

**JOINT DEVELOPMENT AND VALUE CAPTURE POTENTIAL  
IN THE HARBOR FREEWAY CORRIDOR**

**FINAL REPORT**

Prepared For  
**Southern California Rapid Transit District**

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## **SUMMARY**

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### **BACKGROUND**

This report analyzes joint development and value capture opportunities associated with proposals for freeway transit in the Harbor Freeway corridor and compares them with opportunities associated with a hypothetical extension of rail rapid transit service along Vermont Avenue. Freeway transit, a key component of the Regional Transit Development Program being implemented in the Los Angeles region, includes several facility and mode options: buses operating in mixed traffic or on an exclusive facility, or rail rapid transit on a separate guideway. With the bus option, high occupancy vehicles (HOVs) also could be accommodated in the transitway. Station spacing would be approximately 2 miles.

The California Department of Transportation (Caltrans) has lead responsibility for planning and environmental review and chairs the Harbor Freeway Corridor Project Development Team. The Alternatives Analysis and draft Environmental Impact Statement are scheduled to be completed by January 1982. The Joint Development and Value Capture Project for the Harbor Freeway corridor is a separate but related effort conducted under contract with the Southern California Rapid Transit District (SCRTD). The findings and recommendations of this study will be incorporated into the larger project planning effort.

The Harbor Freeway corridor delineated for analysis of joint development opportunities is 12 miles long, bounded by the Santa Monica Freeway on the north and the San Diego Freeway on the south, Alameda Street on the east, and Western Avenue on the west. Caltrans' study, on the other hand, encompasses a 21-mile corridor, extending from the Los Angeles central business district to Route 47 in San Pedro.

### **STUDY OBJECTIVES**

The objectives of this study were fivefold: (1) to investigate community needs and relate them to joint development opportunities; (2) to analyze the proposed facility and service options as they reflect joint development potential; (3) to conduct a real estate market analysis, gauging the support for residential, commercial, and industrial development in the corridor and the effect of transit improvements on demand; (4) to evaluate specific sites and prepare a station area joint development program; and (5) to outline an implementation strategy.

A Project Review Team provided critical direction throughout the study from the perspective of each agency represented: SCRTD, Caltrans, the Mayor's Office of Research, the City of Los Angeles Economic Development Office, the City of Los Angeles Department of City Planning, and the City of Los Angeles Department of Transportation. Informal liaison with the Century Freeway Project Office also was maintained.

## **Joint Development**

As defined for this study, joint development, which is the use of land for more than one purpose, includes physically integrated or airspace development at a transit station, development adjacent to proposed stations, and development within walking distance and conveniently served by the proposed stations.

In the case of functionally rather than physically related joint development, the investment in transit facilities may serve as a catalyst for community projects that otherwise might not occur or might not be coordinated to obtain maximum benefits.

Experience elsewhere has demonstrated that simply building a new or improved transit system will not cause joint development to occur. Particularly in the case of depressed communities, governmental participation is needed to encourage revitalization and new development at or around transit stations. Transit will not create a market for activities that did not exist before; it can, however, focus and reorient demand if supported by a variety of governmental actions, including special zoning incentives or bonuses, land acquisition and write-down, loan guarantees, or even public participation in development directly or through economic development corporations, such as the Vermont-Slauson Economic Development Corporation. The "opportunity zone" concept being implemented by the City of Los Angeles in several proposed station areas offers promise as a local investment incentive mechanism.

A broad definition of joint development is recommended, since preliminary analysis indicates that opportunities for intensive air rights or adjacent development are limited in the Harbor Freeway corridor. Major constraints include a weak real estate market, lack of large vacant or underutilized sites ready for development, and a Caltrans air rights leasing policy oriented to maximizing revenue, not maximizing the feasibility of joint development. Only at the Artesia station is much developable land owned by Caltrans available for joint development. In the Manchester, Slauson, and Exposition station areas, one- and two-acre sites adjacent to the freeway interchange and potential station locations are publicly owned and potentially developable; they currently are used for parking. Other sites for joint development will require acquisition and clearance of developed property.

For the Harbor Freeway corridor, objectives of joint development should include:

- Meet community needs. Select projects with the greatest economic development potential (jobs added), projects increasing accessibility, or projects meeting needs for housing, public services, or recreational facilities.
- Maximize development potential. Select station sites for development viability; use incentive zoning or streamline permit processing; maintain public role in land ownership and development; and minimize private risk to encourage private investment.
- Maximize recovery of public capital costs. Provide opportunities for high value investments that may pay for a portion of station costs through assessments, lease revenues, or public ownership of land and/or development rights.

- Increase transit usage. Create station area nodes with high patronage generation potential. By clustering new development in station area vicinity, a built-in source of transit patronage is created, thus improving fare box recovery ratios.

### **Value Capture**

Value capture, a concept cutting across these objectives, involves more direct public control over land development and sharing in the benefits and costs of public investments. It can include direct financial participation in the development process or indirect participation through planning and zoning.

Value capture experience elsewhere, even in strong downtown areas, suggests that this will not be a major source of funds to offset the costs of building and operating new transit facilities. Lease revenues from joint development provide significant but minor portions of funding for Toronto and Washington, D.C., subway systems. Station maintenance or security costs could be funded from such sources, but it is extremely unlikely that sufficient funds could be derived to provide a major source of capital costs for the transitway. Given the relatively depressed economic conditions in the corridor and a weak real estate market, use of value capture to obtain revenues offsetting construction or operating costs is not recommended because it would constrain joint development opportunities unnecessarily.

The case for public participation in joint development in the Harbor Freeway corridor should be made on the basis of benefits to transit riders, offering them better access, convenience, and possibly security, and benefits to station area residents and employers, offering them access to jobs and a labor force and station area amenities and services. However, it is important to emphasize that transit, as proposed for the corridor, will only marginally increase the attractiveness of sites for development; it will not create markets where none exist. Consequently, expectations for a joint development/value capture program need to be firmly anchored in a realistic assessment of opportunities and constraints. With careful planning and public assistance, the locational disadvantages of the corridor can be minimized, and a better investment climate created to encourage new development and reinvestment. The participation of SCRTD, Caltrans, and the cities of Los Angeles, Gardena, and Compton in joint development projects can be part of a coordinated revitalization strategy for the corridor.

### **COMMUNITY NEEDS**

The most pressing community concerns are high unemployment, crime, lack of affordable housing, and the need for social services—issues to which a joint development program can only partially respond. From a development perspective, what are needed are efforts to:

- Replenish and augment the housing stock as efficiently as possible with new construction or rehabilitation;
- Create successful community-scale retail centers by overcoming barriers, such as poor security, obsolete building stock, and indifferent merchandising methods;

- Orient industrial development toward an "incubator" role catering to small and/or new businesses and employing corridor residents, rather than in direct competition with large industrial parks or major manufacturing areas.

Community participation in the development process is important, and any joint development project should provide for maximum minority participation in all phases of work and neighborhood review of proposals. Further, joint development projects should support existing community development activities and, where possible, work through established community-based organizations.

#### **TRANSIT OPTIONS: IMPLICATIONS FOR JOINT DEVELOPMENT**

Looking at the differences between the alignment (Harbor Freeway vs. Vermont Avenue) and mode (bus/HOV vs. rail), none of the options will result in a substantial net market benefit for housing in the corridor. Even with offers of low interest, free land, and reductions in parking requirements to reflect the accessibility that the transit improvements could offer, developers cannot provide housing at prices corridor residents can afford. However, the proposed transit improvements may improve the perception of the corridor as an appropriate location for future office, commercial, and industrial development. Perceived congestion—hence absence of transit or transportation accessibility—has been a frequently cited deterrent to development along the Harbor Freeway or Vermont Avenue.

Rail options may offer somewhat greater station area development opportunities for convenience retail than bus options that allow feeder buses to enter the transitway thereby offering "one-seat" service. This is because of the higher patronage expected and transfer requirements between rail and feeder bus service.

Shifting transit ridership from Vermont to the Harbor Freeway corridor need not adversely affect commercial activity on Vermont Avenue because the primary beneficiaries of improved freeway transit are long-distance commuters, not local shoppers. As there are no projections for non-work trip patronage, conclusions cannot be drawn about the effects of mode and alignment options and associated joint development opportunities on shopping patterns. Nonetheless, increases in east-west bus route patronage and "kiss-and-ride" trips may offer merchants in community and regional shopping districts at Slauson/Vermont, Manchester/Vermont, and Manchester/Broadway with opportunities to capitalize on a transit-oriented market with either rail alignment and, to a lesser extent, with the busway option.

Differences in joint development potential associated with the Harbor Freeway and Vermont Avenue alignments should be interpreted in relation to two other parameters: patronage and estimated capital costs. Projected 1995 ridership on the Harbor Freeway transitway is not significantly different from that estimated for the Vermont Avenue rail option; the improvement in accessibility that each would offer is about the same. However, the estimated capital costs (1980 dollars) associated with a Vermont Avenue alternative are over two and one-half times greater than the most probable costs of a Harbor Freeway transitway (\$334 million for a 7.9-mile rail extension from Pico Boulevard to I-105 versus \$122-124 million for an 8-mile transitway from the Convention Center to I-105).<sup>1</sup>

## **JOINT DEVELOPMENT OPPORTUNITIES**

Specific joint development opportunities in the Harbor Freeway and Vermont corridors include:

- Infill development on vacant land or parking lots and redevelopment, either publicly or privately initiated;
- Development on state-owned land; and
- Reuse of vacant buildings and city land.

All told, 47 sites within 1,500 feet of the proposed stations were evaluated, including 134 acres in the Harbor Freeway corridor and 115 acres in the Vermont corridor. Seventy-six acres are suitable for joint development with either alignment. Table S-1 summarizes the residential, commercial and industrial development which could occur in each corridor with implementation of the recommended station area land use concepts.

In the Harbor Freeway corridor, if the full joint development potential in each station area were realized, 6,500-9,500 new jobs and 475-500 new housing units would be located within walking distance of transit or within buildings physically integrated with the station. This would increase the corridor's employment base, although some of these jobs might exist in the corridor without construction of the transitway. Station area housing probably would not be built without public assistance. Nearly all of the priority sites recommended for joint development are wholly or partly publicly owned, and the private land that would be involved is either vacant or used for parking, thus minimizing disruption and displacement. In the Jefferson-Santa Barbara and Manchester station areas, they also are located within the "opportunity zones" designated in the city's district plans where development is to be encouraged. A further benefit of developing surplus public land is that this land would be returned to the tax roll, and depending on the type of development agreement negotiated, could provide a continuing income stream to the state, local public agencies, or non-profit station area development corporations.

In the Vermont corridor, opportunities for adjacent, physically integrated development could not add as many people within walking distance of proposed stations. Assuming development at the densities proposed, which are only somewhat greater than those prevailing in the corridor, 5,500-8,700 jobs and 295 households would be located within the station areas. Except in the Artesia Boulevard station area, very little of this development would involve publicly owned land, and only in the Santa Barbara station area are these sites within opportunity zones. Further, many of these sites are developed, so displacement would be greater than in the Harbor Freeway corridor, and public assistance in land assembly probably would be requested.

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<sup>1</sup>These estimates assume a Vermont rail extension in subway to Gage Avenue and on aerial structure to I-105. The freeway transitway would be a light rail or bus/HOV facility in the median, partially on aerial structure and partially at grade. For details, see Caltrans, District 7, Stage 1 Report Freeway Transit - Harbor Freeway Corridor, Draft, March 1981.

**TABLE S.1**  
**SUMMARY OF JOINT DEVELOPMENT OPPORTUNITIES IN**  
**THE HARBOR FREEWAY AND VERMONT CORRIDORS**

<u>Use</u>	<u>Harbor Freeway Transitway</u>	<u>Vermont Rail Extension</u>
Residential (units)	475-500	295
Mixed Use:		
Residential (units)	250	—
Commercial (sq. ft.)	700,000	—
Transit-Oriented Commercial, Office (sq. ft.)	1,170,000	980,000
Community Commercial (sq. ft.)	70,000	—
Neighborhood Commercial/Office (sq. ft.)	45,000	—
Mixed Use:		
Public/Commercial (acres)	11	8
Industrial (acres)	46	53.7
Educational (acres)	—	3.4
Transportation Center (acres)	8	—
Resource Recovery Plant (acres)	10-12	10-12
Potential Increase in Employment Within Walking Distance of Stations	6,900-9,500	5,500-7,100

Source: Blayney-Dyett.

**Priorities**

If a Harbor Freeway alignment with an off-line station at Artesia Boulevard is selected, first priority should be given to joint development on sites on the Exposition, Manchester and Artesia station areas which have the highest potential. Four of these are publicly-owned, which should facilitate development and provide revenues for state or local agencies.

If a Vermont Avenue alignment is chosen, the highest potential for joint development exists with sites located in the Jefferson, Santa Barbara, Slauson, and Manchester station areas.

With either of these programs joint development on high priority sites will cause minimal displacement.

## **IMPLEMENTATION STRATEGY**

Implementation of these proposals for either corridor would require general plan amendments and rezoning where the adopted land use designations are not consistent with a transit-oriented development strategy and a concentrated marketing effort to interest qualified developers in station area opportunities. To effect these changes and make the proposed joint development concept a reality, a five-phase program is recommended.

**Phase I** involves general plan amendments, zoning changes, formulation of financing and market strategies, and creation of local economic development corporations, where appropriate, or designation of redevelopment projects. It is essential for this to be done before beginning negotiations with developers to minimize the uncertainties they will face in the development review process. A community participation program also should be established at this time.

In **Phase II**, prime publicly owned sites would be marketed as the concept of joint development is "sold" to developers. Private development consistent with the proposed station area land use concept also should be encouraged.

In **Phase III**, following execution of a development agreement, joint development projects would be designed and necessary permits obtained. Close coordination with those responsible for detailed engineering of the transitway is essential throughout the implementation process so options for coordinated joint development are not foreclosed by design decisions. Likewise, a streamlined development review and approval process in Phase III is necessary in order to avoid costly delays that could jeopardize project viability.

**Phases IV and V** are the final steps in implementation: construction and marketing.

Close coordination among the public agencies involved in implementation—SCRTD, Caltrans, and the cities of Los Angeles and Gardena—is essential, and with that in mind, specific responsibilities for carrying out the proposed program have been outlined in Chapter 8 of the report. Phase I should be implemented as soon as a decision is made on the type of transit improvements to be built in the corridor, which should occur by the end of 1981. Even before such a decision, much can be done to establish the policy and institutional framework for a joint development program in the Harbor Freeway corridor. Experience elsewhere has demonstrated that, where regional transit districts take the lead in advocating joint development and working with local agencies to implement proposed concepts, far more is accomplished than in metropolitan areas where transit operators ignore land use issues.

### **Recommended Action**

To demonstrate a commitment to joint development, SCRTD, Caltrans, and the City of Los Angeles should endorse the proposed station area land use concepts as a basis for detailed planning and negotiation with qualified and interested developers.

