



Friends Community Housing

Friends of SCLARC is a nonprofit organization that partners with the South Central Los Angeles Regional Center (SCLARC) to provide services and create safe, accessible, and affordable housing opportunities for individuals with developmental disabilities. In 2011, Friends of SCLARC created Friends Community Housing program to help relocate several individuals with disabilities who were being relocated due to the closure of a large state hospital facility. Friends Community Housing is a unique concept: a scattered-site project consisting of 10 single-family homes throughout South and Southeast Los Angeles that provides both housing and health and social services to nearly 40 displaced adults with special needs.

However, Friends of SCLARC did not have the capital required to carry out this project, so Genesis LA offered an innovative financing model that made use of the New Markets Tax Credit (NMTC). Chase served as the NMTC investor to fund \$5.7 million in NMTC financing for the project, which rehabilitated 10 abandoned and foreclosed homes located in highly distressed, low-income areas across Los Angeles. Friends Community Housing made a commitment to hire local residents, women, and minorities as part of the project implementation. Seventeen construction firms—15 of which were minority- and/or women-owned—were hired for the project, creating 60 construction jobs, 55 of which were filled by minority and/or women workers. The completed homes are now leased to small businesses that provide services to residents. Of the 10 operators at these homes, 80% are minority- and/or women-owned businesses.

In addition, the project facilitated significant community redevelopment goals. Nearly every block on which the 10 properties are located have since experienced additional investments that have improved neighboring properties. In fact, some subcontractors for the project have even been hired by neighboring homeowners to perform renovations to their properties. Given the unique nature of this project and its non-profit ownership structure, the NMTC was critical to ensuring the project's success.

NMTC ALLOCATEE

Genesis LA CDE, LLC

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COMMUNITY PROFILE

- Los Angeles, CA
- Median income 46% of Area Median Income
- 24% poverty rate
- Unemployment rate 2.3 times national average

PROJECT HIGHLIGHTS

- Housing and health and social services
- Total Project Cost: \$5.7 million
- NMTC: \$5.7 million
- Investor: Chase
- Jobs: 60 construction, 40 permanent



Top: One of the 10 houses renovated for Friend Community Housing

Bottom: One of the 10 houses renovated for Friend Community Housing