

ANSHEN+ALLEN Architects
GORDON H CHONG & Partners
Laguna Honda Hospital Replacement Architects

September 01, 2006

Mr. John Thomas
Program Manager
Department of Public Works
Laguna Honda Hospital
375 Laguna Boulevard
San Francisco, California 94116

Re: Feasibility study services for senior housing on the Laguna Honda Hospital Replacement Project, LHHRP, site.

Dear John:

Thank you for the opportunity to submit the requested proposal for a senior housing Feasibility study at the Laguna Honda Hospital Replacement Project site. Anshen+Allen/Gordon H. Chong & Partners, A+A/GHCP, have prepared a project approach, schedule, identification of key team members, consultants and fees associated with this activity. We look forward to discussing this proposal with you at your convenience.

Project Approach:

Design of long-term care facilities requires a unique understanding that balances healthcare needs with housing opportunities for the disabled. Anshen+Allen is currently investigating the viability of creating a continuum of care model. Gordon H. Chong & Partners has been developing a senior housing model based on an integrated "aging in place" concept in the United Kingdom. Our team will continue to push this level of creativity by "redefining the problem" in order to bring to light all feasible alternatives.

We believe program opportunities exist that may help fully define the complete continuum of care for the Laguna Honda campus, and maximize operational choices for the City and County of San Francisco as well as the residents who will live on this campus for years to come. Measure A, passed in November 1999, anticipated 140 senior housing units, with no detailed program developed. Anshen+Allen's current efforts studying the viability of "swinging" between acute and skilled nursing provides impetus for alternatives in the most program flexibility between independent, assisted and skilled level units.

A+A/GHCP's project process is planned around three phases; preparation, development and finalization. The preparation phase is set-up to gather information to best support the decision making process. We plan to have activities of space programming, EIR validation, inspections of

the existing buildings, and benchmarking tours of successful facilities for best practices. These activities will inform the physical, regulatory, financial and cost aspects of the project. The development phase will define the chosen option based on the physical, regulatory, financial and cost criteria. The finalization phase will focus on completing the work product for this effort:

We will conceptually develop and compare four options for the Laguna Honda Replacement Hospital site:

1. Feasibility of re-use of the existing wings K, L, M and O on the Laguna Honda campus.
2. An alternative approach of demolishing wings K, L, M and O and constructing new senior housing apartments on the site presently occupied by these wings.
3. An alternative approach of converting the West Residence Building shell and core as designed to new senior housing apartments.
4. An alternative approach of building new senior housing apartments in the location of the West Residence Building.

All schemes, one through four, will require a variety of tasks, including developing drawings, cost estimates, project schedules, a comparative matrix and a narrative report describing planning issues as a deliverable. These schemes may use different programmatic drivers, i.e. number of senior housing units. These studies will represent the draft report.

A public community planning process will be developed and implemented to engage the public and surrounding neighborhood. This process will provide the opportunity to comment and offer input on the senior housing program for the LHH campus.

The final report will provide:

- A. A description of the planning process, anticipated time frames and detailed planning costs
- B. Review of the existing EIR and conferral with the City Planning Department regarding the impact on the EIR. *Note: This effort will not revise or supplement the EIR.*
- C. Perform a preliminary financial analysis to determine total cost and available federal, state and local sources to pay for construction and operation of the project.
- D. Confer with the City Attorney as part of a legal analysis related to development of a senior housing program on the LHH campus.
- E. Conduct a project site feasibility analysis

Project Schedule:

The project process described above considers a one-year schedule with three main phases; preparation, development and finalization. The schedule involves many consultants, agencies and input by project stakeholders. The schedule is attached.

We would like to point out a few key items on the schedule:

Line 7 – We are requesting authorization by September 1, 2006 to be ready for the September 12, 2006 presentation to the Senior Housing Community Workgroup.

Line 10 – The tours are considered to be local, to eliminate any travel expenses for the project team. We would suggest that there also be a focus on sustainable facilities to understand their impact to the design.