## **1. INTRODUCTION**

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### **PURPOSE OF THE STUDY**

Freeway transit, one of four key elements of the Los Angeles Regional Transit Development Program (RTDP), is intended to meet the following objectives:

- Promote energy conservation in transportation;
- Improve existing transportation facilities;
- Mitigate adverse environmental effects of transportation projects;
- Increase mobility for all people;
- Improve the urban economy by attracting jobs and facilitating "joint development" at stations.<sup>1</sup>

How this last objective can be met with freeway transit in the Harbor Freeway corridor or, alternatively, with a rail transit extension along Vermont Avenue is the subject of this report. The study was initiated to determine how freeway transit and associated joint development could yield maximum benefits to the community and how these opportunities compare with joint development that might occur with alternative transportation improvements in the corridor. The relationship of transit in the Harbor Freeway corridor to other components of the Regional Transit Development Program—such as the Downtown People Mover, the proposed Wilshire/Fairfax rail transit line, and the Century Freeway Project—will be an important determinant of ridership potential and, as a consequence, will affect joint development and value capture opportunities. These are illustrated in Figure 1.1.

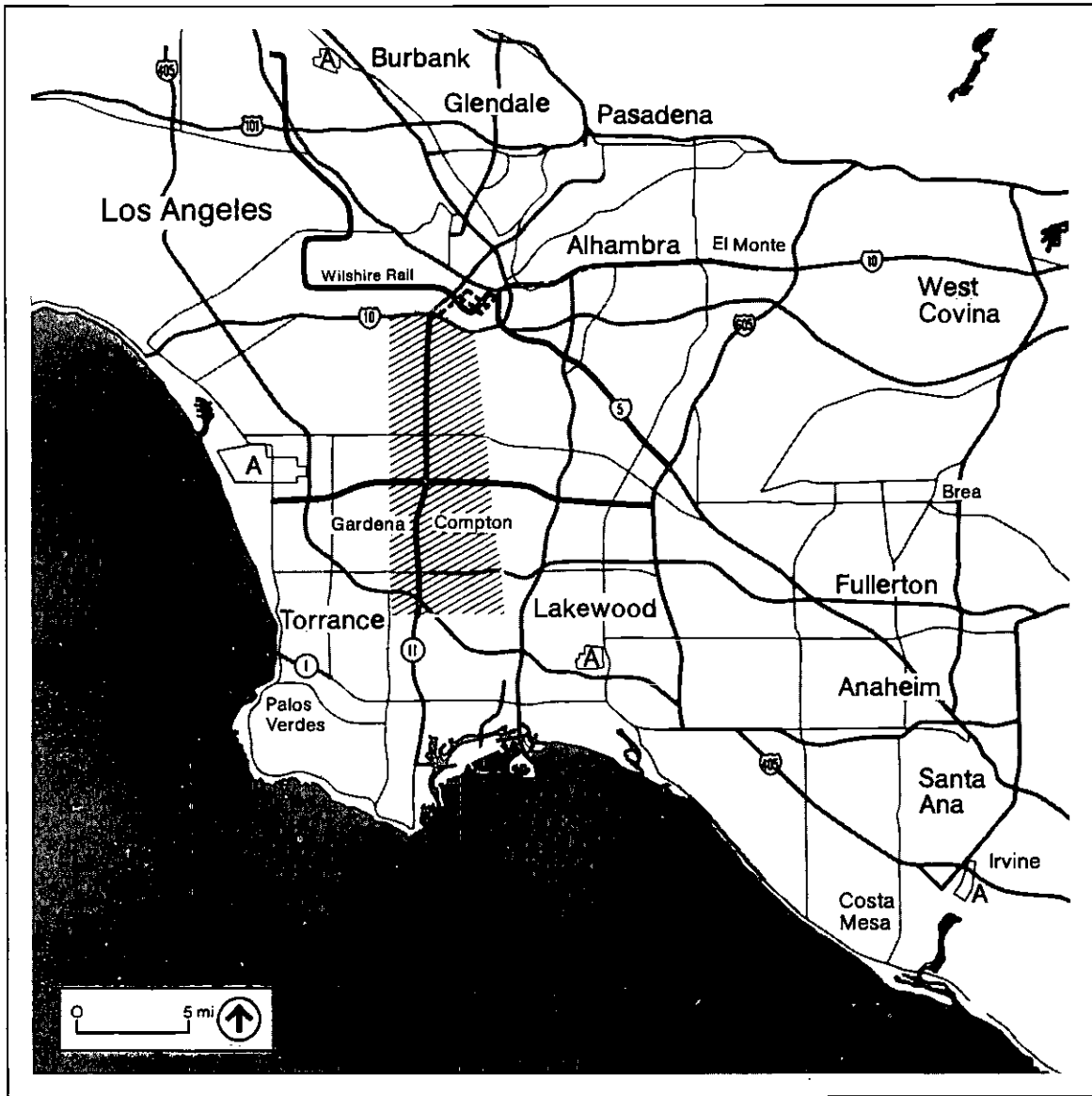
The joint development/value capture project was not undertaken in a vacuum. Rather, it is part of a larger corridor planning effort led by the California Department of Transportation (Caltrans) with assistance from the Southern California Rapid Transit District (SCRTD), the City of Los Angeles, the Los Angeles County Transportation Commission, the Southern California Association of Governments (SCAG), and others under the auspices of the Harbor Freeway Corridor Planning Committee. Caltrans also chairs an Interagency RTDP Coordinating Committee with overall responsibility for coordinating work on the Regional Transit Development Program.

For this report to be more than an academic exercise, it must provide the framework for "deal-making." Public agencies need to know what commitments they must make to create a workable joint development program, while private investors need to know what current and anticipated market conditions are and why a specific joint development project should be attractive to them. Finally, people living and working in the corridor should know how specific joint development projects will affect them. Of particular concern are the impacts on housing and employment opportunities and the

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<sup>1</sup>California Department of Transportation, Freeway Transit Work Program for the Harbor Freeway Corridor, October 1979.





Source: Blayney-Dyett

Figure 1.1  
 LOS ANGELES  
 REGIONAL TRANSIT  
 DEVELOPMENT  
 PROGRAM

LEGEND	
	Harbor Freeway Corridor
	Existing El Monte Busway
	Proposed Transitway
	Proposed Downtown People Mover

socioeconomic, fiscal, and environmental consequences of one development scenario versus another. The joint development concepts proposed in this report have been formulated with these concerns in mind and are intended to meet community needs as well as to respond to market realities.

### **Consultant Responsibilities**

To undertake this work, the SCRTD requested consultant assistance to do the following:

- Define joint development criteria
- Analyze community needs
- Evaluate transportation facility concepts and design
- Analyze real estate market value
- Evaluate sites
- Formulate a prototype development program and implementation strategies
- Prepare a final report

Responsibilities for accomplishing the work were divided among the consultants as follows:

**Blayne-Dyett, Urban and Regional Planners**, was responsible for the overall conduct of work, defining joint development criteria, evaluating transit options, leading the site analysis, formulating the plan concepts, and devising the implementation program.

**The Planning Group, Urban and Regional Planners**, had lead responsibility for the assessment of community needs and participated in all phases of the study.

**Richard Grefe Associates, Economists**, was responsible for the real estate market analysis and reviewed the site analysis, the prototype development program, and the implementation strategy.

**Barton-Archman Associates, Transportation Planners**, assisted in evaluating transportation facility concepts and alternatives, focusing on patronage comparisons.

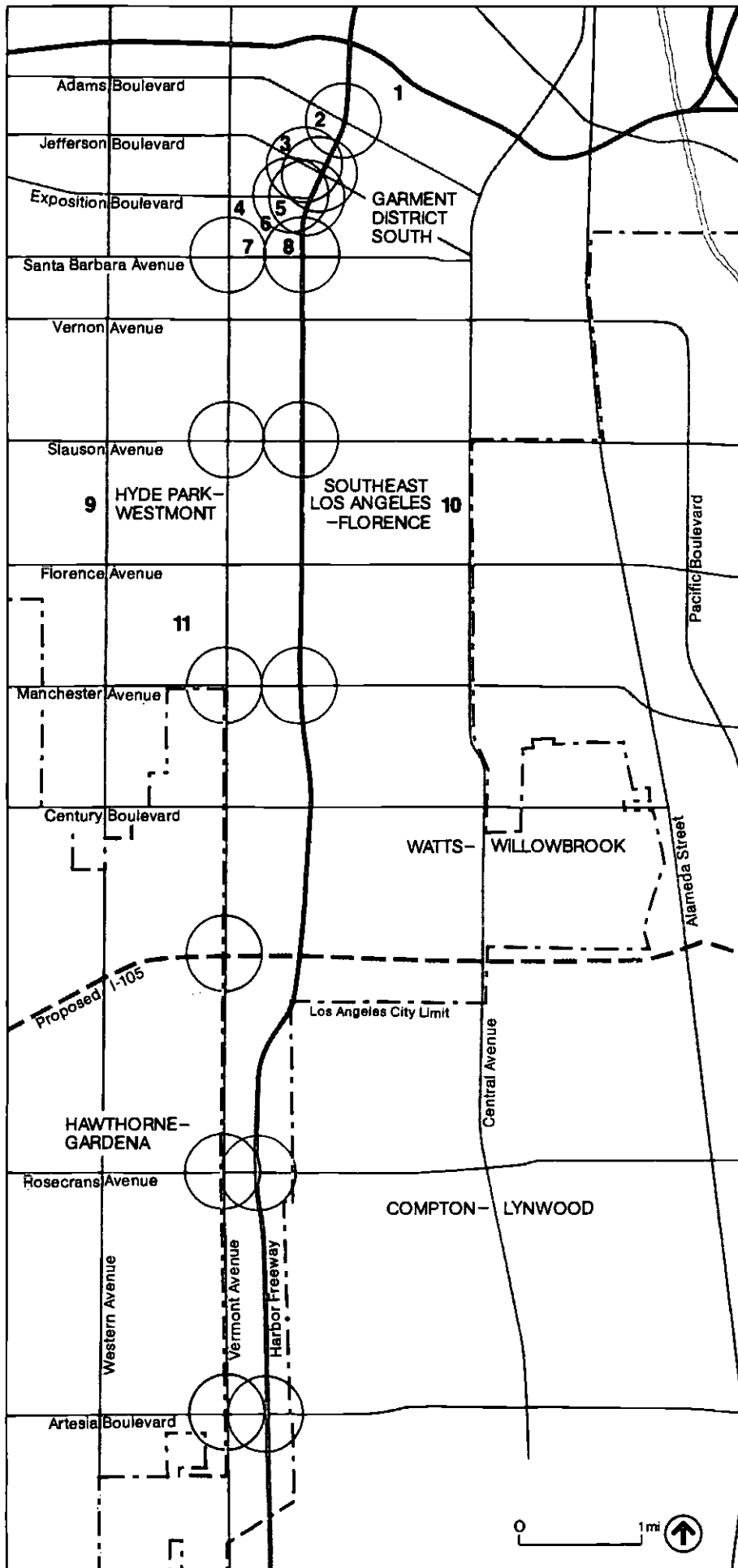
### **Project Review Team**

Because of the importance of interagency coordination, periodic reports were made to a Project Review Team (PRT) chaired by SCRTD with membership by Caltrans, the City Planning and Transportation Departments, the Mayor's Office of Research, and the Mayor's Office of Economic Development. The PRT reviewed the study's findings, conclusions, and recommendations and members' comments are reflected in the final report.

## THE HARBOR FREEWAY CORRIDOR

In 1980, 580,000 people lived in the Harbor Freeway corridor, as delineated for this study (see Figure 1.2). Although the corridor contains few distinct economic or social communities that might be termed "neighborhoods," there are several sections of the corridor that are clearly distinguishable in their predominant pattern of land use. The following are brief descriptions of those areas:

- **Adams-Exposition Park.** This area, just southwest of the central business district (CBD), is primarily residential and institutional, with higher residential densities and more multi-family housing than anywhere else in the corridor. Older commercial development lines the major streets. It is dominated by the University of Southern California, for which it is the principal vector of expansion. The area along Figueroa Street (the principal connection to the CBD) is one of the few experiencing substantial development in recent years.
- **Garment District South.** This area, from the Santa Monica Freeway south to Santa Barbara Avenue east of the Harbor Freeway, is an important area for light industry—especially the garment and related industries as they expand out of the CBD. The eastern portion of this area is predominantly single-family residential, with older industrial along the Southern Pacific rail lines on Long Beach Avenue and 30th Street.
- **Hyde Park-Westmont.** From Santa Barbara Avenue south to the Imperial Highway on the west side of the Harbor Freeway, the area is predominantly single-family residential with some multi-family residential incorporating both some of the best and some of the worst housing stock in the corridor. Commercial development lines the major streets, with older development on the north-south arteries and more recent highway strip development on the east-west streets. Outmoded industrial buildings line the rail track along Slauson Avenue.
- **Southeast Los Angeles-Florence.** This section, east of the Harbor Freeway from Santa Barbara Avenue south to Manchester Avenue, is predominantly single-family residential, but it contains important enclosures of heavy industrial stock, especially along Alameda Street and around the Goodyear plant site at Florence Avenue. This industrial plant is now largely outmoded and is being abandoned by long-term occupants.
- **Watts-Willowbrook.** This section is the core of the "inner city"—a predominantly single-family residential area with deteriorated commercial buildings on major streets. As a result of considerable demolition, there is a fair amount of vacant land in sizes ranging from single lots to five or more acres.
- **Hawthorne-Gardena.** This area, predominantly single-family residential with a good deal of highway strip commercial along major streets, includes more recent building stock and some of the higher value housing in the corridor. At the southern fringe of the corridor, there is extensive recent industrial development, attracted by the easy access to the San Diego and Harbor freeways.
- **Compton-Lynwood.** This section includes substantial industrial land, and is the site of considerable recent industrial development in the form of several warehousing and distribution or light manufacturing parks.



**Figure 1.2**  
**HARBOR FREEWAY**  
**CORRIDOR**

**MAJOR POINTS OF INTEREST**

- 1 Los Angeles Trade Technical College
- 2 Shrine Auditorium
- 3 University of Southern California
- 4 Los Angeles County Museum
- 5 Science and Industry Museum
- 6 Exposition Park
- 7 Coliseum
- 8 Sports Arena
- 9 Manual Arts High School
- 10 Goodyear Plant
- 11 Pepperdine University

○ Proposed Station  
 1500' Study Area

## **ISSUES**

A brief review of the key issues that emerged as important during the course of the study will set the context for the station area analysis and proposed joint development/value capture concepts. Several of these issues could not be resolved because a final decision is yet to be made on the type of transit improvements to be built in the Harbor Freeway corridor.

### **Relation of Joint Development and Value Capture to Freeway Transit**

Joint development is the use of a particular land area for more than one purpose. It can be multiple private land uses, multiple public uses, or a combination of public and private land use. Historical examples of joint development in relation to transportation facilities are more prevalent with rail systems, but examples of joint development with highway investments exist as well. Joint development can complement transit projects because it offers:

- A built-in source of transit patronage;
- More adequate amenities at and around stations;
- Improved intermodal connections;
- Shared capital improvement costs;
- Income from land sales and leases, as well as increased revenues from taxes dedicated to the construction and maintenance of the transit system.

Joint development also helps fare box revenues because it assures that ridership will be within easy access, and may in fact result in an increase in ridership. However, it should be remembered that all these financial benefits may not be large.

