

CASE STUDY

FIRST ST NORTH/ GO FOR BROKE

LOCATION: **LITTLE TOKYO, LOS ANGELES, CA**

TOTAL PROJECT COST: **\$166 MM**

PROJECT STATUS: **ASSEMBLING FINANCING, CONSTRUCTION BEGINS EARLY 2024 THROUGH MID 2026**

PROJECT HIGHLIGHTS:

- **40,000 SF GROUND FLOOR COMMERCIAL SPACE FOR LEGACY AND NEW BUSINESSES**
- **GO FOR BROKE OFFICE & EDUCATION CENTER**
- **248 UNITS AFFORDABLE HOUSING, INCLUDING 81 UNITS PERMANENT SUPPORTIVE WITH 60 SET ASIDE FOR HOMELESS VETERANS**
- **OPEN SPACE**

PROJECT DEVELOPER: **LITTLE TOKYO SERVICE CENTER**



PROJECT OVERVIEW

First Street North/Go For Broke is a mixed-use development that is over a decade in the making in Los Angeles' Little Tokyo neighborhood. Breaking ground in early 2024, the project will work towards fulfilling the [community's vision](#) for increased space for cultural institutions, affordable commercial space for legacy businesses, and affordable housing that helps to ensure that the most vulnerable residents can remain in their neighborhood of choice.

This site has been vacant since the 1950s after being taken from the community by the City of LA through eminent domain. The [Go For Broke National Education Center](#) (GFBNEC) had a long-term lease for a small portion of the lot that sits in the heart of the commercial core, and then asked Little Tokyo Service Center (LTSC) to partner with them to help them build their educational center, with affordable housing above. In 2021, LTSC and GFBNEC worked with the incoming City Councilmember to triple the size of the leasehold to make way for this project. The site is one of three remaining publicly-owned parcels in the neighborhood — and therefore, one of the few options remaining where community pressure on the city would allow for community control over development. Development of the site will be a victory for the neighborhood — and serves as a bulwark against intense gentrification pressures.

GFBNEC worked closely with [Little Tokyo Service Center](#) (LTSC) to advocate for site control and develop the vision for the development. The First Street North/Go For Broke development will feature expanded administrative offices and expanded permanent exhibit areas for GFBNEC, including the [Go For Broke monument](#) that honors more than 16,000 Japanese American World War II veterans.

Other cultural institutions will also play a key role in anchoring the commercial spaces for the new development. One of the neighborhood's longest running and most revered businesses, 120 year-old [Fugetsu-Do](#) Japanese confectionary, has plans to occupy production space in the new development. In addition, several other legacy businesses have plans to move into commercial spaces, including the 50+ year old Suehiro's restaurant, a longtime mainstay in the community who is threatened with eviction from their current space in the Historic District on First Street.

LTSC's intentional incorporation of affordable commercial and community spaces into the development help to preserve and elevate the neighborhood's Japanese American culture and history. In many ways, legacy businesses are the cultural lifeblood of communities like Little Tokyo. LTSC's cultural and creative placekeeping work is absolutely critical given that Little Tokyo is one of only three remaining "Japantowns" in the entire United States.

NEED

For projects such as First Street North/Go For Broke, it is critical to have flexible capital that can support predevelopment and construction costs for the commercial space. Experienced community development organizations such as LTSC are able to access available city, county, state, and federal sources for the affordable housing portion of the project, but there are very limited

resources for supporting the development of commercial space. Resources from a CDFI such as the Our Neighborhoods Capital Fund, which is dedicated to supporting development of affordable commercial/community space, would fill a gap in financing that will help to keep rents affordable in the long-term for neighborhood-serving businesses and institutions.

ABOUT LITTLE TOKYO SERVICE CENTER

Since 1979, [Little Tokyo Service Center](#) (LTSC) has served the Little Tokyo neighborhood and the broader Japanese American community of Southern California. The organization's advocacy for housing rights of low-income residents eventually led to their real estate development activities beginning in 1993. Today, LTSC has successfully developed projects in Little Tokyo, and partnered with other Asian American and BIPOC neighborhoods to promote community-control and self-determination.

Little Tokyo is Los Angeles' second oldest neighborhood and one of only three remaining Japantowns in the US. At almost 140 years old, the neighborhood remains a cultural stronghold for the

Japanese American community of Southern California — serving as 'home' to over 50 traditional and contemporary cultural and spiritual organizations and institutions. Approximately one quarter of Little Tokyo's population is over the age of 65, more than double the county's average. Sixty percent of the neighborhood's elderly are linguistically isolated and 70% of the older adults live alone. An estimated 80% of Little Tokyo residents are renters. In order for these vulnerable residents to continue accessing the resources and social supports they need, it is important to ensure that neighborhood-serving businesses and institutions can remain in the community and are not displaced by gentrification pressures.

INVESTING IN OUR NEIGHBORHOODS

We need a CDFI that understands the significance of these projects to our community and can offer the flexibility we need for these kinds of complex developments. For projects like First St. North, financing from the Our Neighborhoods Capital Fund could help reduce the cost of our conventional construction loan, for which we are now paying really high interest. Our savings on the project construction get passed on to businesses for lower rents and free or low-cost space for our community partners.

- Erich Nakano, Executive Director, LTSC

