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Downtown's Biggest Housing Project Ever Is Filling Up



photo by Gary Leonard

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The project features an outdoor pool and barbeque area. A gym and other amenities will open in the coming months.

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By Nicholas Slayton

DTLA - Walk or drive through the Financial District and it's hard to miss the [Eighth & Grand](#) residential complex. There's the immensely popular Whole Foods market on the ground floor. There's the ongoing work to finish portions of the project. Then there's the sheer scale: It is the largest single housing project ever to open in Downtown Los Angeles.

The development from San Francisco-based Carmel Partners has a whopping 700 apartments. Move-ins at the project bounded by Eighth Street, Grand Avenue and Olive Street started at the end of October. The building is being managed by the firm Greystar.



Eighth & Grand is huge not just in size, but also in risk. It was announced almost four years ago, as developers in Downtown and other locations were still tiptoeing out of the recession. Since then, there's been a surge in housing across Downtown, from the Arts District to Little Tokyo to South Park.

Dan Garibaldi, Carmel's managing partner for development and construction, said the response to the project has been positive. Even though rents average \$2,800, Eighth & Grand is nearly half filled, Garibaldi said. He expects full occupancy within a year.

Eighth & Grand features studios to three-bedroom units, with 500 of them being one-bedroom apartments that range from 757-901 square feet. Currently, rents start at \$2,210 for a studio that begins at 516 square feet. Three-bedroom units start at \$4,305.

The project's interiors were designed by Commune Design, which also handled Downtown's Ace Hotel. Units include floor-to-ceiling windows, laminate wood and concrete flooring and quartz countertops in the bathrooms and kitchens. Approximately 80% of the residences have balconies.

The building also boasts a four-level underground parking structure with 737 spaces.

Building amenities include a 3,370-square-foot “Sky Lounge” on the top floor, with an open-air deck, bar counter and pool table. There is a rooftop pool surrounded by a garden of succulents. The building’s south face features a mural created by Italian street artist Jacopo Ceccarelli on behalf of the DoArt Foundation. Additional features will come online in the next few months.

Jennifer Jackson, regional property manager for Greystar’s Southern California buildings, said residents can take advantage of a free shuttle that runs in Downtown Los Angeles. There is also on-call delivery from the neighboring restaurant Bottega Louie.

Several things — some obvious, some less so — set the project apart from other new Downtown residential buildings. One behind-the-scenes element is [the modular steel frame](#) the developer utilized on the seven-story complex. Although low-rise structures most commonly use wood framing, Carmel opted for a newer technology from the Bay Area-based ConXtech that made the construction process quicker and provided greater fire and weather resilience.

Then there’s the 41,000-square-foot Whole Foods, which opened in November and stocks a plethora of organic goods. It also has a vast wine section and an in-house outpost of chef Roy Choi’s rice bowl restaurant Chego.



Carmel Partners bought the property in the summer of 2012 for \$63 million (the project's budget was not revealed). Since then thousands of Downtown residential units have opened, and thousands more are under construction. The community in particular is seeing a spike in luxury rental complexes where rents surpass \$4 a square foot.

The rush of housing raises the question of whether these rents can be sustained. Eric Sussman, a lecturer at UCLA's Ziman Center for Real Estate, expects the prices to remain high, pointing to Downtown's strong residential infrastructure — jobs, ample public transportation — and long-running lack of residences. He added that the number of luxury complexes being built has an effect on rents, but that those are outweighed by overall demand.

Garibaldi echoed Sussman's take, predicting that rents at Eighth & Grand will not drop anytime soon, even as more upscale housing opens in Downtown.

"A lot has been announced but not built yet," Garibaldi said. "We think that there is a lot of demand, along with a low number of high-quality apartments in the marketplace. We haven't seen a softening in the market yet."

Chalae Walker, the property manager of the building for Greystar, thinks additional competition from new buildings will help. She said Greystar is constantly shopping the competition with weekly market surveys to make sure its units are priced appropriately.

Currently Eighth & Grand management is aiming for 10 leases per week. So far it is meeting the goal, Walker said.

Still to Come

Two additional phases remain, with about 236 units expected to open in May, and the final apartments coming online in June. The eastern side of the project, which includes much of Eighth & Grand's public space, is still in development, with work now occurring on the interiors.

"What's good about the building is we have other amenity spaces coming online. Those are going to help us lease the building," Walker said.

Those features include a 5,400-square-foot gym, a screening room and two courtyards in the center of the site with space for gardens and barbecuing. They will be available by May 1, according to Walker.

Although Whole Foods is the primary retail tenant, there will be three other spaces. Garibaldi would not reveal tenants, though he said he expects them to be filled soon.

“There’s been a lot of interest in those spaces, in part because of the traffic generated by Whole Foods and Bottega Louie,” he said. “We anticipate in the next year those retail spaces will be filled.”

If all goes according to plan, so will the residential units above those spaces.

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