Major public facilities, such as freeways, stadiums, and rapid transit stations, can enhance the value and development potential of adjoining, privately owned land because people's accessibility and/or activity has increased. Traditionally, these public investments have increased land values of private property owners with few "strings" attached. Value capture is the concept of a more direct public control over the development of land and apportionment of benefits around major public facilities. Through the use of selected "value capture" techniques, the financial and urban design benefits can be maximized in the interest of the general public.

The concept of value capture is not a new one; it was advanced by Henry George in the 19th century. Like joint development by itself, implementation has been rather limited. Examples range from the land lease income derived from land surrounding transit lines and stations to use of tax increment or special benefit assessment bonds to fund construction of stations or associated infrastructure.

Of particular relevance to this study is the fact that joint development and value capture mechanisms are not normally associated with freeway transit, primarily from lack of experience with freeway transit rather than any inherent conflict. Buses use freeways in mixed traffic, in contra-flow lanes (as on U.S. 101 in Marin County and

the Long Island Expressway in New York), in exclusive bus freeway ramps (Seattle Blue Streak Project), in bus bypass lanes to metered freeway ramps (Harbor Freeway, Los Angeles), and in busways on special rights-of-way or in the freeway median (San Bernardino Busway and Shirley Highway).

### **Coordination With Other Projects**

The freeway transit improvements in the Harbor Freeway corridor must be coordinated with other ongoing projects. Most critical are the connections between improvements in the Harbor Freeway corridor and those in the Century Freeway corridor. A transportation center/transfer point/interchange point is required to provide for transition of both vehicles and individuals.

Current proposals do not indicate whether the Harbor Freeway busway would end at a multi-modal terminal located at the convention center, at a separate terminal, or continue either on an exclusive right-of-way loop through the downtown or on existing city streets. Resolution of this question will determine whether a link is required to the Union Station terminal, designed as the destination of the San Bernardino busway in addition to serving as the Amtrak terminal. A decision on the downtown terminal or routing will have considerable effect on joint development opportunities in the corridor because it will affect transit patronage and the accessibility provided by freeway transit.

Close coordination with the Century Freeway Project will be essential to ensure that the benefits of transportation improvements in both corridors are realized. The State Department of Economic Development has held community meetings to solicit local views and plans to contract for a study of economic development strategies to be completed in 1981. The Century Freeway Economic Development Task Force will be working closely with the State Department of Industrial Relations and the State Employment Development Department to formulate workable programs and employment incentives, with an economic strategy expected to be completed by October 1981.

Caltrans has identified potential sites for housing to replace units now located in the I-105 right-of-way, some of which are located in the Harbor Freeway corridor. The State Department of Housing and Community Development will be responsible for preparation of a housing plan, including mechanisms and criteria for provision of 4,200 units of low and moderate income housing to replace those lost as a result of past displacement and demolition by the Century Freeway Project, as required by the final consent decree. The Department's current schedule calls for completion of a plan in the second half of 1981. Means of coordinating joint development and value capture activities in the Harbor Freeway corridor with the Century Freeway Housing Plan have to be identified and evaluated, so that opportunities for complementary, mutually reinforcing efforts are not lost.

Finally, some connection to the proposed Wilshire corridor heavy rail system is required to accommodate non-CBD-oriented trips between the southern and western corridors. How this can be achieved remains to be resolved.

## **Community Needs and Corridor Development Opportunities**

The Harbor Freeway corridor between the Santa Monica and Century freeways includes the Southeast and South Central Los Angeles districts, two of the more distressed areas of the city, and the unincorporated areas of Florence-Firestone, Athens-Westmount, and Willowbrook. These areas have witnessed declines in both population and housing units in recent years. Private commercial investment is needed, but assisted housing, student housing, and other public buildings remain the primary form of new construction in the area. The zoning envelope would allow almost double the existing population level and permit significantly higher density commercial areas, but lack of maintenance of the existing housing stock, vast amounts of extremely low intensity commercial development, and declining industrial districts mark the area. Employment opportunities are needed within the area, and improved transportation is required so that area residents can commute to areas where jobs are expanding.

South of the proposed Century Freeway, the study area extends to Artesia Boulevard, encompassing portions of Compton and Gardena and the Torrance-Gardena corridor in the City of Los Angeles.

Because of the tremendous opportunities presented both by a variety of mode and alignment alternatives and related large-scale transportation projects, there is a range of projects that could be considered under the joint development approach. In keeping with long-standing community development needs, as well as new development opportunities and the notion of joint public-private project coordination, joint development in the Harbor Freeway context might include not only housing and commercial development, but also social and cultural services, schools, and recreation facilities.

Clearly, housing is the citywide development priority and a recent change of the Los Angeles City Charter would allow 1,000 units of low to moderate income housing per council district to be constructed on a fast-track basis. The concern in the Harbor Freeway corridor is that housing be built, but also that it be integrated into an overall development concept that retains existing resources and does not provide housing at the expense of other community needs. In other words, trade-offs will become a focal consideration of development proposals and transit construction.

The central focus of planning policy recommended for the area is a series of "opportunity zones" incorporating much of the area on either side of the Harbor Freeway. While not precisely defined at this time, these opportunity zones would allow the city to relax certain restrictions and requirements on an ad hoc basis in order to encourage development.

Based on discussions with community leaders, the following specific development issues are judged priority concerns in the South Central area:

- Potential for consolidation of strip commercial development and construction of high density housing in the Broadway and Figueroa Street areas near the Harbor Freeway.
- The cost implications of different modes of transit in the corridor and the amount individuals would have to pay to ride trains or buses.

- Strategies for mixed use and high density development in station areas that would maximize use of the land.
- Strategies for maintaining the residential character of existing neighborhoods, inducing existing residential homeowners to stay in the community, and preventing ill-conceived housing development.

Specific projects and objectives in the South Central community that might be accomplished through joint development include:

- Solidification of the link between the University of Southern California (USC) and the Slauson-Vermont intersection.
- Infill of housing and commercial development between Slauson Avenue and Santa Barbara Boulevard.
- Construction of high density housing on Figueroa Street between Adams and Santa Barbara Boulevards, possibly as a fast-track project.
- Commercial development that may be related to the Vermont-Slauson shopping center.
- A revitalization program for the Broadway-Manchester commercial district.

In addition to these sites, the Watts Labor Community Action Committee has recently received conceptual approval from the Century Freeway Housing Advisory Committee to construct housing on the Goodyear site on Florence Avenue. If implemented as proposed, this project will provide an important "anchor" in the overall corridor development strategy.

### **Technical Issues**

Joint development and value capture opportunities depend not only on real estate market conditions, but also on patronage and operating characteristics of the transit system proposed. For example, a rail system with few stations requiring a change of mode at those stations would create the most opportunities for joint development. At the opposite extreme, freeway transit with multiple stops or a high proportion of one-seat service (buses from neighborhoods entering the exclusive busway from special ramps) would reduce joint development opportunities for private development, since fewer people would transfer at the stations.

Precise station locations and elevations are also important in terms of ease of transfer. Whether stations are located at convenient transfer points for existing major SCRTD routes or at some distance requiring either pedestrian corridors or route diversions for bus service will affect patronage as well as operating efficiency and scheduling of existing bus service. Access to the stations for disabled persons and safety in transfer areas and stations are design considerations that are also important technical issues that affect joint development potential.



## **Interagency and Institutional Issues**

Design of a joint development and value capture program for the Harbor Freeway corridor must be sensitive to interagency and institutional issues. The task goes beyond identifying opportunities; analysis of legal and institutional constraints must be incorporated, and an important element is the formulation of recommendations for implementation.

A successful joint development and value capture program could include the Los Angeles Unified School District and the Community Redevelopment Agency (CRA) as well as Caltrans, SCRTD, and city agencies. Landowners, tenants, and lenders are involved when private development is part of a joint development proposal. Hurdles to successful implementation of joint development can be either institutional or legal. Even where legal constraints are not an issue, lack of joint development experience of both private and public actors compounds the difficulties encountered in negotiation, design, and financing of joint development projects. Laws and operational procedures of public agencies often make joint public use of facilities difficult, but patience and persistence can usually resolve such difficulties.

SCRTD's enabling legislation allows for joint use of its facilities with state approval required where transitways are located within state highways (Section 20631). Caltrans also has broad statutory authority for joint development and "may lease to public agencies or private entities for any term not to exceed 99 years the use of areas above or below state highways." Consequently, no major legal obstacles exist to joint development within the highway right-of-way; on "remnant" parcels that may have to be acquired to provide land for transit stations, guideway support structures, or required parking; or on adjacent, publicly owned surplus land.

Whether SCRTD, Caltrans, the City of Los Angeles, or some other legal entity should take the lead on joint development requires careful study. The pros and cons of a transit corridor development corporation in the Wilshire corridor are the subject of a separate study prepared for the SCRTD, so evaluation of institutional arrangements in the Harbor Freeway corridor did not duplicate this work.

## **ORGANIZATION OF THE REPORT**

Chapter 2 presents background information on joint development and value capture, lessons from recent experience, and concepts potentially applicable in the Harbor Freeway corridor, while Chapter 3 addresses community needs. In Chapter 4, the transportation facility and service options are analyzed in terms of the different opportunities they might offer for joint development. The market for housing, retail, industrial, and office space in the corridor is examined in Chapter 5, which sets the stage for the analysis of individual sites and their development potential in Chapter 6. A station area joint development concept is proposed in Chapter 7 and an implementation strategy in Chapter 8.

## **2. BACKGROUND**

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To provide background for the analysis of specific joint development and value capture techniques in the Harbor Freeway corridor, this chapter presents a set of working definitions for joint development and proposes specific planning objectives to be met by the project. Caltrans' policies on airspace development also are reviewed and joint development and value capture activities in other metropolitan areas are summarized. Further references to the national experience with joint development are included in the Bibliography.

### **DEFINITIONS AND OBJECTIVES**

Joint development is the use of land area for more than one purpose, generally considered in conjunction with transportation facilities. In the Harbor Freeway corridor, joint development can embrace a broad array of projects that will benefit from improved transit and the accessibility that it will provide. These may be physically and/or functionally related to a transitway and stations. Joint development includes both projects involving public and private sector participation as well as projects involving more than one public agency or proposed public use. For this study, three types of joint development activities were judged relevant:

- o Physically related or air rights development: This represents the narrow definition of joint development most applicable to fixed guideway projects in densely developed core areas. Such joint development consists of a project located within the airspace above or below a transit system station area and integrated with the transit facility. It could include air rights development within the freeway right-of-way, incorporating development above or below the existing traffic level. This would require public agency involvement.
- o Development adjacent to stations: This includes joint development within 100-150 feet of a station entrance linked by design, but not necessarily by structure. This requires coordination with the transit station plan during site planning in order to create direct access, but continuing public agency participation in the project is not required.
- o Development conveniently served by transit station: Projects within 100-1,500 feet of a station entrance that use transit accessibility as an amenity, increasing the attractiveness of the space for tenants or users. Transit proximity may also create a means of focusing revitalization efforts, responding to community needs, and increasing system patronage.

The federal Urban Mass Transportation Administration (UMTA) has defined the first category as physically related and the other categories as functionally related to mass transportation projects. According to UMTA guidelines, functionally related must be associated by activity and use to transit and cannot extend beyond the distance most people will reasonably walk to use a transit service.<sup>1</sup>

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<sup>1</sup>U.S. Department of Transportation, Urban Mass Transportation Administration, Urban Initiatives Program: Proposed Requirements and Guidelines, Federal Register, Vol. 45, No. 207, October 23, 1980, p. 70415.

Caltrans, with its experience in air rights development, has established a definition of air rights or joint development, as well as a set of goals or objectives to be achieved through such development.

Airspace is any property within the right-of-way limits of an existing operating highway that is capable of other uses without undue interference with the operation and foreseeable future expansion of the transportation corridor, for highway or other transportation uses.

It may consist of surface rights under a viaduct structure, the space above the traveled lanes, space within a loop of an interchange, space between main lanes and on or off ramps, or area in cut or fill slopes.

### **Goals**

Maximize public and private multiple use of rights-of-way in concert with communities' needs and good land use planning.

Specifically, seek multiple uses in the transportation corridor that will:

- A. Integrate highway facilities into the communities in a manner that is compatible with local planning goals and environmental objectives through multiple use of highway rights-of-way.
- B. Increase the local tax base by development of airspace to its highest and best use.
- C. Reduce the amount of private property utilized for highway support facilities and other public uses.
- D. Enhance and protect the transportation corridor and its environs.
- E. Increase the return on taxpayer's investment through rental revenues.
- F. Encourage the use of car pooling and public transportation to improve air quality, reduce highway congestion, and reduce pollution.<sup>2</sup>

A variety of specific purposes could be achieved by joint development in the Harbor Freeway corridor, ranging from recovery of public capital costs to provision of housing needed by the community. These might be represented by the following planning objectives, offered without any priority attached to their order.

- Meet community needs. Select projects with the greatest economic development potential (jobs added), projects increasing accessibility, or projects meeting needs for housing, public services, or recreational facilities.

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<sup>2</sup>California Department of Transportation, Right-of-Way Manual: Chapter 10 - Airspace Development, Sacramento, n.d.

- Maximize development potential. Select station sites for development viability; use incentive zoning or streamline permit processing; maintain public role in land ownership and development; minimize private risk to encourage private investment.
- Maximize recovery of public capital costs. Provide opportunities for high value investments that may pay for a portion of station costs through assessments, lease revenues, or public ownership of land and/or development rights.
- Increase transit usage. Create station area nodes with high patronage generation potential. By clustering new development in station area vicinity, a built-in source of transit patronage is created, thus improving fare box recovery ratios.

The objectives should be community-oriented or user-oriented, rather than oriented toward more general citywide or regional economic goals, because the effects of transit improvements on real estate development markets generally shift, rather than generate, demand for real estate. Unless, for example, a proposed joint development project would provide benefits (in terms of amenity, convenience, housing, employment, etc.) to people in the corridor or to people who would still be using transit without the project, there is no particular reason for public participation in joint development.

For users of the transit services in the corridor, station or station area development can provide waiting-time amenities and the convenience of retail businesses with which trade can be conducted easily in the course of a trip made for other reasons. The potentially increased patronage elicited by those benefits can in turn ensure transit users greater security in the stations and in route. The presence of businesses that produce rent or benefit assessment revenues for the transit system can in some circumstances benefit transit users if the revenue they produce defrays some of the cost that would otherwise be borne by fares. Among the public policies that can support these objectives are careful management of maintenance and security in and around the stations, possibly including some public absorption of these costs associated with integrated private development or tenant businesses. Other policies may include the negotiation of guarantees from tenant businesses for certain hours of operations, staffing at peak hours, and maintenance of common areas.

For corridor residents and business owners, station or station area development can provide increased jobs, housing, income, and consumer conveniences, but special efforts are required to ensure that it is people currently in the corridor who receive these benefits. Among the public policies that can be used in making these special efforts are local employment requirements for businesses building or occupying joint development projects, housing occupancy preferences for people already living in the corridor, and relocation programs for existing local businesses, where small local businesses will pay reduced rents and are to be provided special marketing assistance by a local economic development corporation.

