

## With 35 stories and a block-long video display, the Circa complex gives DTLA a Times Square vibe

By **ROGER VINCENT**



*The east and west towers of the Circa apartment complex on Figueroa St. (Mel Macon / Los Angeles Times)*

Even in a time of roaring apartment construction in Los Angeles, the new Circa complex downtown is hard to miss.

Its twin 35-story towers overlooking Staples Center are visible from a distance, and its massive block-long video display on Figueroa Street commands the attention of thousands of passing motorists and the day-and-night crowds that surge around the arena, L.A. Live and the nearby Los Angeles Convention Center

Circa is hardly a place to get away from it all, so the

developers who gambled \$500 million to build it are betting that there are plenty of prosperous renters who want to be in the middle of one of L.A.'s busiest urban recreation zones.

“When I am in that part of downtown, it’s just electrifying,” said Don Hankey, a Los Angeles multimillionaire who helped bankroll Circa. “That’s one place I would like to live downtown.”

Hankey, who built an auto-financing empire that started with a Ford dealership, developed Circa with his longtime investment partner David Lee of

Jamison Services Inc., one of the region’s largest office landlords.

Each man owns hundreds of millions of dollars’ worth of property, but Circa was far and away the biggest real estate development either had ever attempted.

Circa’s scale is prodigious.

In its 2 million square feet are 648 apartments, including penthouses that rent for \$25,000 a month. Its sprawling outdoor amenity deck on the eighth floor has two swimming pools, cabanas, fire pits, gas barbecues, indoor and outdoor yoga spaces, a fitness center, library, wine bar, clubhouse, chef’s kitchen and two fenced-in dog parks — one for big pooches and one for small ones.

At street level there will be stores and restaurants. Circa’s garage has 2,000 parking places. Half of those are set aside for tenants, while the other half are available to those attending games at Staples Center or events at the Convention Center.

Then there’s the 18,000-square-foot pulsing bright LED screen extending a full block that brings a Times Square vibe to the street. Right now, the sign is leased to Nike, which is running ads featuring sports stars Serena Williams and eventually perhaps LeBron James.



Even though thousands of apartments have been built downtown in recent years, the market should be able to absorb them because young people want to be there, said Jaime Lee, chief executive of Jamison and David Lee’s daughter.

Millennials, who range in age from 22 to 37, often prioritize experiences over possessions to a degree their elders didn’t, she said.

“They want experiential living and quality of life,” said Lee, who is herself a millennial. “Quality doesn’t mean a house with a big lawn and a picket fence. It means having a short commute and maximizing time with family and friends.”

Downtown has many of the city’s best restaurants and cultural attractions such as museum exhibits and concerts that friends can attend together.

“People can live with one or two kids in an apartment downtown and feel like they have a better quality of life than if they were commuting



Scott Dobbins, president of Hankey Investment Co., in a two-bedroom suite on the 20th floor of the west tower at Circa apartment complex on Figueroa St. in downtown LA. (Mel Macon / Los Angeles Times)

from Orange County or Santa Clarita the way the generation before them did,” Lee said.

Millennials have also typically had more jobs in more places than their elders did and they like the flexibility of being able to pull up stakes quickly if they need to, Lee said, even if it’s just to try living in a new neighborhood for a while. Still, she said, building Circa — which cost almost as much as Staples Center did when measured in inflation-adjusted dollars — “was a great leap of faith.”

Circa opened last week with 14% of the units leased, said Scott Dobbins, president of Hankey

Investment Co., who oversaw development of the project. He estimates it will take more than a year to lease the complex, where rent for a one-bedroom unit starts at \$3,000 a month.

Hankey Investment owns just over half of Circa. The other owners are Jamison and Los Angeles investor Shawn Zackary.

When the investors purchased the 2.7-acre former parking lot in 2012, it came with city approval to build two apartment towers that had been secured by a previous owner who lost the property in the last recession. The developers got a new design by

architecture firm Harley Ellis Devereaux that emphasizes curving shapes and inspired the name Circa because it sounds a bit like “circle.” Circular shapes appear throughout the complex, including one of the swimming pools.

“There’s not much in the way of corners,” Dobbins said.

The interior of the building designed by HansonLA has “old-school touches,” architect Doug Hanson said, such as Italian marble and black walnut in the lobbies.

The kitchens were made in Germany and the floors are covered in oak. Units have floor-to-ceiling windows overlooking downtown and range in size from 600 square feet for a one-bedroom to 4,000 square feet for a three-bedroom penthouse.

Downtown’s apartment market is in a peak frenzy of development, with more than 6,000 units expected to open there this year, said apartment sales broker Dean Zander of CBRE.

He expects that number to fall dramatically in 2019 and 2020 as rising construction costs and new city regulations intended to help pay for affordable housing drive up the price of development.

Demand for new downtown apartments has proved strong, Zander said.

“The lease-up trajectory has been phenomenal,” he said, “with rents continuing to climb.”

Some landlords have offered incentives to renters such as one or two weeks of free rent for signing a one-year lease, or discounted parking fees, Zander said, but the incentives typically end at lease renewal time.

Compared with other big cities, downtown still has far more jobs than residents, Zander said. “It’s an incredible imbalance.”

And downtown companies continue to hire, he said, as old-line employers such as law firms and banks expand while tech and media industry newcomers including Spotify and Warner Music set up shop.

“You have a growing tech scene and a doubling down of existing employers,” Zander said. “Those are all high-paying jobs.”

With Circa construction wrapping up, Hankey Investment and Jamison are planning to break ground next month on another big apartment project, this one in Koreatown, Dobbins said.

The 23-story tower with 644 units will rise at 2900 Wilshire Blvd. across the street from Lafayette Park and should be completed by the end of 2020.