

# De La Hoya Looks to KO Business Community

## Downtown-Based Boxer Sets Up \$100 Million Real Estate Investment Venture

BY JON REGARDIE  
EXECUTIVE EDITOR

Boxing champion Oscar De La Hoya last week announced he is ready to take on a new challenge: the high-budget real estate world. But unlike in the boxing ring, he won't be battling alone.

### DEVELOPMENT

At a Wednesday morning press conference in a Financial District building he owns, De La Hoya announced he has teamed with El Segundo-based real estate entity Highridge Partners to invest in urban Latino communities. The new venture, named Golden Boy Partners, will focus on large market-rate, mixed-use developments.

"We plan to invest \$100 million over the next two to three years," said John Long, who founded Highridge in 1978.

De La Hoya and Long revealed few specifics, and said they are still several months from identifying individual projects (although Long said the Central City is not a target area). They did say that they are examining opportunities in Southern California, Northern California and on the East Coast. Long said the projects will ultimately range from five to 30 acres, and could encompass either new construction or renovation of existing buildings.

A cornerstone of the developments, they said, will be market-rate housing pitched to the workforce community, which they identi-

fied as teachers, nurses and similar professions. Echoing Laker-turned-businessman Earvin "Magic" Johnson's success by investing in African-American communities, Golden Boy Partners said they will focus on urban Latinos.

"It's a way to really make a difference and to give back," said De La Hoya during the event on the 11th floor of the 626 Wilshire building, which he purchased last year for \$16 million. "That's one of the reasons why we are investing our own money into these projects. So we can make sure that the Latino is benefiting, that the Latino is happy. It really hits home for me."

Jack Kyser, senior vice president and chief economist of the Los Angeles County Economic Development Corporation, said Golden Boy Partners has a good strategy with significant potential. He said Los Angeles communities such as Maywood, Cudahy and Bell could serve as ripe investment areas.

"I think it's an interesting concept, but there is so much need out there that \$100 million probably won't do it," said Kyser. "Hopefully their first projects will be successful and that will attract more money into the program."

### Kindred Spirits

Although far apart in age and profession, De La Hoya and Long described themselves as almost kindred spirits. Both grew up with few material goods — De La Hoya in East L.A. and Long in South Central, after his family moved from China. Each made a for-



photo by Marissa Roth

**John Long (left) and Oscar De La Hoya plan to invest in major mixed-use projects in urban Latino areas. "It's a way to make a difference," De La Hoya said.**

tune: De La Hoya won a Gold Medal at the 1992 Summer Olympics, and has gone on to capture titles in six weight classes while taking in more than \$100 million in purses.

Long attended UCLA and Harvard Business School. He founded Highridge in 1978; the firm has developed more than \$6 billion worth of projects around the world and, according to company press materials, realized more than \$1 billion in profits.

"John Long is a person who is a real person," said De La Hoya. "We share the same vision and we both have a big heart, which is very important."

They also share the desire to avoid government subsidies, and instead to keep their projects market-rate. "Subsidies are great, but our company has found that with subsidies have oftentimes come restrictions," said Long. Developing without government aid, Long added, will allow them to cater to a Latino workforce market and create "responsible business models."

Kyser cautioned that rising municipal fees

on residential projects are making it ever harder for developers to produce workforce housing. He pointed out that cities often pass on the costs for services such as police and sanitation. "You may have good intentions, but you run up against the rock of financially strapped cities," he warned.

Long and De La Hoya said the projects they are weighing are all mixed-use developments, combining housing, retail and perhaps business or industrial uses. Possible elements to include, they said, are centers where area inhabitants can get information and aid on small business development. They also expect to include a school or other youth-oriented "learning center" in each project.

"We want to create communities where obviously people can feel at home," said De La Hoya. "We want to make sure people stay here in their communities and feel safe."

Although Long said investments will not be made in Downtown Los Angeles, De La Hoya will continue to run his business operations out of the 626 Wilshire building. His Golden Boy Promotions, a rising player in the boxing world, has offices on the third floor, and organizes fights for five current world champions.

Despite the challenges, Kyser said Long and De La Hoya could score an economic knockout by targeting a Latino community with high household buying power.

"I think Oscar probably will be more successful as an investor and businessperson than he was as a boxer," predicted Kyser. "And he did quite well as a boxer."

Contact Jon REGARDIE at [regardie@downtownnews.com](mailto:regardie@downtownnews.com).

**LOS ANGELES  
DOWNTOWN  
NEWS**  
BUSINESS, POLITICS, ARTS, CULTURE