Different actors in joint development will order objectives based upon their activities and responsibilities. In the above example, the City of Los Angeles would probably consider the first two objectives the most important; Caltrans might view the third objective as most important; while SCRTD would naturally consider the fourth objective most important.

## JOINT DEVELOPMENT

### Experience

New York City offers the earliest examples of private joint development of the air rights over the tracks of the New York Central Railroad adjacent to Grand Central Terminal. The George Washington Bridge bus terminal and several high-rise apartment buildings built over the freeway approach to the bridge represent the best-known highway joint development project, although examples of public and private buildings on decks above freeways exist in several states. Other prominent examples include the World Trade Center in New York City; the Prudential Center in Boston; an office building, hotel, and parking structure in Newton, Massachusetts; a public park overlooking the Ohio River above I-65 in Louisville, Kentucky; several housing and office space projects above freeways in Washington, D.C.; and a public park over a freeway in downtown Seattle, Washington.<sup>3</sup>

With the exception of major downtown termini, there are no examples of joint development in conjunction with busway stops or stations, even along the heaviest volume line haul bus routes. Rail has been promoted for joint development purposes because "rail stations are permanent, while bus stops are not." This is a psychological rather than service-related aspect of joint development, as a busway station with similar characteristics to a rail station would be just as permanent as a rail station and represent a substantial public investment. The El Monte busway with its stations in El Monte and at General Hospital and California State University-Los Angeles represents the most fully developed busway station example in this country. In this case, the nodes of activity preceded the stations, are physically separate from the stations, and proximity of the stations apparently has not influenced the form or magnitude of development nearby.

Prominent examples of air rights joint development activity related to downtown bus terminals include the following:

- **New York Port Authority Bus Terminal.** This terminal contains several hundred thousand square feet of retail space, but is used by over 1,000 commuter buses daily. Greyhound and Continental Trailways also use the terminal; it has direct access to the subway, and is only three blocks from Times Square.
- **San Francisco Trans Bay Terminal.** This terminal serves 350 to 450 commuter buses daily in addition to Trailways, Amtrak, and the San Francisco Muni. It contains very limited commercial retail facilities—a bar, several magazine and book sellers, a coffee shop, etc. A recent expansion study for this terminal suggested the possibility of a major office space development using joint development; however, it was determined that the structural costs of constructing an office building over the terminal would be prohibitive and the plaza space in front was

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<sup>3</sup>Gladstone Associates, Innovative Financing Techniques, prepared for U.S. Department of Transportation, Urban Mass Transportation Administration, 1978, p. 3-15. Rivkin Associates, Inc., Acquisition of Land for Joint Highway and Community Development, prepared for U.S. Department of Transportation, Federal Highway Administration, 1976.

required to maintain good connections between the San Francisco Muni and the commuter buses. Therefore, the study concluded that joint development of major office buildings probably was not feasible.<sup>4</sup>

- **Denver Downtown Mall Bus Terminal.** Denver is in the process of building a 12-block downtown bus mall with terminals at either end. Service on the mall would be limited to non-polluting, electric battery-powered vehicles. The south-east mall terminal (near the state capitol) will be a terminal under major office space being built by the Galbreath Company of Columbus, Ohio, a major mid-western developer. The transit district (RTD) is investing \$8 million in the building substructure for the station and building, and will receive a ground rent of \$400,000 per year in addition to 38 percent of gross rents. RTD expects to amortize the district share in 10 years and have a 65-year income stream.<sup>5</sup>

Rail joint development also is rather limited, with Toronto offering perhaps the best example. Following is a brief summary of joint development experience with recent rail transit development in this country.

- **San Francisco.** Physical joint development associated with the BART system has been minimal. Only three office buildings in San Francisco have direct entrances to station mezzanine levels; these include the Aetna-Crocker Plaza, Wells Fargo, and Tishman buildings. Stores with direct access to stations include Emporium and Woolworths in San Francisco and Capwells in Oakland. Public lower level (mezzanine) plazas have been provided at BART stations at Montgomery Street (Crocker Plaza), Powell Street (Halladie Plaza), and Oakland-12th Street (Oakland City Center Plaza).

In lower income central city areas such as West Oakland, Fruitvale, South Berkeley, Richmond, and the Mission District, BART stations have had virtually no effects on land use and development - and no private joint development of any form has occurred. The decision to locate a Social Security Administration service center in Richmond was influenced by proximity of the site to the BART station. However, perhaps because the Richmond station is an "end of the line station," patronage has been minimal among workers at the facility. Associated joint development has occurred in the vicinity of station areas in higher income suburban areas, such as Walnut Creek, where developers have purchased older single-family homes in the station vicinity (within 500-750 feet) and have plans to build four- to eight-story office buildings. Down zoning may have prevented a certain amount of development in other suburban station areas, but many stations where intensification is possible have not witnessed such development.<sup>6</sup>

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<sup>4</sup>San Francisco Bay Area Transportation Terminal Authority, Working Paper 8, Alternatives Analysis, 1979.

<sup>5</sup>Personal communication from Ralph Jackson, Denver Rapid Transit District, December 1980.

<sup>6</sup>Michael Dyett, David Dornbusch, et. al., Land Use and Urban Development Impacts of BART. Berkeley: Metropolitan Transportation Report DOT-BIP-FR-14-5-78, prepared by John Blayney Associates/David M. Dornbusch & Co., Inc., August 1978.

- **Atlanta.** The first sections of the MARTA rail system have been open for over two years, with completion of additional major sections anticipated over the next several years. Joint development activity has been limited, but is significantly greater than that which has occurred in the San Francisco Bay Area. The best example of public-public joint development is the Georgia State station, which is integrated into the basement of new twin state office buildings.

Several stations also contain private-public joint development projects, including the North Avenue station where Southern Bell is constructing its headquarters office building partially above the MARTA air rights. Direct station access will be provided.

In Decatur, a small city adjoining Atlanta, there has been considerable associated but not physically related joint development, with construction of office and retail space and plans for additional governmental office space, a hotel, and high-rise housing. One physically related joint development project is planned in a lower income area, approximately two miles west of downtown Atlanta. The Ashby Street station, which serves a mixed income minority community as well as several colleges, contains neighborhood commercial and mixed quality housing in the station area. A \$3.7 million federal Urban Development Action Grant has been received, which will leverage a first phase of \$8.7 million private development consisting of development of office space, a trade mart, and retail space utilizing the air rights over a portion of the station parking lot. The air rights are controlled by a community development corporation.

- **Washington, D.C.** The Washington Metropolitan Area Transportation Authority (WMATA) has completed several joint development projects, and several more are in the planning stages at stations that are not yet open. Several major office-retail projects offer direct access to stations, one of which was built by a private developer on land leased from WMATA. At present, WMATA is receiving \$1 million dollars income annually from four completed joint development projects that together represent \$120 million worth of development.

While several joint development projects are significant in themselves, none of the operating rail transit systems in North America receives a substantial portion of operating funds as a result of land rent, air rights developments, or retail concessionaires within stations. Thus, it seems that the greatest benefit of joint development may be in fostering nodes of high intensity land use activity with outstanding transit accessibility.

### Concepts

Joint development could enhance a variety of uses that might be appropriate for sites at or near Harbor Freeway transitway stations. Selection of the most appropriate uses

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<sup>7</sup>Rice Center, Joint Development Report, Houston, Texas, June 1979, pp. 45-49.

<sup>8</sup>Personal communication from Henry Cord, Washington Metropolitan Area Transit Authority (WMATA), December 1980.

should be based on an evaluation of community needs, market conditions, adopted land use policies, and relationship to transportation and traffic conditions.

- Housing:
  - Century Freeway replacement housing
  - Market rate sales housing (family)
  - Subsidized rental housing for families and/or elderly/disabled households
  - Move-on housing from Century Freeway corridor
  - Housing rehabilitation or conversion from transient to permanent occupancy
  - Housing conversion of unused commercial or industrial buildings
- Retail Commercial: Development of new or consolidated community retail services (groceries, convenience foods, restaurants, drug stores, cleaners, etc.).
- Office Space Commercial: Development of new or consolidated regional- or community-oriented office space (attorneys, insurance, medical, other office functions, etc.).
- Industrial: Development of new or consolidated labor-intensive light manufacturing or other industrial uses (light assembly, apparel, film production, etc.).
- Public Services: Development of new or consolidated facilities for community medical and human services (employment, welfare offices), public safety, and recreational (indoor or outdoor) needs.
- Transportation Centers: Provision of parking structures, timed bus transfers, taxi or jitney service, etc.

### Joint Development Constraints

Air rights development over a freeway requires a supporting deck that is extremely expensive. However, the Harbor Freeway corridor is not so densely developed that land is scarce enough for the private market to absorb the cost of air rights construction. Thus, public participation in cost-sharing would be required to make air rights development feasible, and in an era of fiscal restraints, funds may not be available. The proposed federal budget, for example, includes no funding for joint development under UMTA's Urban Initiative Program.

The general weakness of the real estate market in the Harbor Freeway corridor, coupled with the lack of large, developable sites under a single ownership or unified control, also limits the ability of the private market to generate private-public joint development capitalizing on the accessibility benefits of station areas. Furthermore, Caltrans policy encourages competitive bidding for airspace leases, attempting to maximize revenue for the State Highway Fund, although exceptions can be made if the California Transportation Commission finds that a negotiated lease would be in the best interest of the state.<sup>9</sup>

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<sup>9</sup> California Department of Transportation, Op. Cit., Section 10.003.



While 1980 legislation (S.B. 1518) allows GSA and other state agencies to sell or lease state-owned lands at below market for subsidized housing projects, Caltrans is governed by the Streets and Highway Code rather than the Government Code to which Senate Bill 1518 applied. Thus, for Caltrans to provide land to a private or public sponsor at below market price would require special legislation or a special finding of the California Transportation Commission.

Physical station design constraints also may serve to limit air rights or adjacent joint development. Rail options allow for the possibility of a center platform station, one that would allow a single access route from below or above, channeling all patrons past station vendors, for example. Because of the integration of HOV vehicle flow with buses, it is not possible to operate buses in a contraflow pattern that would allow normal right door operation with a center platform. Thus bus transit would require a split platform station, possibly even requiring separate stations for north and south-bound travel.

Present plan designations may also constrain transit-related joint development opportunities. Several station areas, including Jefferson-Santa Barbara, Slauson, and Manchester, are bordered by areas designated for highway commercial use, a use that stresses automobile accessibility. Three quadrants of the Rosecrans station area are designated for and contain single-family homes, and thus are unavailable for intensification.

These constraints limit opportunities for physically linked or adjacent joint development in the Harbor Freeway corridor. For a transit-oriented development strategy to be successful, it must overcome the barriers of a weak real estate market, few vacant sites in station areas, and a freeway airspace leasing policy oriented to maximizing revenue, not maximizing feasibility of joint development.

## VALUE CAPTURE

### Experience

Successful value capture programs have been implemented by the Toronto Transit Commission, the Bay Area Rapid Transit District (BART), and the Washington Metropolitan Area Transportation Authority (WMATA). A value capture policy also was proposed to defray operating costs of the proposed Downtown People Mover by establishing a benefit assessment district. These efforts illustrate the potential that a well-received value capture program could provide.

**Toronto** - The Toronto Transit Commission acquired 22 city blocks in conjunction with construction of the Yonge Street subway line between 1949 and 1954. Land acquisition cost was \$3.9 million, only 6.5 percent of the \$60 million cost of the total system. Long-term leasing of air rights parcels began in 1960. By 1977, 17 of the 22 blocks were leased, providing an annual net return of \$504,000 to offset operating deficits. This return represents a 13 percent annual return on land acquisition costs. If the value of money is deflated, recognizing that a \$504,000 return today is not worth the same as 25 years ago when the land was purchased, the present value of land leases is approximately \$3 million, which represents a recapture of most land acquisition costs and 5 percent of the total system cost.<sup>10</sup>

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<sup>10</sup>Gladstone Associates, Op. Cit., pp. 2-29, 2-32.

The \$500,000 revenue is a minor portion of the 1979 total operating revenues of \$165 million and operating costs of \$212 million. However, in terms of initial costs, this represents the best example of value capture for a North American operating transit system. The lease terms do not carry escalators that maximize returns to the Commission, but it would be possible to expect a considerably larger revenue flow if escalators were used. However, recent regulations have restricted acquisitions for new construction in contrast to the past procedures which maximized land acquisition. Therefore, new extensions are providing fewer opportunities for value capture and joint development.

**San Francisco** - The Embarcadero Station in the San Francisco financial district was not included in plans for the BART system, but nearby office construction activity and development plans suggested the need for the additional station. Financial constraints precluded its funding from the initial BART bond issue so it was partially funded (\$13.5 million of \$29 million) by tax increment financing associated with the Golden Gateway Redevelopment Project, a large area adjacent to the station that has included over 4 million square feet of new office space and a major hotel.

San Francisco has also provided a Floor Area Ratio (FAR) bonus (20 percent) for developments offering direct connections into BART stations along Market Street. However, because a portion of the bonus was available for station proximity and other bonuses that are not additive were more attractive, only one building has utilized the access bonus.<sup>11</sup>

**Washington, D.C.** - WMATA has negotiated four major, long-term leases for air rights development above METRO stations. The annual net revenue of \$1 million dollars from this source represents a minor portion of the approximately \$90 million operating revenues of the system and total annual expenditure of approximately \$200 million. Because of severe height limits throughout the District of Columbia, WMATA has been unable to encourage higher density development at transit stations in exchange for developer provision of special station area amenities. Larger-scale developments built in conjunction with some stations outside the district may represent more promising examples of value capture through zoning or land use control.

**Los Angeles** - The plans for the Downtown People Mover (DPM) include a mechanism for funding a significant portion of operating costs (28 percent) through value capture. This will be accomplished through a benefit assessment district. Property within 1,200 feet of a station would be assessed a proportional share of the \$1.3 million (1978 dollars) annual cost to be raised through this mechanism.<sup>12</sup> By participating in the DPM project and providing easements for the track and stations, several downtown developments have been permitted to build fewer parking spaces than would normally be required by the Los Angeles zoning ordinance. Right-of-way easements through buildings and space for stations have been negotiated for new development within the Bunker Hill Redevelopment Project. Over \$5 million has been contributed to the DPM

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<sup>11</sup> John Blayney Associates, Op Cit.

<sup>12</sup> City of Los Angeles Community Redevelopment Agency, The Los Angeles Downtown People Mover Joint Development: Progress to Date and Future Opportunities, August 1979.

project through such disposition agreements, which counts as a portion of the locally funded share of the project for purposes of meeting federal cost-sharing requirements.

