



Polis Builders, Ltd.



Los
Angeles
Housing
Partnership, Inc.

**MCCORMACK
BARON
SALAZAR**

FOR IMMEDIATE RELEASE

Developers Break Ground on new Transit-Oriented Development at Westlake/MacArthur Park Metro Rail Station using Stimulus Funds

McCormack Baron Salazar, the Los Angeles County Metropolitan Transportation Authority (Metro), Los Angeles Housing Partnership and Polis Builders to Begin Construction on new affordable, mixed-income Transit-Oriented Development

Contact Name and Phone Number

Dave Sotero – METRO – 213-922-3007

Lillian R. Ryan - McCormack Baron Salazar, Inc. 213-239-4911

McCormack Baron Salazar, the Los Angeles County Metropolitan Transportation Authority (Metro), the Los Angeles Housing Partnership, Polis Builders and Goldman Sachs Urban Investment Group announce the construction start on the first phase (Phase I) of a new mixed-income, mixed-use, transit-oriented development (TOD) located one block east of the Westlake/MacArthur Park Metro Rail Station entrance.

A groundbreaking celebration for the new development is scheduled for Monday, April 12, 2010 at the Westlake/ MacArthur Park Metro Rail Station. Speakers will include, Los Angeles City Mayor Antonio Villaraigosa, Los Angeles City Councilmember Ed Reyes and Carrie Van Syckel, Vice President of Goldman Sachs Urban Investment Group.

The Westlake/MacArthur Park neighborhood, located just two miles west of Downtown Los Angeles, has seen housing costs rise and quality affordable housing diminish. The neighborhood is one of the most densely populated in the city with a significant lower income population. The majority of residents are recent immigrants from Central America, who rely heavily on public transportation.

The project is part of Metro's Joint Development Program, which seeks to secure the most appropriate private and/or public sector development on Metro-owned property at and adjacent to transit stations and corridors.

“We at Metro are looking forward to adding the Westlake/MacArthur Park project to our existing portfolio of transit-oriented development along the Metro Rail system,” said Roger Moliere, Chief, Real Property Management and Development for Metro. “Our hope is that this new development, like our others, will provide our customers with new opportunities to live, work and play by Metro.”

Phase I, the initial phase of a two-phased development effort, will contain 90 units of affordable rental housing above approximately 15,000 square feet of ground floor retail space and residential, retail and commuter parking. The commuter parking will consist of 100 spaces, partially funded by Metro, that are intended for use by Metro Rail commuters. The total development costs for Phase I is approximately \$45 million. The second phase of the development will be constructed directly over the Metro Rail station entrance, and will be comprised of 82 affordable housing units, a retail component and associated parking.

“Groundbreaking on the Westlake/MacArthur Park development is monumental on several levels: first it introduces much needed affordable housing into the community, it provides parking and retail with a focus on public transit, and it demonstrates the successful result of the collaboration of public-private sectors. We hope that this development will be a cornerstone for future growth and re-investment in the Westlake/MacArthur Park neighborhood”, said Tony Salazar, President of McCormack Baron Salazar West Coast Operations.

In addition to offering residents the convenience of multiple modes of public transit, Phase I will be a “green” design meeting LEED Silver requirements that include using recycled materials, high energy efficient heat and cooling systems and dual glazed windows, water saving fixtures, non-toxic paints and materials, and R-19 insulation. Market rate amenities such as washer and dryer, dishwasher, central air and heat, free high speed internet are standard in each unit. In addition, each household will receive a free monthly Metro pass.

“McCormack Baron Salazar is pleased to have partnered with such a tremendous team on this redevelopment endeavor. Together we have put together an incredible usage of financing techniques for the MacArthur Park project. This development utilizes a unique blend of Low Income Tax Credit, New Market Tax Credits, tax-exempt bonds, Metro funds and ARRA funds,” said Dan Falcon, Senior Vice President of McCormack Baron Salazar Los Angeles.

Phase I financing was provided by the California Tax Credit Allocation Committee (4% Low Income Tax Credit (LIHTC)), Bank of America (tax-exempt bonds), Goldman Sachs & Co. (LIHTC and New Market Tax Credit Equity Partners), the City of Los Angeles Housing Department (LAHD) – Affordable Housing Trust Fund, the Community Redevelopment Agency of the City of Los Angeles (CRA/LA), the County of Los Angeles Community Development Commission – City of Industry Program, the State of California Housing & Community Development Department TOD Program, the California Tax Credit Allocation Committee – American Recovery and Reinvestment Act (ARRA - Stimulus) funds, MBS Urban Initiatives CDE, LLC – New Market Tax Credits and Metro.

About the Companies:

McCormack Baron Salazar, Inc.

McCormack Baron Salazar is a nationally acclaimed leader of affordable urban housing development. Since its inception in 1973, the firm has developed 15,260 units of affordable housing in 33 urban markets totaling more than \$2.1 billion in development investment.

The firm's mission is to rebuild neighborhoods in central cities across the United States that have deteriorated through decades of neglect and disinvestment. McCormack Baron Salazar headquarters are located in St. Louis, Missouri, with satellite offices in Los Angeles, Memphis and Pittsburgh.

Los Angeles Housing Partnership

Established in 1989, Los Angeles Housing Partnership (LAHP) has developed over 1,200 affordable apartments in LA County, with a strong presence in MacArthur Park. Apartment complexes within walking distance of the Westlake/MacArthur Park project include the Asbury, the Bryson, Casa Rampart, Tides, and Seven Maples. Recipient in 2009 of the California Sustainability Alliance Award for Building Green Communities, LAHP is recognized for its sustainable building methods and social service programs. LAHP also manages the MacArthur Park LA Regional Food Bank Program, with free food and clothing distributions to over 12,000 individuals per year.

Metro Joint Development Program

Metro's Joint Development Program seeks comprehensive planning and development around station sites and along transit corridors to reduce auto use and congestion through transit-oriented development. The program delivers joint development projects that encourage transit ridership, enhance the transit station environment and the transportation corridor, promote the land use and economic development goals of surrounding communities and generate value to Metro based on a fair market return on public investment.

Polis Builders, Ltd.

Polis Builders concentrates on creating opportunities to develop residential and neighborhood oriented retail uses around public transportation facilities. Polis Builders recently joint ventured with Urban Partners, LLC to develop a seven-acre site at the Wilshire/Vermont Metro Red Line Station with 450 residential units and 35,000 s.f. of ground floor commercial space. .