

Urban Sensibility Can Be Summed Up as Big and Bold

By FRANCISCO VARA-ORTA - 2/16/2009

Los Angeles Business Journal Staff

When considering prospective transit-oriented developments, the team at Urban Partners LLC likes to see a BBI – vocal shorthand for Big Bold Idea.

Paul Keller, a founding principal, said that before the downtown L.A. firm decides to take on a project he and his partners go to great lengths to find the BBI in the project.

“When we hear of a potential opportunity we will sit down and have a whole series of discussions about the surrounding community, the state of that community, and once we have convinced ourselves it’s a bold idea that we can do, we commit,” Keller said.

The partners then craft a document – no more than two paragraphs – that sums up the Big Bold Idea.

“If it takes more than two paragraphs, it’s probably too complicated and not worth it,” Keller said. “And it’s that document we end up using to have discussions with our investors, with elected officials and anyone else we’re selling it to.”

So far, when it comes to transit-oriented development, Urban Partners has seen six BBIs in Los Angeles alone. Two of its most prominent mixed-use projects are Del Mar Station on the Gold Line in Pasadena and Wilshire Vermont Station on the Red Line in Koreatown, both of which offer apartments and retail shops aimed at commuters.

The Koreatown complex, at the intersection of Wilshire Boulevard and Vermont Avenue, is a \$150 million monster of a project with 449-unit apartments and 36,000 square feet of retail space. It opened in 2007 and contains the two longest continuous escalators in the state, stretching from the ground level to the lower subway platform. Twenty percent of the units are rented at below-market rates.

Del Mar Station, at Del Mar Boulevard and Arroyo Parkway, was literally built atop the Gold Line, with trains passing through an archway constructed in one of the buildings. It features 347 apartment units and several casual-dining eateries. The project was sold in 2004 during construction to a Denver real estate investment trust.

Headquartered in the Bradbury Building downtown, Urban Partners has risen along with the local transit system in the last decade. It was founded in 2000 by Paul Keller; Dan Rosenfeld; and the late Ira Yellin, a pioneering downtown developer. Matt Burton and John Hrovat later became principals of the firm, while Rosenfeld recently left to becoming planning deputy on development issues for L.A. County Supervisor Mark Ridley-Thomas. Together with its affiliated project delivery and construction management firm, Keller CMS, Urban Partners has 40 employees.

In addition to the two mixed-use rail projects, the firm’s other local transit-oriented developments include one on the Gold Line in Little Tokyo and the 10-acre University Gateway near USC, with 1,060 housing units next to the under-construction Expo Line. Each transit-oriented development the firm has completed has carried a price tag of at least \$125 million.

“It’s not for the faint of heart,” Keller said of the investment risk. “We have investors that understand these types of investments and have the desire to undertake the size, scope and time frame that’s involved in successfully completing a transit-oriented development.”

Roger Moliere, who as chief of real property management and development for the L.A. County

Metropolitan Transit Authority has headed up the agency's efforts to have transit developments constructed, said Urban Partners has won bids with the MTA because of innovative design that defy other cookie-cutter proposals.

"I think their projects have been top-notch. We're satisfied customers," Moliere said.

OUTSTANDING DEVELOPER

Urban Partners LLC

Downtown Los Angeles

Transit-Oriented Developments: 7

Key Fact: Known for the adaptive reuse of historic buildings, including the Bradbury Building, Million Dollar Theater and Grand Central Market

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