Studies of value capture opportunities for the Wilshire rail line have recommended a benefit assessment district as the most appropriate vehicle for maximizing public benefits, providing a potential ongoing revenue source. Use of the benefit assessment process in California originated in 1911 and 1913 with Assessment District Acts, so there is well-established precedent. Economics Research Associates, the consultants for the study, recommend that value capture revenues from a benefit assessment district be utilized within the station area, such as for station improvements or maintenance, rather than utilized elsewhere for extensions to the rail line, believing that modifications to state law may be required in order to use such funds for improvements outside the districts.<sup>13</sup>

### Concepts

An initial review of value capture techniques suggests four areas of emphasis for the Harbor Freeway corridor:

- Taxation:
  - Special benefit assessment districts, as planned for the DPM and recommended for the Wilshire Line.
  - Tax increment financing (limited under Proposition 13 constraints).
- Public Participation in Development:
  - Sale of excess lands at post-improvement value.
  - Continued ownership of land, leasing air rights with percentage leases (of sales or rents), escalation clauses, and reappraisal clauses.
  - Use of redevelopment authority to acquire excess parcels.
  - Use of economic development corporations to participate in community-based joint ventures.
  - Use of federal loan or grant funds to lower development costs.
- Special Development Regulations:
  - Incentive or special district zoning (possibly including density bonuses).
  - Opportunity or enterprise zones.
  - Streamlined processing requirements.
- Transit Ridership:
  - Intensive station area development may increase ridership and generate additional fare revenue.

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<sup>13</sup>Economics Research Associates, Identification of Joint Development and Value Capture Opportunities Relative to Implementation of a Metropolitan Mass Transit System in Los Angeles, Calif., prepared for Southern California Rapid Transit District, September 1980.

The various concepts of value capture can complement each other. Public participation in development through ownership can work well in conjunction with special development regulations designed to channel higher density development into station areas. The greater amount of development in the station area will generate ridership, thus providing more operating revenues and possibly decreasing the level of subsidy required to operate the transit system.

Although additional subsidy funds will be required to operate freeway transit, additional patronage given a fixed level of service will reduce subsidies required per vehicle or per passenger. Thus, while the overall transit system may only receive 35-45 percent of its costs from the farebox, it does not necessarily follow that additional riders will only contribute 35-45 percent of the cost associated with transporting them. Given 1981 operating costs, a relatively full bus operated by a part-time driver may operate without subsidy or at a slight "profit."

Implementation of value capture techniques relies on coordination between a variety of public and private actors. Since much, if not all, of the land actually used in the transitway and stations along Harbor Freeway is owned by Caltrans, leasing or sale of excess land would be the responsibility of Caltrans. While this agency has considerable experience with leasing of land beneath or adjacent to freeways, there has been no significant California experience to date with air rights development above a freeway. Experience in other states proves that it can be done, but initial implementation of this concept in California will create additional complexity. However, the constraint is more likely to be the cost of such development, as large-scale, high density development is required to make construction of a structure over the freeway viable. Further, such development is most viable where a freeway is in cut, but the necessity for the transitway to clear cross streets means that it would be elevated above grade where cross streets are at grade.

The cities of Los Angeles and Gardena may have to modify their development regulations or procedures to stimulate development in station areas. In Los Angeles, parking requirements, height and setback requirements, or even restrictions on mixed use development may be reduced in station areas within designated "opportunity zones" to encourage development. Streamlined processing time is another potential strategy to attract investors within the opportunity zones. These zones also are potential sites for "enterprise zones" if legislation to create such zones passes the Congress. This legislation, favored by the new administration, would create zones where federal tax incentives would be granted to firms that employ local low income residents.

The cities, through redevelopment agencies, would be the logical agencies to acquire parcels for joint development beyond those actually needed for the transitway and stations. The cities also have the power to create special benefit districts to pay for needed infrastructure improvements, and economic development corporations to assist development around transit stations.

SCRTD will be involved in operating the vehicles on the transitway and maintaining the stations, and would have the power to create special transit benefit districts. The district is also most concerned with ridership and the implications of new development on ridership, although the cities and Caltrans are also concerned with accessibility and the effects of traffic on the streets, highways, and community.

## **Constraints to Value Capture**

Many of the constraints applying to joint development also apply to value capture, but there is potential for conflict between joint development and value capture goals. For example, the value capture objective may be maximized by development of station area retail or office space, while the best joint development project from the point of view of community needs may be housing. Maximum feasible use of value capture through competitive bidding processes (the Caltrans procedure) may result in a project not taking full advantage of joint development potential or meeting community objectives. Maximizing long-term public benefits may require considerable public investment in a joint development project, difficult to achieve under the severe fiscal constraints faced by governmental agencies at this time.

### **3. COMMUNITY NEEDS ANALYSIS**

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#### **INTRODUCTION**

This community needs analysis examines socioeconomic trends and community needs throughout the Harbor Freeway corridor relating to housing, commercial development, public services, public safety, employment, and transportation. The purpose of this analysis is to identify demographic trends, assess community needs arising from these trends, and evaluate the implications for joint development and value capture. Sub-areas defined for the Harbor Freeway corridor community needs assessment and illustrated in Figure 3.1 include:\*

- South Central District of Los Angeles
- Southeast District of Los Angeles
- Torrance-Gardena corridor of the City of Los Angeles
- County unincorporated area of Florence-Firestone
- County unincorporated area of Athens-Westmont
- County unincorporated area of Willowbrook
- Western portions of the City of Compton
- Eastern portions of the City of Gardena

This analysis relies on several secondary data sources, including statistics from the 1970 census and the 1980 census (preliminary population counts only), and surveys of housing quality conducted by the Los Angeles Community Development Department. These are listed in the Bibliography. Community leaders also were interviewed to solicit their opinions about community needs and the role of transit improvements and joint development in meeting them (see Appendix for list of individuals contacted).

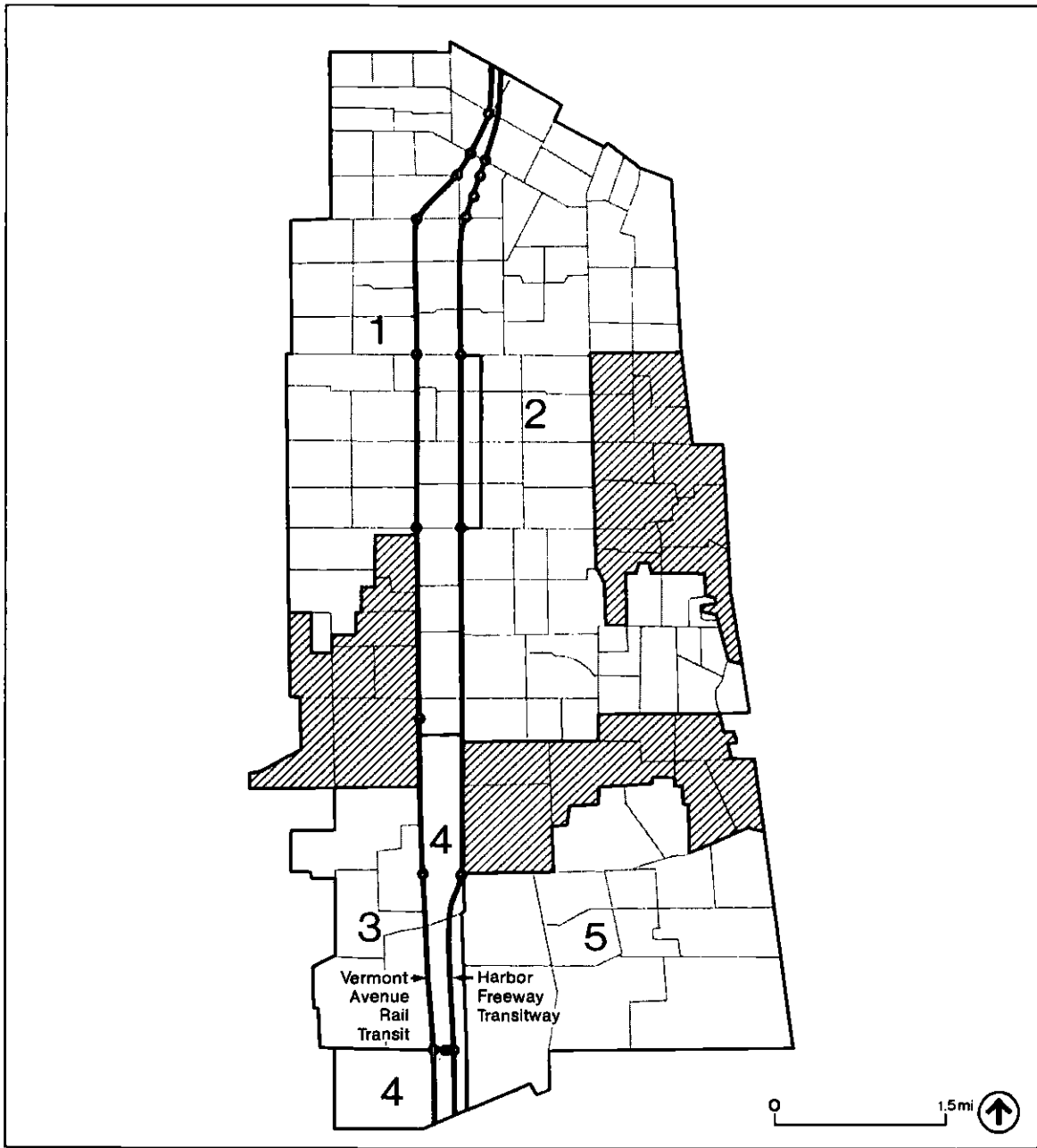
#### **CORRIDOR DEMOGRAPHIC TRENDS**

Despite the number of individual political jurisdictions within the corridor, they share a number of basic traits. In general, the Harbor Freeway corridor contains some of the oldest and most extensively developed areas of both the City of Los Angeles and Los Angeles County. The majority of the area can be characterized as "inner city," with a combination of residential, commercial, and industrial development. A substantial portion of the heavy industrial development of the county is contained within the corridor. Most of the corridor area continues to experience common inner city problems of crime, housing and commercial deterioration, lack of sufficient affordable housing, decline in public services, disinvestment, and high unemployment rates. With the exception of parts of Gardena, the major portion of the corridor's population is lower income and minority, with a consistent loss of White population over the last decade.

In addition, this area has experienced a significant population shift over the last several years, with an influx of recent Hispanic immigrants, a trend confirmed by statistics from the 1980 census. In fact, in many areas, the Hispanic population increased over 50 percent since 1970.


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\*Due to differences between agency statistical reporting areas, the exact boundaries for data reported in this analysis do not always coincide.



Source: Blayney-Dyett, The Planning Group, U.S. Census Bureau

**Figure 3.1**  
**SUBAREAS FOR**  
**COMMUNITY NEEDS**  
**ANALYSIS**

- LEGEND**
- 1 South Central District
  - 2 Southeast District
  - 3 Gardena
  - 4 Torrance-Gardena Corridor
  - 5 Compton County
  -  Unincorporated Area
  - Station

## Population and Ethnic Composition

Overall, most areas within the corridor declined in population during the past ten years, as is exhibited in Table 3.1. Despite differences in the timing of reporting data between city and county agencies, a similar trend can be observed in all areas. However, increases in population can be observed in the city-administered areas of the corridor between 1977 and 1978, which may be attributed to the increase in the Hispanic population. Table 3.2 shows the relative increases in the Hispanic population and the loss of White population between 1970 and 1977. The Black population also increased in all areas with the exception of the Southeast District.

**TABLE 3.1  
POPULATION TRENDS BY PLANNING AREA**

	<u>1970</u>	<u>1977</u>	<u>1978</u>	<u>1980</u>
City of Los Angeles				
- South Central District	219,551	210,603	212,660	
- Southeast District	185,789	168,296	170,102	
- Torrance-Gardena Corridor	31,361	30,834	31,432	
Compton	37,711			
Gardena	14,690			
Unincorporated Areas				
- Florence-Firestone	42,929			40,600
- Athens-Westmont	41,283			34,750
- Willowbrook	35,360			31,880

Sources: U.S. Census of Population, 1970, City of Los Angeles Population Estimate and Housing Inventory as of 10/1/78; South Central L.A. District Plan, Southeast L.A. District Plan, Los Angeles County Regional Planning Commission.

The corridor contains high proportions of youth but low proportions of elderly people relative to Los Angeles County. For example, in the corridor, the 1970 population under 17 years was 35 percent of the total, compared with a county average of 26.8 percent. The elderly population represented only 6.8 percent of the total, which was less than the county average of 9.3 percent. Although recent data for the unincorporated areas are not available, city data show a net loss in the population under 17 between 1970 and 1977, but a proportional rise in the elderly population. The loss of youth population is consistent with general trends toward smaller families and more childless couples.



**TABLE 3.2**  
**ETHNIC COMPOSITION BY PLANNING AREA, 1970 AND 1977.**

	<u>Total</u>	<u>Black</u>	<u>Percent Distribution</u>		
			<u>White</u>	<u>Hispanic</u>	<u>Other</u>
<b>City of Los Angeles</b>					
<b>South Central District</b>					
1970	219,551	72.6	11.1	12.9	3.5
1977	210,603	76.5	5.2	14.8	3.5
<b>Southeast District</b>					
1970	185,789	86.3	3.1	9.6	1.1
1977	168,296	79.4	1.7	17.8	1.1
<b>Torrance-Gardena Corridor</b>					
1970	31,861	10.5	53.1	21.1	13.1
1977	30,834	13.6	40.2	33.7	12.5
<b>Compton</b>					
1970	37,371	89.9	0.6	10.3	0.0
<b>Gardena</b>					
1970	18,690	0.5	68.9	30.5	0.0
<b>Unincorporated Areas</b>					
<b>Florence/Firestone</b>					
1970	42,929	56.0	3.5	38.6	1.8
<b>Athens/Westmont</b>					
1970	41,283	72.6	14.8	9.0	3.4
<b>Willowbrook</b>					
1970	35,360	83.7	1.0	13.8	1.4

Sources: U.S. Census of Population, 1970; City of Los Angeles Department of City Planning, Estimate of Population by Race.

### **Household Size and Mobility**

The average size of households also appears to be growing in the corridor, and is currently estimated at between 2.7 and 2.8 persons per household for most of the area, although there is wide variation in household composition and size among different parts of the area and among different ethnic groups.

The population of the corridor is notably less mobile than that of most other areas in the region. The Los Angeles Times Marketing Research Department, using data supplied by various government agencies and drawn from its own survey research,

estimates that fewer than half of the households in the area have moved within the last five years (compared with nearly 55 percent in the county as a whole) and that the average number of moves made in that period is slightly fewer than for households that have moved in the county as a whole. Moreover, nearly 57 percent of the moves among households in the corridor have been within the immediate area.

### **Health and Vital Statistics**

Overall, birth and death rates are somewhat higher in the corridor than in Los Angeles County. Further, the Black population in the Southeast area is not increasing as rapidly as it has in the past, partly because of continuing out-migration and partly because of couples having fewer children. County health statistics show that Hispanics are reproducing at a substantially greater rate, while Blacks and Whites are reproducing themselves at a rate that points toward a decline in overall population. Birth rates for other ethnic groups are about equal or slightly higher to their representation in population.

Data on deaths indicate that rates in some parts of the corridor are higher than the county, which includes much of the corridor, while in other parts they are slightly lower. As a whole, the Southeast Health District had a higher death rate than the county in 1978, and an infant and fetal death rate over 20 percent higher than that of the county. This suggests that health care services among the lower income minority populations are either inadequate, unavailable, or not used. If, as is suspected, a significant portion of the Hispanic population is undocumented, it is likely that many do not frequent local health facilities. Most districts within the corridor also had fetal, infant, and neo-natal death rates higher than those of the county. In the Southeast Health District in 1978, the most deaths in absolute numbers were among the White population, followed by Black, Hispanic, and other ethnic groups.

