

Community Preservation Partners Undertakes Major Reno in Torrance

CPP buys a 180-unit building in Torrance for \$73 million, and plans a \$10 million renovation.

By **Kelsi Maree Borland** | March 16, 2020 at 04:00 AM



Golden West Tower Apartments

Community Preservation Partners has acquired Golden West Tower Apartments, a senior housing center in Torrance, for \$73 million in a joint venture with Jonathan Rose Cos. The joint venture is planning a \$10 million renovation of the property.

“Golden West Tower represents the ideal asset—it’s a community that is directly aligned with our mission and vision,” **Karen Buckland**, VP at CPP, tells GlobeSt.com. “This asset is an aging senior project that appears to be functioning fine on the surface, but when looked at closer it is tired and needs modernizing and overall reenergizing. It’s an ideal opportunity for CPP to physically improve the building and enhance the environment for the residents. Our aging population is one of the most vulnerable, so being able to play a small part in making our residents lives meaningful and more enjoyable is part of what we try to achieve as a company.”

The renovation will cover both interior unit upgrades as well communal areas. “We’re looking to invest more than \$10 million on the renovations, transforming not only the units but enhancing the community’s common areas to provide comprehensive services and interactive gathering spaces,” says Buckland. “We’re adding a community demonstration kitchen for sharing healthy and delicious recipes, a movie theater and entertainment lounge, a dog walk for residents and their canine companions, and more. Social services offered will be all inclusive in assisting resident needs and to ensure they have connectivity to the community.”

Buckland adds that the renovation will go beyond aesthetics. “This is more than just a paint and flooring job. At the completion of construction Golden West Towers will be a designated **Enterprise Green Community**,” she says. “We’ll be upgrading the building systems and addressing deferred maintenance while improving the overall energy efficiency of the project.”

The renovation will ensure the property will remain affordable for another 55 years, and then will convert to a market-rate apartments. “One of Southern California’s largest issues is the massive homeless crisis, which cannot be ignored,” says Buckland. “Significant resources are being dedicated to build new units and supportive housing, which depletes the resources available to preserving the existing affordable housing stock. It makes it more challenging to ensure that the existing affordable housing units are preserved and habitable. The competition is fierce and funds are scarce, which requires Preservation developers to be nimble and flexible. The volatility of the financial market stresses the value of the dollar. Money might not be worth as much as it has been so communities benefit with an owner who is efficient and can execute in the best interests of the residents.”

CPP's core goal is to extend affordable housing, and they have less of a focus on producing a specific return. "The long-term plan for all our projects is always to preserve and extend the affordability of the assets, while positively impacting the lives of our residents," says Buckland. "Our business plan is not determined on the Rates of Returns—we are not your typical REIT or corporate flipper. We put our heart into every community that we own and treat every resident as an extended corporate family. Our mission and vision for all our projects is to improve the social well-being of our residents while providing them a safe home they can be proud of."