

Michaels Development, LINC Housing Break Ground on Red Star Apartments

The Michaels Development Company and LINC Housing Corporation recently celebrated the ground breaking of a new mixed-use, transit-oriented affordable housing community in Oakland, Calif. Designed by KTG Y Group, Red Star Apartments will offer affordable one- and two-bedroom apartment homes to income-eligible seniors. It is being built on the former site of the Red Star yeast factory and is expected to generate hundreds of high quality jobs for local residents and businesses.

September 26, 2011 (FPRC) -- OAKLAND, CALIF. — Wearing hardhats and donning shovels, city and county officials recently joined executives from The Michaels Development Company and LINC Housing Corporation to celebrate the coming transformation of a long-vacant lot on the city's west side into a new mixed-use, transit-oriented affordable housing community in Oakland, Calif. Red Star Apartments, which will offer affordable one- and two-bedroom apartment homes to income-eligible seniors, is being built on the former site of the Red Star yeast factory and is expected to generate hundreds of high quality jobs for local residents and businesses.

"We are very grateful for the neighborhood's support of our vision to bring much-needed affordable housing to the elderly in this city and to turn a site that is considered an environmental hazard into a viable, vibrant, housing community near transportation, shopping, and cultural amenities," said Dave Lukens, vice president of Michaels Development Company.

Red Star Apartments is a critical urban revitalization effort for West Oakland; however, to move forward with the development, Michaels and LINC had to take on extensive environmental remediation of the site, which was made possible through a \$1 million remediation CALReUSE program grant from the state.

Although no city funds were available for the \$23 million project, the developers were able to secure \$1.1 million in Affordable Housing Program Funds from The Federal Home Loan Bank of San Francisco and an additional \$1.5 million in Infill Infrastructure Grant Program funds from the California Department of Housing and Community Development. Additional equity will be raised through the sale of Low Income Housing Tax Credits awarded to Red Star Apartments by the California Tax Credit Allocation Committee.

"The growing need to provide safe and decent housing options for all Californians drives us to find funding options that work in this challenging economy," said Hunter L. Johnson, president and CEO of LINC Housing. "This partnership shows that the public and private sectors can work together, resulting in quality, transit-oriented affordable housing that will enhance the community and the lives of the seniors who will call Red Star home."

Designed by the award-winning architectural firm KTG Y Group in Oakland, Red Star Apartments will feature a classic California contemporary style while respecting and complementing the surrounding neighborhood architecture. It will also incorporate many green building practices and technologies and will be a transit-oriented development, located right next to a BART station and in immediate

proximity to the AC transit system and local ferries. Red Star residents will be less than a 10-minute drive to San Francisco with easy access to downtown Oakland, Jack London square, and the port of Oakland.

The Michaels Development Company and LINC Housing are working aggressively to maximize the number of local jobs created by the Red Star development, particularly during the construction phase. They have partnered with local consulting firm, 360 Total Concept, to be their liaison to local businesses. Outreach to local businesses is under way and the project's General Contractor, Advent Companies, has already met with more than 70 local firms interested in becoming subcontractors on this community development.

When construction is complete in August 2012, Red Star Apartments will feature 119 apartments, retail space, a computer center, and a state-of-the-art recreation center with space for arts and crafts, movies, music appreciation, and more. Out-door amenities will include a seating and barbeque area. In addition, residents will have access to supportive services specifically tailored for seniors by an on-site LINC Cares resident service provider. Michaels Development's sister company, Interstate Realty Management, will provide expert property management.

About The Michaels Organization

Michaels Development Company is part of The Michaels Organization, a family of companies dedicated to excellence in affordable, mixed-income, student, and military housing. Michaels Development Company is the number-one ranked privately held affordable housing owner in the country and in 2010 was named the Multifamily Development Firm of the Year by the National Association of Home Builders. Its sister company, Interstate Realty Management, is an award-winning property and asset management company offering nationally acclaimed social services. Visit www.TheMichaelsOrg.com to learn more.

About LINC Housing Corporation

LINC Housing, one of California's most productive nonprofit developers of affordable housing, has helped create more than 6,500 homes in 59 communities throughout the state. The organization's properties are known for excellent design, outstanding management and life-enhancing services for its residents. LINC has 27 years of service to families, seniors, and local governments helping to create sustainable communities via new construction, acquisition and rehabilitation, and historic preservation. Visit www.linchousing.org for more information.

About KTG Y Group, Inc.

Established in 1991, KTG Y Group, Inc., Architecture + Planning, provides comprehensive planning and award-winning architectural design services for residential communities, retail, hospitality, mixed-use and related specialty developments. KTG Y delivers innovative solutions that reflect clear understanding of development, marketing and financial performance and takes particular pride in its highly motivated and principal led studios. Serving clients worldwide, KTG Y maintains offices in Irvine, Oakland and Santa Monica, Calif., Denver, Colo., and Tysons Corner, Va. See www.ktgy.com.

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