### **Labor Force, Employment, and Income**

Employment in the corridor (i.e., jobs located in the corridor but not necessarily employment of persons living in the corridor) has kept pace with employment growth throughout the county and, in fact, exceeded the rate of growth for the South Central district of the Los Angeles region due to job increases in the Torrance-Gardena corridor, Compton, Gardena, and adjacent unincorporated areas. However, among residents of the area, participation in the labor force is significantly lower than among residents of other areas in the region, because of "hard core" long-term unemployment and higher proportions of children, elderly persons, and women in the population. In the Los Angeles Special Impact Area (roughly the northeastern half of the corridor study area), for example, less than 50 percent of the working-age population participated in 1970; the share for the city as a whole was more than 60 percent. The tendency toward large household size suggests that the rate of labor force participation may drop even further, but this may reflect underemployment rather than unemployment.

Unemployment is—and for decades has usually been—much higher in the corridor than in the city or county as a whole.

Comparison of unemployment data for areas within the corridor (see Table 3.3) show that all had a higher 1970 unemployment rate than either the City or County of Los Angeles, and that the average rate for the corridor was 9.7 percent, which is 3.5 percent higher than the county. By 1980, the situation was worse, with corridor unemployment rising by 4.6 percent, while that of the county rose by 1.1 percent. Unemployment in the South Central and Southeast districts has risen even more than in the unincorporated areas, to double the 1970 rates.

**TABLE 3.3  
UNEMPLOYMENT BY PLANNING AREA, 1970 AND 1980**

	<u>Percent Unemployed</u>	
	<u>1970</u>	<u>1980</u>
City of Los Angeles		
South Central District	9.0	19.8
Southeast District	12.5	26.8
City of Los Angeles	7.0	11.8
Compton	9.7	11.7 <sup>a</sup>
Gardena	4.7	5.0 <sup>b</sup>
Unincorporated Areas		
Florence-Firestone	11.3	13.8
Athens-Westmont	8.6	11.0
Willowbrook	11.2	11.9
Los Angeles County	6.2	7.3

a. Unincorporated area of West Compton.

b. City of Gardena.

Sources: City of Los Angeles, Community Development Department, Population, Employment, and Housing Survey, 1977; Los Angeles County, Community Development Department.

Additional data are necessary to determine the extent to which unemployment is "structural" and how many individuals are "dropping out" of the job market because of lack of opportunities, skills, etc. However, it is probable that the proportion of the "hard core" unemployed is increasing relative to the temporarily unemployed.

Employment of corridor residents is concentrated in the laborer, operative, and service worker occupations and in the manufacturing, personal services, and government sectors. The State Employment Development Department projects that in 1985 the most job growth in Los Angeles County will be in the managerial, sales, and clerical categories, followed by service and operatives. The least gains will be among craftsmen and laborers. The dilemma that this presents for many corridor residents is that educational achievement is not keeping pace with job opportunities. Also, there is some degree of competition for semi-skilled and unskilled jobs between the existing Black population and recent Hispanic immigrants.

TABLE 3.4  
MEDIAN FAMILY INCOME IN HARBOR FREEWAY CORRIDOR AREA

Major and Minor Economic Areas <sup>1</sup>	Median Family Income				Distribution of Families by Income Group-1979*						Total
	1960 Census	1970 Census	1979* Estimates	Percent Change 1970-1979	Under \$10,000	\$10,000- \$14,999	\$15,000- \$19,999	\$20,000- \$24,999	\$25,000- \$49,999	\$50,000 & Over	
1 San Fernando Valley Area	\$ 7,982	\$ 12,695	\$ 21,222	+ 67.2%	13.4%	14.0%	18.0%	18.9%	29.9%	5.8%	100.0%
A San Fernando	7,513	12,455	20,596	+ 65.4	13.7	14.1	19.8	20.1	29.0	3.3	100.0
B Sunland-Tujunga	7,216	11,825	20,554	+ 73.8	14.4	14.1	19.2	20.2	29.0	3.1	100.0
C Burbank-North Hollywood	7,781	11,806	20,093	+ 70.2	15.4	15.3	19.0	17.3	27.3	5.7	100.0
D Encino-Central Valley	8,303	12,830	21,507	+ 67.6	13.3	14.2	17.1	17.9	29.8	7.7	100.0
E Chatsworth-West Valley	8,807	14,510	22,825	+ 57.3	10.1	11.3	16.3	21.7	35.1	5.5	100.0
2 Glendale Area	7,492	11,565	20,497	+ 77.2	15.1	15.0	18.2	17.1	28.8	5.8	100.0
3 Pasadena Area	7,704	12,192	21,674	+ 77.8	15.1	14.8	15.4	14.0	30.2	10.5	100.0
4 Pomona-Foothill Area	7,175	11,559	19,849	+ 71.7	14.4	15.5	20.7	19.4	26.3	3.7	100.0
A Monrovia	7,812	12,337	22,679	+ 83.8	11.8	12.8	16.1	17.3	34.3	7.7	100.0
B Covina	7,500	11,727	19,802	+ 68.9	13.4	15.4	22.1	20.2	25.6	3.3	100.0
C Pomona	6,746	11,296	20,237	+ 79.2	15.5	15.2	18.4	18.8	27.8	4.3	100.0
D Puente Hills	6,958	12,237	20,725	+ 69.4	10.7	13.3	22.7	22.7	28.2	2.4	100.0
E El Monte	6,490	9,404	14,789	+ 57.3	26.5	24.6	23.2	14.1	10.8	0.8	100.0
5 San Gabriel Area	7,614	11,889	20,330	+ 71.0	14.8	15.2	18.8	17.1	27.5	6.6	100.0
6 Northeast Area	5,891	8,576	16,175	+ 88.6	24.9	20.3	20.3	14.4	18.4	1.7	100.0
7 East Area	4,921	7,116	12,780	+ 79.6	35.7	25.2	17.6	13.0	10.0	0.9	100.0
8 Central Area	4,500	6,677	13,491	+ 102.1	34.2	22.3	16.3	10.3	14.5	2.4	100.0
9 Wilshire Area	7,248	10,462	19,426	+ 85.3	20.9	15.2	15.7	13.9	28.9	7.4	100.0
10 Hollywood Area	6,718	9,794	18,840	+ 92.4	21.4	16.4	15.9	13.1	24.8	8.4	100.0
11 Beverly Hills Westwood Area	11,292	18,514	31,895	+ 72.3	10.1	9.5	11.0	10.3	33.1	26.0	100.0
12 Santa Monica-South Bay Area	7,733	12,566	22,398	+ 78.2	13.6	12.9	16.1	15.4	33.0	9.0	100.0
A San Vicente-Palisades	14,702	24,577	40,961	+ 66.7	7.1	5.3	6.9	7.9	35.7	37.1	100.0
B Santa Monica-Venice	7,030	11,207	18,887	+ 68.5	18.3	17.0	18.9	15.5	25.1	5.2	100.0
C South Bay	7,967	12,998	24,740	+ 90.3	9.2	9.5	14.9	17.3	42.8	6.3	100.0
13 Adams-Inglewood Area	6,887	9,913	17,059	+ 72.1	22.5	19.1	20.4	15.6	19.4	3.0	100.0
A Adams	6,505	9,060	16,219	+ 79.0	26.0	19.6	17.9	13.2	19.3	4.0	100.0
B Inglewood	7,365	11,062	17,879	+ 61.6	17.9	18.5	23.7	18.6	19.6	1.7	100.0
14 Southeast Area	5,748	8,111	12,908	+ 59.1	35.8	25.0	18.4	10.8	9.0	1.0	100.0
A Southeast	5,575	7,831	12,644	+ 61.5	37.2	24.6	17.7	10.4	9.1	1.0	100.0
B Compton	6,217	8,899	13,517	+ 51.9	32.1	26.3	20.3	11.8	8.7	0.8	100.0
15 Whittier-Norwalk Area	7,428	11,677	19,607	+ 67.9	13.0	15.5	23.3	19.7	25.3	3.2	100.0
A Whittier	7,751	12,304	20,477	+ 66.4	11.5	14.3	22.2	20.6	27.5	3.9	100.0
B Norwalk	7,156	11,156	19,039	+ 70.7	14.0	16.4	24.2	19.0	23.7	2.7	100.0
16 South Coast Area	6,896	11,640	21,349	+ 83.4	15.0	13.6	17.0	16.1	31.9	6.4	100.0
A Palos Verdes	8,704	15,701	31,122	+ 98.2	7.2	7.3	10.7	12.9	48.5	13.4	100.0
B Dominguez-L.A. Harbor	6,289	10,609	17,775	+ 67.5	20.4	17.4	22.0	17.7	20.5	2.0	100.0
C Long Beach	6,733	10,749	20,453	+ 90.3	16.1	14.7	17.6	17.0	29.5	5.1	100.0
Balance of County	7,109	12,480	22,373	+ 79.3	13.8	11.4	16.2	18.1	34.2	6.3	100.0
TOTAL LOS ANGELES COUNTY	7,046	10,972	19,379	+ 76.6	13.7	15.8	23.4	16.8	25.5	4.8	100.0
17 Orange County	7,219	12,245	23,736	+ 93.8	10.7	10.9	14.7	16.4	38.3	7.0	100.0
A North County	7,585	12,414	22,502	+ 81.3	10.6	11.8	17.6	20.0	35.1	4.9	100.0
B Santa Ana-Orange	6,723	11,813	22,634	+ 91.6	13.0	12.7	15.1	17.5	35.1	6.6	100.0
C Coastal	6,751	12,455	24,163	+ 94.0	11.4	11.1	13.9	16.3	38.7	8.6	100.0
D Foothill	5,634	13,701	28,111	+ 105.2	8.5	7.8	12.0	15.7	48.4	7.6	100.0
TOTAL LOS ANGELES MARKETING AREA	\$ 7,066	\$ 11,337	\$ 20,189	+ 78.1%	13.1%	14.8%	21.5%	17.1%	28.2%	5.3%	100.0

<sup>1</sup>See Figure 3.2

\*The 1979 estimates have been calculated by using a mathematical model on aggregate population and housing estimates for each area. Information from various sources was part of the model. There is a tendency for the estimates to "average out" in some areas and therefore the estimates may be less accurate for the extremely high and extremely low income areas. Data is indicative rather than conclusive.

Sources: U.S. Census, 1960 and 1970. Urban Decision Systems Inc., January 1, 1979.

The predominance of lower pay jobs and the extensive dependence of many corridor residents on public assistance or old-age pensions markedly limit average incomes in the area. Estimates developed by Urban Decision Systems, Inc. (Table 3.4) for areas that are somewhat larger than the corridor study area (see Figure 3.2) reflect median family incomes in various parts of the corridor between 8 and 35 percent below the countywide median. (Because of the structure of the estimating model, these are likely to be underestimates of the differential.) Moreover, the proportion of families in the corridor with incomes below official poverty standards was roughly twice as great as the citywide proportion in 1977, and has been steadily growing during the 1970s (see Table 3.5).

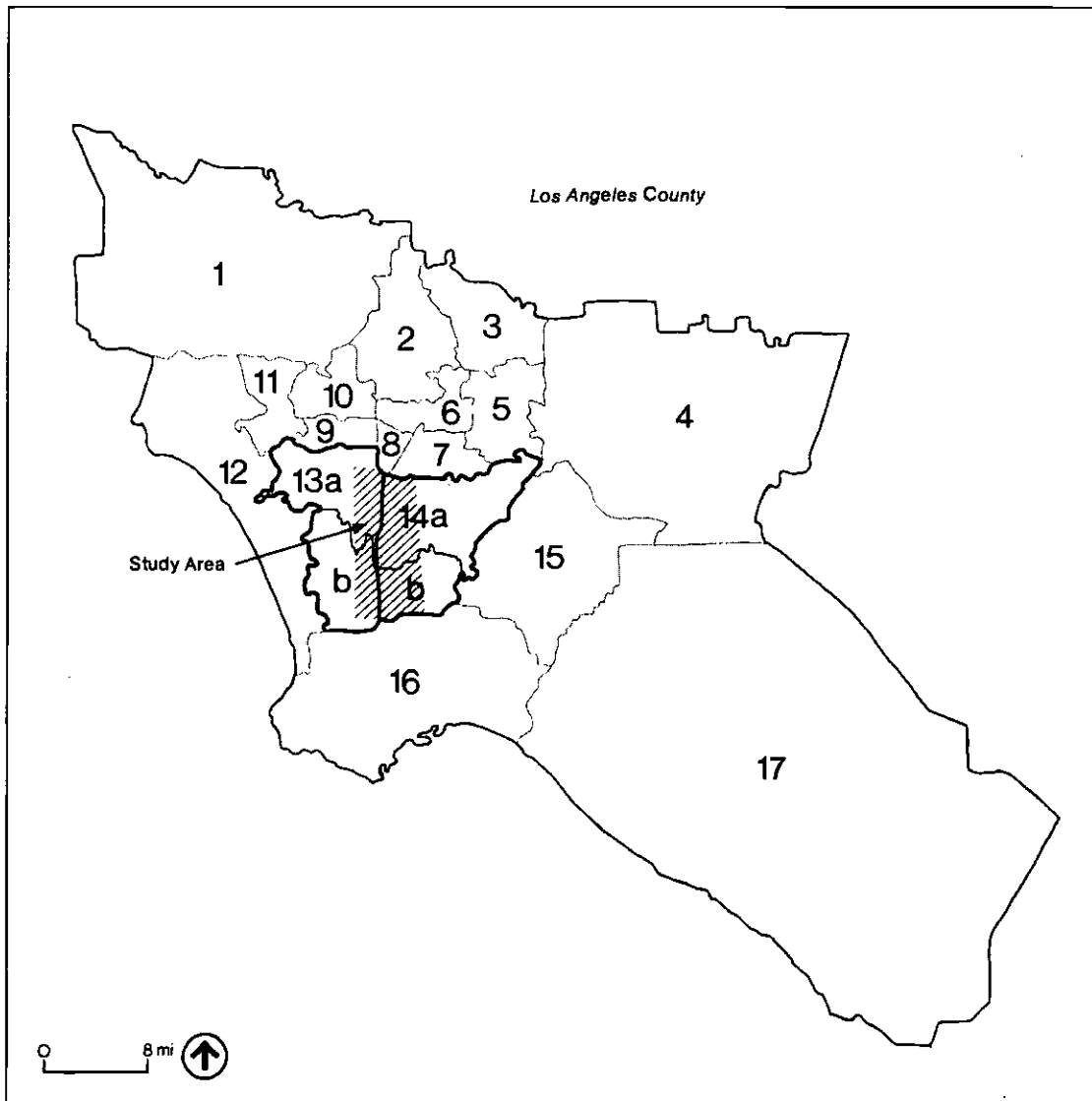
**TABLE 3.5**  
**INCOME STATISTICS BY PLANNING AREA, 1970 AND 1977**

	Median Family Income		Families in Poverty (%)	
	1970	1977	1970	1977
City of Los Angeles				
South Central District	\$7,338	\$8,265	18.2	27.3
Southeast District	5,636	6,399	31.0	36.6
City of Los Angeles	10,535	14,030	9.9	15.5
Compton	8,636	N.A.	17.3	N.A.
Gardena	10,959	N.A.	10.8	N.A.
Unincorporated Areas				
Florence-Firestone	6,067	N.A.	28.2	77.2
Athens-Westmont	7,284	N.A.	15.4	60.7
Willowbrook	6,582	N.A.	24.9	63.4
Los Angeles County	10,972	16,933	8.2	N.A.

