

For Immediate Release

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Jordan Downs Neighborhood Revitalization Reaches Significant Milestones with Grand Opening of Century Blvd. Extension and Start of the next Phase of New Housing

Los Angeles mayor, city officials, and community residents join The Michaels Organization and the Housing Authority of the City of Los Angeles to celebrate.

September 28, 2018, Los Angeles, CA—Accompanied by a marching band from Jordan High, a parade of walkers, bike riders, scooters, and electric buses today inaugurated the extension of Century Boulevard into the Jordan Downs neighborhood of South Los Angeles.

Surrounded by residents and other city and state officials, Mayor Eric Garcetti and City Engineer Gary Lee Moore, led the parade from the road grand opening to a ceremonial groundbreaking for the next phase of housing underway, part of a comprehensive redevelopment of the city's largest public housing community by the Housing Authority of the City of Los Angeles and its private sector partners.

"Every community should have affordable housing for people who need it, sustainable energy helps that keeps our air clean, and clean, safe spaces where our children can grow up with confidence that all dreams are within their grasp," said Mayor Eric Garcetti. "The redevelopment at Jordan Downs is about so much more than construction and landscaping — it's an living example of our determination to give all Angelenos a real chance at the opportunity and prosperity that they deserve."

The new housing, officially called Phase 1B, is being developed by The Michaels Organization, a nationwide leader in residential real estate, with full-service capabilities in development, property management, finance, and construction. Michaels, along with the non-profit, California-based development company BRIDGE Housing, were selected by HACLA in 2012 to be the master developers for the Jordan Downs revitalization effort. When fully complete, site will be transformed into an urban village, with the 700 WWII-era units of the original Jordan Downs replaced by more than 1,400 new homes for new and existing residents, as well as new retail spaces, a new community center, and over nine acres of open green space.

"This is a great day for Jordan Downs and the entire Watts neighborhood," said Milton Pratt Jr., senior vice president of The Michaels Organization. "We are at this milestone--the first of many more to come--because of the unprecedented collaborative efforts of HACLA, residents, and community stakeholders, along with the strong leadership of political officials at the local, state, and federal level."

The \$73 million Phase 1B being developed by The Michaels Organization will offer 135 apartment homes in six buildings, in layouts from one-bedroom to five-bedrooms. All of the apartments will be affordable to families at or below 60% of the Area's Median Income and

100% of the units will be supported by either the Rental Assistance Demonstration program or Section 8 project-based subsidies administered by HACLA. New and returning residents will also have access to a wide variety of social services programs focused on educational success, economic stability, health and wellness, and community empowerment.

The extension of Century Boulevard through the site was considered critical to the comprehensive redevelopment of Jordan Downs, providing residents with better connections to the surrounding community, while at the same time emphasizing sustainability, with pedestrian and bike friendly areas, and close proximity to Los Angeles' most used light rail line.

Financing for Phase 1B includes \$25.4 million in private equity raised through the sale of federal low-income housing tax credits, and \$32 million in construction financing provided through the sale of tax-exempt bonds. This phase also benefited from more than \$13 million in grant funding from the state as part of \$35 million in funds received by HACLA from California's Cap-and-Trade program. Michaels' will also receive \$50,000 in additional grant funds to support neighborhood bicycle safety programs and \$1.3 million for a new neighborhood park that is being created on the site.

The tax credits and tax-exempt bonds were syndicated by Riverside Capital, a leading provider of investment capital to high quality affordable housing developers. Bank of the West and Bank of America purchased the tax credits and Bank of America provided additional construction financing. Berkadia Commercial Mortgage provided a permanent Fannie Mae mortgage. The State of California provided \$9.9 million in permanent funds through its Affordable Housing & Sustainable Communities program. The Housing Authority of the City of Los Angeles provided both a long-term ground lease and permanent debt financing, and the U.S. Department of Housing and Urban Development provided the project-based housing vouchers.

"Jordan Downs is a great example of the transformative results public and private collaboration can have on communities," said Sindy Spivak, Community Development Market Executive of Bank of America. "Bank of America is committed to supporting transformative developments like Jordan Downs that will make a positive and lasting impact on the community."

Other partners the architectural firm SVA Architects, Inc., Fuscoe, the Civil Engineer. And WPIC Construction, LLC, which is serving as the general contractor. The Michaels Organization will serve as the property manager for Jordan Downs, ensuring that the community remains a long-term asset to the neighborhood.

The Michaels Organization is a privately-held family of independent but integrated companies dedicated to excellence in affordable, military, student and conventional multifamily housing. Serving more than 140,000 residents in 380 communities across 35 states, the District of Columbia, and the U.S. Virgin Islands, The Michaels Organization is a national leader in the residential real estate industry, with full service capabilities in development, property and asset management, construction, and mortgage finance and tax credit syndication.