fold, and providing real-time housing access for people experiencing homelessness, cycling through public systems, or discharged from institutional settings.





Resident Supportive Services & Rental Assistance Providers

Los Angeles Homeless Services Authority (LAHSA)

LAHSA provides master lease agreements to be the single master tenant of a rental unit or entire building. The owner will receive rent from a government entity for all the units under agreement, every month, and would not need to worry about the day-to-day management and maintenance of the units. LAHSA manages it all, including the entire leasing and property management process. **LAHSA has its own property manager, 24/7 security, and supportive services ensuring the full support to sustain and protect assets.**

Through LAHSA, funding, program design, outcomes assessment, and technical assistance are provided to more than **100 nonprofit partner agencies** that **assist people experiencing homelessness achieve independence** and stability in permanent housing. Our partner agencies provide a continuum of programs ranging from outreach, access centers, emergency shelters, safe havens, transitional and permanent housing, and prevention, along with the necessary supportive services designed to provide the tools and skills required to attain a stable housing environment.

Additionally, LAHSA partners with both the city and county of Los Angeles to integrate services and housing opportunities to ensure wide distribution of services and housing options throughout the Los Angeles Continuum of Care.





Development Business Terms

Step by Step

Predevelopment Expenses

- Not to exceed \$500,000 per Project and 100% paid by AEDC
- *Legal Expenses: All legal expenses will be established in a pre-development budget

Developer Fees

- AEDC
- Maximum Allowable Fee

Asset Management Fees

- When negotiating the business terms with the proposed debt and equity providers, AEDC will seek normal and reasonable deal terms consistent with current market conditions. The Partnership and Asset Management Fees will be addressed in the Company or Partnership waterfall.

Property Management Fees

- AEDC to provide property management services at a fee of up to 6% of Effective Gross Income. Management Fees shall comply with HCD underwriting guidelines and requirements. AEDC property management fees do not include resident services, and/or LAHD, HACLA, LAHSA, HCD and/or HUD related administrative expenses.

Cash Flow

- Paid by AEDC

Guarantees

- AEDC expects to provide all guarantees.



Project Ownership

AEDC is the sole owner, builder, developer, and property manager of all assets.

221 (d)(4) Permanent Loan Conversion
95% Occupancy Maintained for 90 Days
Lender and Partner Approvals/Releases



A Team that Wins





Vertical Strength

AEDC is launching 3 entities to support the ongoing strength within established verticals.



Ausar Property Portfolio & Compliance Management (APPCM)

Manages property services for AEDC's affordable housing communities, focusing on Portfolio Management, Compliance, and Insurance, with a commitment to responsible stewardship and reinvestment in resident and community services.



Ausar Power (AP)

Offers solar and battery consulting and installation services for residential, commercial, educational, religious, and non-profit sectors - specializing in renewable energy solutions to ensure grid emergency preparedness, energy storage, and cost efficiency, with a focus on environmental protection and grid sustainability.



Ausar Development & Construction (ADC)

Develops and constructs award-winning, affordable homes that reflect community character, offering quality design and construction comparable to market-rate housing, leveraging funding, reducing expenses, and forming community alliances, with expertise in various types of affordable housing and a focus on enhancing partnerships to address California's housing challenges.



...Ways Are Always Being Made...



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