Sources: City of Los Angeles, Community Development Department, Population, Employment, and Housing Survey, 1977; Los Angeles County, Community Development Department, Community Analyses, 1976; California Franchise Tax Board.

The rise in families in poverty and preponderance of lower income households in the unincorporated areas support the contention that the income gap for a large portion of corridor residents is increasing. Additional 1980 information from the County Department of Public Social Services on families receiving AFDC assistance in the three unincorporated areas shows that an average of over 50 percent of the families were receiving this aid. This is a dramatic increase both over 1970 levels and over the county as a whole. As more lower income families continue to move into the area and those with moderate incomes move out, this trend is likely to continue over the next several years.

When 1980 census data on income become available, it is likely to support the widely held view that the income gap for the Black and Hispanic populations is widening as inflation and higher prices continue to erode family income.



Source: Blayney-Dyett, Los Angeles Times Marketing Research

Figure 3.2

**MAJOR  
ECONOMIC  
AREAS**

**LEGEND**

- |                                |                                |
|--------------------------------|--------------------------------|
| 1 San Fernando Valley Area     | 12 Santa Monica-South Bay Area |
| 2 Glendale Area                | 13 Adams-Inglewood Area        |
| 3 Pasadena Area                | a. Adams                       |
| 4 Pomona-Foothill Area         | b. Inglewood                   |
| 5 San Gabriel Area             | 14 Southeast Area              |
| 6 Northeast Area               | a. Southeast                   |
| 7 East Area                    | b. Compton                     |
| 8 Central Area                 | 15 Whittier-Norwalk Area       |
| 9 Wilshire Area                | 16 Southeast Area              |
| 10 Hollywood Area              | 17 Orange County               |
| 11 Beverly Hills-Westwood Area |                                |

While there is a thriving industrial base within the corridor, major employers such as Goodyear Tire and Rubber and Firestone Tire and Rubber have closed huge manufacturing facilities in the last several years and others have closed or relocated in the wake of those closures. However, as Los Angeles increases its industrial and import/export activities, some key informants believe that many of these will locate in the South Central and Southeast areas. Commercial real estate brokers cite significant demand for industrial property, which suggests an increasing encroachment of industry on marginal residential areas. Such a scenario may point to increased job opportunities over the next 10 to 20 years, but possibly at the cost of a net loss in housing units and elimination of some lower income residential areas.

In addition, major commercial developments are proposed or underway in the CBD and USC areas, and office construction continues to grow. The impact of these and other physical improvements will be to generate further commercial reinvestment in the downtown and adjacent South Central and Southeast areas. But it is questionable to what degree most corridor residents would benefit from increased commercial/industrial activity without adequate skills training, access to jobs, and aid in overcoming other barriers to employment.

### **Education/School Enrollment**

In 1970, the Harbor Freeway corridor had a median number of school years completed of 10.5, compared to 12.4 for the county. Census data from 1980 on educational achievements are not yet available, but in all likelihood the levels for much of the corridor have either remained the same or declined. Survey data show that fewer than 20 percent of the residents have completed high school (only 2 percent, four years of college) and a fifth of the 16- to 21-year-olds are still high school dropouts. School officials cite increasing problems of crime, dropouts, etc., which support the conclusion that the percentage of high school graduates is declining relative to 1970 levels, due in part to proficiency standards established since then.

The proportional representation of Black and White students decreased between 1970 and 1979, while that of Hispanic students is increasing rapidly. Consistent with population shifts, the White student body has registered the most significant decline in the L.A. Unified School District, followed by Blacks. Within the corridor, however, the percentages of Blacks and Whites has declined about equally (-68 percent), contrasted with a 17.6 percent increase in the Hispanic student body. The most significant gains for this population have been at the junior high and high school levels, which probably means that a substantial part of the total increase has been due to recent in-migration. According to school planners, some elementary and junior high schools in the South Central District are beginning to experience overcrowding, reversing the trend toward declining enrollments.

### **Transportation**

Because many residents throughout the corridor are in lower income brackets or on fixed incomes and do not own cars, transportation to jobs, shopping, and services becomes an important issue to them. Bus transportation provided by RTD along major north-south routes is reasonably good, but some residents believe it is inadequate on east-west arteries. None of the major proposed mass transit improvements (Wilshire

Corridor subway, Downtown People Mover, Century Freeway transitway) will directly benefit corridor residents within the next ten years. Proposed improvements to the Harbor Freeway will benefit mostly those living in close proximity to the freeway, unless substantially improved feeder service is available. The selected statistics on mode of transportation to work presented in Table 3.6 show greater transit use in the corridor than for the city as a whole.

**TABLE 3.6  
MODE OF TRAVEL TO WORK**

	1970		1977	
	<u>Percent Work Trips in Auto</u>	<u>Percent Work Trips on Public Transit</u>	<u>Percent Work Trips in Auto</u>	<u>Percent Work Trips on Public Transit</u>
South Central District	77.5%	17.6%	73.6%	19.7%
Southeast District	75.69%	18.03%	72.7%	18.6%
City of Los Angeles	84.1%	9.3%	80.9%	10.3%

Source: City of Los Angeles, Community Development Department, Population, Employment, and Housing Survey, 1977.

Many community leaders interviewed during the study believe that many corridor residents are in need of improved fixed-route transit service, as well as specialized services such as the door-to-door bus services for the elderly provided by the Watts Labor Community Action Committee (WLCAC). They also note that many, if not most, corridor residents work outside of the area, and that a large portion of work trips are in the east-west direction, rather than north-south, as is commonly assumed. Most believe that line-haul improvements to existing systems would only increase access to the CBD for outlying areas and not service the local need for better access for non-work trips. Given the widening income gap and increasing cost of owning and maintaining a vehicle, the apparent trend of increasing dependency on public transit is likely to continue.

### **Public Services**

Public services in the corridor are provided by a combination of city and county agencies. Services in the three unincorporated areas are administered primarily by the County of Los Angeles, except for schools, which are part of the Los Angeles Unified School District. County-administered services operating in both city and unincorporated areas include welfare (Dept. of Public Social Services) and recreation (Dept. of Parks and Recreation). In the unincorporated areas, the county also provides street maintenance (Dept. of Public Works), police protection (L.A. County Sheriff), health



services (Dept. of Health Services), housing (L.A. County Housing Authority), and fire protection (L.A. County Fire Dept.). Within the cities of Los Angeles, Compton, and Gardena, these services are administered by their respective city governments. As a whole, the corridor area is not lacking in physical public facilities as much as it is in programmatic and financial support and an effective transportation network to increase access to existing services. This is particularly true for schools and recreation, which are having problems maintaining existing facilities in the face of increasing vandalism, declining enrollments, and budget reductions. As the effects of Proposition 13 and newly proposed federal budget cuts continue to strain local government budgets and staff, the quality of public services will decline, especially in the face of increasing demand. Another aspect of this decline is the general reduction of both the residential and commercial tax base that is necessary to support some portion of the cost of services.

### **Commercial/Industrial Development**

In 1980 building permit data show a low level of investment in new commercial and industrial facilities. Even though the dollar amount of construction permits exceeded that of demolition permits by \$9.5 million, there were more demolition permits issued, suggesting disinvestment and possibly land speculation. The permit value of total construction in the corridor was only one twentieth of that in the CBD, with most of the difference accounted for in the area of office construction (see Table 3.7). By contrast, 1979 corridor employment was 63 percent of CBD employment. Manufacturing investment in the corridor was only slightly behind that of the CBD, but that is minimal considering the geographic area and existing industrial zoning and infrastructure. Most of the retail construction activity is in the Exposition Park area, in the vicinity of USC, indicating that few new retail establishments are under construction throughout the rest of the corridor. Most of these are fast food restaurants.

Over the last ten years, there has been a consistent loss of chain grocery markets in particular, in addition to other retail services. In touring much of the corridor, there is a glaring lack of food and convenience goods in most low income neighborhoods. Overall, the corridor had considerably more dollar loss in demolition of commercial facilities than the CBD, with over three times the number of demolition permits being issued. These permit data show both that the corridor is not experiencing a level of financial investment proportional to existing employment, and that, in fact, there is a negative trend indicating some disinvestment in facilities.

Among the efforts to reverse this situation are the city-sponsored Vermont-Slauson Shopping Center Project at the intersection of those two streets and the Watts Shopping Center Project (117,000 square feet) at 103rd Street and Compton Avenue, both under construction. The Watts Shopping Center is being developed by Economic Resources Corporation (ERC) of Lynwood, a community-based development firm. Both projects are designed to serve neighborhood retail and service needs by providing a variety of goods and professional and public services, including food markets, clothing stores, restaurants, general household items, banks, and branch post offices, among others. One of the concepts behind these projects is to centralize goods and services now dispersed or non-existent in many neighborhoods and to provide space for resident merchants. These development activities are part of a larger effort to stimulate

further public and private investment in the South Central and Southeast areas and to help stem the trend of decline.

**TABLE 3.7  
NEW CONSTRUCTION AND DEMOLITION  
IN DOWNTOWN LOS ANGELES AND THE  
HARBOR FREEWAY CORRIDOR, 1980**

	L.A. Central Business District		Harbor Freeway Corridor	
	<u>No. of Permits Issued</u>	<u>Construc- tion Cost</u>	<u>No. of Permits Issued</u>	<u>Construc- tion Cost</u>
<u>New Construction</u>				
Manufacturing	3	\$373,000	4	\$362,500
Office	13	204,329,000	7	2,739,000
Retail	5	3,708,500	19	7,084,200 <sup>a</sup>
Total	<u>21</u>	<u>\$208,410,500</u>	<u>30</u>	<u>\$10,185,700</u>
<u>Demolition</u>				
Manufacturing	1	\$25,300	2	\$1,300
Office	2	45,201	6	48,600
Retail	7	123,610	24	680,060
Total	<u>10</u>	<u>\$194,111</u>	<u>32</u>	<u>\$729,960</u>

a. Most activities in Exposition Park.

Source: Los Angeles City Building and Safety Use Report, 1980.

ERC is also the developer of Watts Industrial Park, a 600,000 square foot complex on Alameda Avenue near Imperial Highway at the southeast corner of the study area. This successful project has provided manufacturing, warehouse, and office space for a variety of large and small businesses and was recently expanded to include a new 64,000 square foot building. ERC hopes to continue its expansion, providing additional space for industrial users and helping to stimulate investment and job creation.

While local hiring is not a condition of tenancy, ERC provides assistance in obtaining jobs for corridor residents through its Employment Coordinator function. This office, funded by the State Employment Development Department, facilitates contacts between local employment agencies and tenants, making sure that significant numbers of local residents are interviewed. This office has been in existence less than one year, but has had considerable success with recent new tenants, according to the Executive Director.

Additional impetus to commercial revitalization may be added to the unincorporated areas of the corridor by a Community Business Revitalization Program being undertaken by the County Department of Community Development over the next three to

five years. This program would provide a variety of aids and incentives to local merchants to improve their properties and business operations, in conjunction with local banks. This project seeks to leverage private investment through use of federal block grant funds administered by the county.

### Housing

In most of the corridor, the number of housing units has declined from 1970 to 1977, and much of the existing stock is substandard and in need of moderate to major repair. Median home values are lower than those for the city and county, and the percentage of units that are renter-occupied is dropping. Due to differences in time and methodology of data collection, data on housing in city areas and county unincorporated areas are not strictly comparable, but Table 3.8 shows similar patterns throughout the corridor. A 1980 study of rental housing in the City of Los Angeles reports a citywide vacancy rate of .82 percent for multi-family housing, but only .43 percent for the South Central area, which includes a substantial portion of the corridor.

**TABLE 3.8  
HOUSING STATISTICS BY PLANNING AREA, 1970 AND 1977<sup>a</sup>**

	Total Units		Percent Multi-Family		Percent Renter Occupied		Percent Vacant
	1970	1977	1970	1977	1970	1977	1977
City of Los Angeles							
South Central District	91,589	77,733	46.6	46.6	65.7	59.1	0.43
Southeast District	75,888	61,192	36.8	36.3	68.2	61.0	0.70
Compton	9,226	—	8.3	—	29.8	—	4.4
Gardena	7,110	—	49.4	—	57.1	—	—
		<b>1979</b>					
Unincorporated Areas							
Florence/Firestone	13,640	13,196	—	—	62.5	—	3.2
Athens/Westmont	14,484	12,206	—	—	40.8	—	1.5
Willowbrook	9,346	9,614	—	—	40.8	—	—
City of Los Angeles	2,811,801	—	47.8	50.2	59.1	57.4	0.82

Sources: City of Los Angeles, Community Development Department, Population, Employment, and Housing Survey, 1977; Los Angeles County Department of Regional Planning, Quarterly Bulletin No. 143, February 1980; Institute of Social Science Research, Rental Housing in the City of Los Angeles, 1980.

Clearance for the proposed Route I-105 (Century Freeway) has taken a significant toll on the housing stock in the Willowbrook area in particular. Uncertainty caused by lengthy court litigation of the Century Freeway Project has contributed to instability and decline in the housing market. The preponderance of families in lower income brackets throughout the corridor dictates the need for subsidized housing, which few developers have any interest in producing. The advent of the Century Freeway Housing Replacement Program will help to begin to replace some of the lost housing stock, but the increase in the Hispanic population and loss of units due to deterioration has increased the demand for housing beyond the capacity of that program. If the Watts Labor Community Action Committee (WLCAC) is successful in developing the Gilbert Lindsay Green Project on the Goodyear site in the Southeast District of the city, it will be the largest single subsidized housing development in the corridor since the construction of Ujima Village in the Willowbrook area in 1970. The project could house up to 3,000 individuals, and would include a two-acre industrial park and a four-acre recreation area. However, in the context of corridorwide housing needs, that development barely scratches the surface of increased subsidized housing demand.

While most community representatives support the concept of the Century Freeway Housing Replacement Program, many believe that housing must be accompanied by commercial development and that mixed use projects may be the most desirable way to meet housing and employment needs.

Analysis of housing characteristics confirms that the housing situation in most sub-areas of the corridor has worsened in comparison to the city and county, with median home values that have increased negligibly in relation to the general boom in housing values throughout the Los Angeles area and median rents that have increased more rapidly than income. Although data on housing conditions in the South Central and Southeast districts are difficult to compare between 1970 and 1978, the indication is that the number of unsound and substandard units has increased considerably, which is consistent with general disinvestment trends and decline in financial resources for maintenance and repairs. When 1980 census data on housing become available, it will most likely reaffirm these patterns and the critical nature of housing problems throughout the corridor. The rapid increase of the Hispanic population has put additional strain on the existing housing stock, and without additional major investment in housing, the gap between housing demand and supply will widen as this population in particular continues to increase. In addition to the problems of providing housing are problems of affordability by lower income residents and the lack of financial resources to become owner-residents.

