

From the Los Angeles Times

Developer Proposes Two Condo High-Rises Nearby

The project, not tied to Gehry's Grand Avenue plan, would include 330 luxury units.

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On the same day as the unveiling of Frank Gehry's design for Grand Avenue, a proposal to build two of the nation's tallest condominium towers on the same street in downtown Los Angeles is expected to be announced.

But hurdles remain, including approval by public officials, financing and the complex construction challenges that come with erecting skyscrapers in the middle of a big city.

Los Angeles developer Rodmark and architect Richardson Robertson III say they can crack the top end of the city's housing market at a time when some builders are backing off because of land and construction costs.

They hope to build two limestone-clad towers at the southeast corner of Olympic Boulevard and Grand Avenue. The towers would be reminiscent of the Classical-style buildings that rose in Los Angeles during the early 20th century.

The \$500-million development would include a 60-story high-rise called the City House with 180 condos, and a 50-story building called the Olympic with 150 units. The structures would be linked by shops and restaurants at street level.

The project is not related to Gehry's plan for the neighborhood around Walt Disney Concert Hall.

Robertson conceived the project and found backing from Rodmark, which is led by investor Rod Wolterman and real estate attorney Jerry Brown. None of the principals have built a project of this scale before.

But Robertson, who designed a Holmby Hills estate in an updated *beaux-arts* style that won a cultural award from the French government, believes there is appetite among wealthy buyers for residences that look more like City Hall than Disney Hall.

The City House would be the nation's tallest residential building outside New York and Chicago, according to real estate data provider Emporis.

Brown, who is from Chicago, said he was baffled about why downtown L.A. didn't have luxurious high-rise condos too.

"They're very convenient for people who work long hours and make a lot of money," he said.

The towers would be in striking contrast to Modernist residential buildings being designed by Gehry and Caltrans headquarters architect Thom Mayne, among others, Robertson said.

"It will look like L.A. *beaux-arts* buildings" such as City Hall and Bob Hope Patriotic Hall, Robertson said.

The developers hope to start construction in summer 2007 and complete the buildings within 18 months. Units would be priced from about \$700,000, with penthouses going for \$3 million.

Several challenges are ahead. The land, now a parking lot, is still in escrow and the developers are in the early stages of seeking city approval, Brown said. Financing is still being sought.

Though thousands of units are planned or under development downtown, some builders are backing out of the increasingly crowded market.

Jeff Lee of Lee Group, a partner in developing downtown's first building with a \$1-million condo three years ago who has built hundreds of units since, said high costs forced him to look elsewhere for his next project.

"We are having a harder time finding things that make sense for us because we are not pursuing high-rises," Lee said.

Land and construction costs have reached the point that only luxury high-rise condos like what Robertson proposes make financial sense for new development downtown, market observers say. But getting top dollar from buyers is never a sure thing.

"In a building that tall, it will be a challenge to get the prices needed to pay the [construction] costs," said Bill Witte of Related Cos., a New York developer planning to build high-rises on Bunker Hill. "But if they can, more power to them."