

Renovated Complex Brings Affordable Housing for Southern California Low Income Seniors

California Commercial Investment Group, Inc. (CCI), a California-based national affordable housing preservation and development firm, is proud to announce the Grand Opening of Fickett Towers Senior Apartments in Van Nuys, CA, an age-restricted, 55 and older HUD Project-Based Section 8 Low-Income Housing Tax Credit (LIHTC) Property.

An important part of Los Angeles' affordable portfolio since approximately 1972, Fickett Towers was in danger of conversion to a market rate apartment complex, which would have resulted in hundreds of elderly residents losing their homes. The affordability covenants governing the apartment complex were set to expire along with the HAP contract providing rental subsidy to the elderly residents. The property was purchased in 2012 and then refinanced using a tax exempt bond and 4% LIHTCs, with permanent debt via HUD's 223(f) loan program. The transaction included a long term renewal of the existing rental subsidy contract and the placement of extended use restrictions on the property, ensuring affordable housing to Los Angeles's elderly and disabled residents for decades to come.

In conjunction with the bond/LIHTC programs, the building was the beneficiary of a renovation including interior unit upgrades to kitchens, bathrooms and flooring; common area upgrades to the lobby, roof and plumbing; and safety upgrades to the fire panel and emergency call system. Also, with the help of the LADWP and Energy Upgrade California, the building benefited from a myriad of energy upgrades inclusive of a new chiller and unit refrigerators, water heaters, showers heads and lighting which resulted in a 10% reduction in overall energy usage. The property also benefited from a seismic upgrade to meet HUD's more stringent guidelines. The seismic upgrades at this property are particularly significant due to the damage it had sustained during the 1994 Northridge earthquake. Finally, the property was awarded a grant allowing for two full-time service coordinators to help residents age in place.

In today's tight budgetary climate, rehabilitation of this vintage property was completed through tax credit equity, owner input and a new loan; no other public funding sources were used. Lou Mellman, President of CCI, explains, "The success of Fickett Towers is a testament to the public/private partnership that the LIHTC program promotes; being able to leverage private resources for a public cause so that elderly residents can afford to live in the place they love has been an especially rewarding experience. We like to call it conscious capitalism."

This project could not have happened without the help of The California Tax Credit Allocation Committee, The California Debit Limit Allocation Committee, Los Angeles Housing Department, Citibank, The U.S. Department of Housing and Urban Development, The City of Los Angeles, the LADWP and Congressman Tony Cardenas.

The ceremony will take place Tuesday October 28th from 2-4pm at the site outside on the garden patio and in the newly refurbished community lobby area. The 200 unit complex is located at 14801 Sherman Way, Van Nuys California.

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