

## 196-unit apartment building planned for L&R-owned parking lot

*In-contract buyer is trying to get land entitled ahead of Neighborhood Integrity Initiative: broker*

By [Cathaleen Chen](#) | October 05, 2016 04:00PM



*L&R CEO Nathan Cohen and the parking lot at 433 South Main Street*

No property is immune from the looming wrath of the Neighborhood Integrity Initiative — not even parking lots.

An unknown private developer, in contract to buy a 19,019-square-foot lot in Downtown Los Angeles, anonymously filed plans Tuesday for a 196-unit apartment complex on his prospective new property. The plans were preemptively filed in order to get the project approved before the Neighborhood Integrity Initiative could go into effect, Adam Tischer of Colliers, who has the listing along with Mark Tarcynski, told *The Real Deal*.

The seller of the site at 433 South Main Street is the L&R Group of Companies, the parent entity of Joe's Auto Parks, who owns it in a partnership with the Pasadena-based System Property Development Company. The in-contract buyer is working with the selling partnership to entitle the property, with the former spearheading — and bankrolling — the efforts, Tischer said. In addition to the apartments, the potential project would include 6,344 square feet of ground floor commercial space, according to planning documents. The sale isn't scheduled to close until 2017, Tischer said. The nearly half-acre lot is valued at \$2.3 million, or \$118 per square foot, according to CoStar's 2016 assessment.

The Neighborhood Integrity Initiative was officially approved for the ballot Thursday, and if approved by voters, it would impose a two-year moratorium on any new development that requires zoning changes.

“If the devastating Neighborhood Integrity Initiative passes, land that is already entitled will become among the most valuable properties in the city,” Tischer said.

If the current transaction falls through, he added, the current owner would have the opportunity to sell at a premium rate.

L&R owns more than 80 Downtown parking lots, but has recently [ventured into mixed-use development](#). The landlord owns two office buildings and a warehouse between Broadway and South Main Street, and two South Park sites that have projects in the works.

Its massive Circa development, [in partnership with Jamison Services](#) and Hankey Investment, broke ground earlier this year and is slated to deliver in 2017. L&R is also partnering with developer Geoff Palmer on a 10-story, 439-unit apartment building to rise on one of its parking lots just north of Olympic Boulevard.

Tags: [L&R Group of Companies](#), [Neighborhood Integrity Initiative](#)

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