Line 13 – Is a half or full day session to “jump” start-up the project. All project stakeholders need to be present to discuss roles, desired outcomes, current licensure status.

Lines 28, 40 and 51 – Indicate “Regulatory”. This line is the period for communication with the San Francisco City Attorney and Planning Department.

Lines 33, 45 and 57 – Public Meetings – Represent week-long place holders for meetings as requested in the initial letter.

Line 34 – Delivery of Draft Report – This is confirmation that our draft report will be provided six months after authorization.

Line 59 – Submission of Final Report – Will be thirty days after receipt of final comments and prior to the end of the one year of authorized time.

The bulk of the project activity will occur during the first six months of the work effort. A reduced team size is planned once the draft report is submitted for development into the final report, to respond to comments. Substantial changes to the design are not planned during this period.

Key Team Members/Consultants:

We have assembled a collaborative team which has collective expertise in feasibility studies, Senior Housing projects, and more importantly, the role of senior housing within the healthcare delivery system for the City and County of San Francisco.

A+A/GHCP will act as a team with the following individuals leading the LHHRP Senior Housing Feasibility Study project. Particularly, Anshen+Allen will provide the overall project leadership and development of the senior housing options. GHCP will develop the program for the senior housing facility.

In particular, our team is:

Principal – In – Charge: Zigmund Rubel

Project Director: Benjamin Larance

Project Planner: Sharon Woodworth

Project Designer: Jeff Logan

Project Programmer: Larry Bongort

Senior Housing Peer Reviewers: Patri-Merker Architects

The founding partner of PatriMerker, Piero Patri, was dedicated to housing for seniors. His commitment to this cause allowed him to establish the SPUR committee to explore ways of bringing more senior housing to San Francisco. Since then, Patri-Merker has done several senior housing facilities in San Francisco. Patri-Merker will provide the A+A/GHCP team project oversight at each of the project phases as well as be available as an independent consultant for the public at presentations.

Other consultants on the project team include:

Structural: Rutherford and Chekene Structural Engineers

MEP: SJ Engineers

Civil: Olivia Chen Engineers

Cost: TBD Consultants

Financial Planning: HFS Consultants

EIR: Impact Sciences Consulting

Project Fees:

These fees below and attached are for the known scopes of work. These numbers are based on the joint venture billing rates and proposal requested from the consultants. Finally, the fees are based on one-year duration, with an initial activity of six months to develop the draft report and the remainder of time for any follow-up. As mentioned previously, the benchmarking is considered to be within the bay area. Our fees do not include any honorarium costs for additional individuals to review or discuss the project.

Architectural Joint Venture -	\$297,000
Architectural Peer Review -	\$13,000
Structural -	\$39,000
MEP -	\$75,000
Civil -	\$30,000
Cost -	\$29,000
Financial Planning -	\$30,000
EIR -	\$4,800

Reimbursable expenses: We estimate these expenses to be \$30,000 for printing and presentation costs. The presentation costs include single boards and one dozen reports. Additional copies of boards and reports beyond the one dozen are not included.

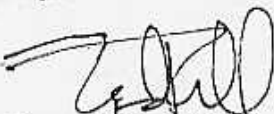
Research Opportunity: the unique qualities of this project can benefit from input of faculty researchers from the Center of Healthcare Design who will articulate and assure the benefits of Evidence Based Design principals be included in the planning process for the housing units, and identify opportunities to optimize the role of housing in the long term care continuum on the campus

We would recommend that an allowance of \$15,000 be considered for honorarium's and travel expenses.

Total requested costs for the project is *\$562,800.00*

Please let us know any questions of this proposal. We look forward to working with the LHHRP in assessing the feasibility of a senior housing facility.

Regards,



Zigmund Rubel, AIA
Principal

CC; City of San Francisco: *Lawrence Funk, Donald Condon*
Anshen+Allen: *Roger Swanson, Ann Killeen, Benji Larance,*
Chong Partners Architecture: *Gordon Chong, Michael Wilson, David England*

Attachments: Schedule dated August 29, 2006