

Placentia's Transit Development Dreams Take Shape

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The city of Placentia has been looking to Anaheim's Platinum Triangle for ideas on mixed-use development near large transit hubs the past few years.

Now it's looking to grab some of that area's contingent of multifamily developers, too.

JPI Cos., one of the most active apartment developers in the Platinum Triangle of late, last month closed on land about five miles north of Angel Stadium, next to Placentia's forthcoming \$35 million Metrolink train station set to open in 2021.

The five-acre site along the 500 block of West

Crowther Avenue will hold JPI's first Orange County project outside Anaheim.

The land is slated to become a 418-unit, mixed-use apartment rental project called Centerpointe. It will be one of the largest residential developments in Placentia in several years, and adds to a growing list of new apartment projects within a few miles of California State University-Fullerton.

The land adds to a busy North OC pipeline for Irving, Texas-based JPI, which has nearly 1,500 apartment units in various stages of development near Angel Stadium.

CoStar Group Inc. records indicate an affiliate of JPI paid close to \$16 million for the Placentia site—roughly \$3 million an acre, and \$38,000 per planned rental unit—from Newport Beach-based Blackwood Real Estate.

The sale is the latest sign that the city is seeing an uptick in activity two years after a 28-acre portion of the area's historic Packing House District got a zoning change to allow for new development.

"We like the energy the city is fostering to make Old Town a new, vibrant, walkable town center," Rosie Cooper, JPI's western region leader, told the Business Journal.

JPI's new site is next to the future Metrolink station and parking structure, as well as a separate 215-unit apartment development expected to break ground soon, also on Crowther Avenue.

Housing Next to Transit

JPI affiliate Jefferson Centerpointe LLC closed on the deal about a month ago, property records show.

Cooper said the company's plans are in line with entitlements secured by Blackwood, which bought the land—then seven parcels owned by five separate entities—in 2017, around the time the city changed its downtown zoning.

Placentia approved consolidation of the parcels last year and industrial buildings on the site were demolished to make way for the mixed-use development.

"Blackwood likes to invest in projects near transit and jobs and we felt like this site checked both of those boxes," partner Gilad Ganish told the Business Journal.

Blackwood over the past few years has helped entitle multiple apartment sites near the Laguna Niguel/Mission Viejo train station and San Diego (5) Freeway, and sold several of the parcels to other developers.

JPI officials said their plans include a 500,000-square-foot, five-story building with a mix of studio, one-bedroom, and two-bedroom apartments averaging 750 square feet.

It's also planning about 8,000 square feet of commercial development with restaurants and retail, and a seven-story parking structure.

Total investment for the project sits around \$150 million, according to Cooper. The firm is finalizing construction documents and plans to break ground early next year.

Leasing will launch spring 2021, with move-in dates slated for that summer.

Monthly rental rates are expected to be in line with the firm's projects in Anaheim, in the low- to mid-\$2,000s.

JPI wants to attract millennial tenants "that appreciate the efforts the city is putting into the area," said Cooper, who noted amenities including coworking spaces, a fitness center and resort-style pool.

Cooper said JPI expects "the same caliber of tenants" in Placentia as in Anaheim and OC overall looks to "have strong rent and job growth over the next three years that are expected to outperform the nation."

Platinum Developers

JPI is building a \$364 million, 1,079-unit project called Jefferson Stadium Park, one block from Angel Stadium.

The project has three phases; leasing has begun for the first two: Jefferson Edge and Jefferson Rise, while the third, Rezo, starts leasing next year. Tenants can begin moving in this month.

It's also started building Rev at Platinum Park, a 332-unit complex.

JPI hasn't set plans for additional projects in Placentia but other developers are interested.

The Centerpointe development site in Placentia is a block away from a five-story, 215-unit apartment project led by a venture between Integral Communities and Lyon Living.

The two Newport Beach-based developers closed on the site of the city's former Boys & Girls Club facility in 2018 for \$4.7 million. The five-story luxury apartment will have one- and two-bedroom units averaging 960 square feet.

It's next to what will be the Placentia Metrolink Station, slated to wrap within two years and a centerpiece to the city's revitalization of the Packing House District.

"The city is really encouraging development near transportation, which is the right thing to do in Southern California in general," Cooper said.

Placentia changed 28-acre area's zoning to spur transit oriented development along Crowther Avenue, which is a mile north of the intersection of the Riverside (91) and Orange (57) freeways.

The new zoning allows for about 45% more residential units per acre.

The planned train station and forthcoming apartments appear to be pumping up real estate prices in the area.

A 7,611-square-foot office building near the Centerpointe development site recently sold for \$1.3 million, or about \$166 per square foot; and three additional industrial buildings nearby Melrose Street recently sold for \$6 million, or about \$196 per square foot.