### **Crime<sup>1</sup>**

Like many "depressed" areas, the corridor is generally perceived as a high-crime area, although the kinds of crime that are of greatest concern differ both according to location within the corridor and depending on who is considering crime problems.

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<sup>1</sup>Crime data discussed here are for Part I crimes only. These include the more serious crimes of homicide, rape, assault, robbery, burglary, larceny, and auto theft.

Crimes against property, which are part of what concerns business owners making real estate development and business location decisions, include reported Part I crimes (such as burglary, larceny, and auto theft), unreported Part I crimes (such as shoplifting or employee pilferage that is not reported), and crimes such as vandalism, which are not serious crime index offenses and are often not reported to police. Data for the Special Impact Area show a mixed pattern in reported Part I crimes—higher incidence rates of burglary and auto theft than citywide and lower rates for larceny. Discussions with real estate developers and property managers in the corridor indicate that "impressionistic" distinctions are made about distinct areas in the corridor—with one area viewed as a high burglary risk area and another area viewed as a relatively burglary-free area plagued by vandalism. Unreported larceny by retail customers and employees is said to be reason for abandonment of corridor location by some major chain stores, but it is also widely viewed as a management rather than a location problem.

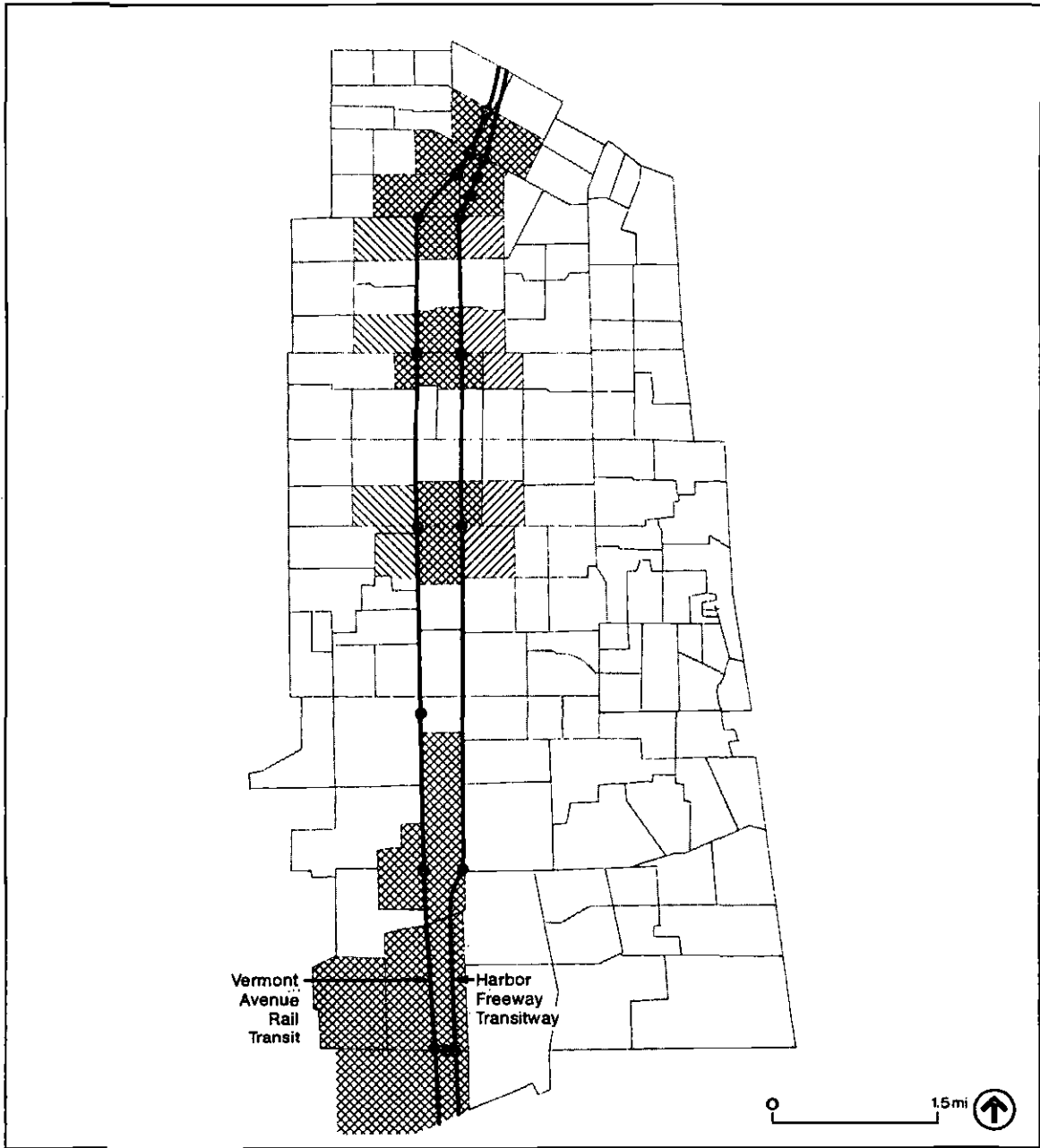
Crime against persons is an even more serious part of the corridor's "image," in which the Special Impact Area—the eastern part of the corridor—has rates of homicide, rape, robbery, and aggravated assault roughly twice the citywide average. Much of this crime is inflicted on street pedestrians; in most instances, on strangers. The threat to residents, to retail customers, and to employees in the corridor, when compared to the relative threat elsewhere, is a genuine obstacle to revitalization of the corridor, but it is an obstacle that may be at least partly surmounted by efforts to employ corridor residents—especially unemployed teenagers.

### **STATION AREA PROFILES**

Station area profiles were prepared to illustrate demographic trends and projected population and employment. The geographic subareas selected for these profiles are shown in Figures 3.3 and 3.4. Census tract information was used to determine changes in population and ethnic composition of station areas between 1970 and 1980, while subarea projections prepared for the Los Angeles Area Regional Transportation System (LARTS) modeling effort show anticipated conditions.




Since 1970, station area population has increased 1 percent in the Harbor Freeway corridor, from 104,388 to 105,424, while it has decreased 2.8 percent in Vermont Avenue tracts, dropping from 104,001 to 101,134. As is evident from Table 3.9, the 1980 population in tracts tributary to Harbor Freeway stations is about equal to the population adjacent to Vermont Avenue stations. In the Jefferson-Santa Barbara and Slauson station areas, a Vermont alignment has a slightly smaller tributary population than a Harbor Freeway alignment, while the reverse is true for Manchester station options. This difference is due mainly to the size and location of census tracts and should not be taken as an indication of ridership potential.

The ethnic composition of the station areas changed markedly between 1970 and 1980, as the Hispanic population in the corridor increased. In the Jefferson-Santa Barbara station area, the Black population decreased by about one-third, while the Hispanic population more than doubled. In the Slauson and Manchester station areas, changes in the proportion of the population that is Black were not as great, and in the Rosecrans station area, the Black population increased by nearly 40 percent. Increases in the White population only were evident around the Vermont/Jefferson-Santa Barbara stations, due mainly to USC, and around the Rosecrans station.



Source: Blayney-Dyett, The Planning Group, U.S. Census Bureau

**Figure 3.3**  
**STATION AREAS**  
**BASED ON**  
**CENSUS TRACTS**

- LEGEND**
-  Harbor Freeway Station Area Tract
  -  Vermont Station Area Tract
  -  Station

**TABLE 3.9  
POPULATION AND ETHNIC COMPOSITION  
OF STATION AREAS, 1970 AND 1980<sup>a</sup>**

<u>Station</u>	<u>Total Popu- lation</u>	<u>Harbor Freeway Percent Distribution<sup>b</sup></u>			<u>Total Popu- lation</u>	<u>Vermont Avenue Percent Distribution<sup>b</sup></u>		
		<u>White</u>	<u>Black</u>	<u>Hispanic</u>		<u>White</u>	<u>Black</u>	<u>Hispanic</u>
<b>Jefferson- Santa Barbara</b>								
1970	29,644	18.6	61.2	16.0	25,593	21.2	56.8	17.3
1980	34,858	15.6	42.1	38.3	30,283	24.3	41.8	35.8
<b>Slauson</b>								
1970	15,416	3.6	90.3	8.3	14,536	3.6	90.6	6.8
1980	13,419	2.2	81.2	17.8	12,444	2.0	87.1	12.1
<b>Manchester</b>								
1970	21,380	3.8	89.3	5.9	22,964	6.3	85.3	7.1
1980	20,377	0.7	83.5	15.2	21,637	1.5	85.8	12.0
<b>Rosecrans</b>								
1970	11,749	19.9	24.7	19.9	11,749	19.9	24.7	19.9
1980	12,349	22.6	33.2	25.9	12,349	22.6	33.2	25.9
<b>Artesia</b>								
1970	26,159	49.9	8.4	16.6	29,159	49.9	8.4	16.6
1980	24,421	35.5	2.9	21.7	24,421	35.5	2.9	21.7

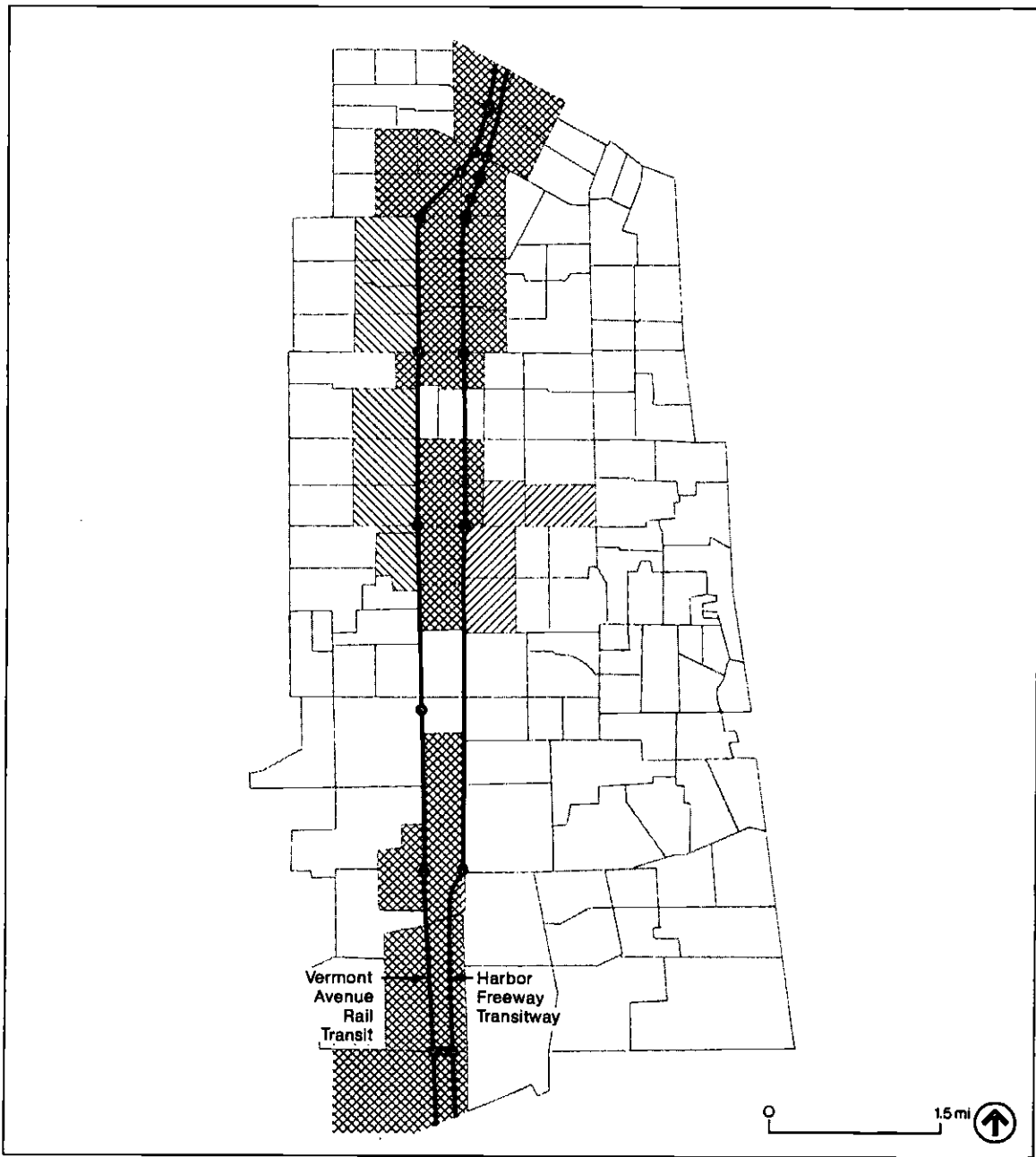
a. Based on census tract data, see Figure 3.3.

b. Does not total 100.0 because individuals of Spanish descent also may be included in other categories. Differences between 1970 and 1980 census procedures also affect comparisons over time.

Source: U.S. Bureau of the Census.




Looking ahead, little change in station area population and employment is projected for 1995, according to Caltrans' LARTS model (see Table 3.10). These estimates do not reflect any increases in population or employment attributable to joint development or development induced by transit, thus they represent conservative, baseline forecasts.

Overall, Harbor Freeway station areas have a 1995 tributary population of 115,370, an increase of 1.2 percent over the 1979 estimates. Tributary employment is 72,830, up 2.9 percent from 1979 estimates. The Vermont Avenue stations would serve 5,530 more people in the tributary zones (4.8 percent) but 5,600 fewer jobs, a decrease of 7.9 percent.



Source: Blayney-Dyett, Caltrans

Figure 3.4  
 STATION AREAS  
 BASED ON LARTS  
 TRAFFIC ZONES

- LEGEND**
-  Harbor Freeway Station Area Zone
  -  Vermont Avenue Station Area Zone
  -  Station



**TABLE 3.10  
PROJECTED CHANGES IN POPULATION AND EMPLOYMENT  
IN STATION CATCHMENT AREAS, 1979-1995<sup>a</sup>**

<u>Station</u>	<u>Harbor Freeway</u>		<u>Vermont Avenue</u>	
	<u>Population</u>	<u>Employment</u>	<u>Population</u>	<u>Employment</u>
<b>Adams/Figueroa</b>				
1979	10,318	25,400	10,318	25,400
1995	11,130	26,900	11,130	26,900
<b>Jefferson/Figueroa</b>				
1979	15,898	19,100	15,898	19,100
1995	15,790	18,920	15,790	18,920
<b>Exposition</b>				
1979	15,898	19,100	15,898	19,100
1995	15,790	18,920	15,790	18,920
<b>Santa Barbara</b>				
1979	15,898	19,100	18,734	13,500
1995	15,790	18,920	18,830	13,690
<b>Slauson</b>				
1979	15,823	4,050	16,398	3,550
1995	15,830	4,500	16,360	3,950
<b>Manchester</b>				
1979	42,218	7,650	43,742	7,600
1995	41,630	7,660	43,590	7,840
<b>Rosecrans</b>				
1979	12,446	4,100	12,446	4,100
1995	12,990	4,270	12,990	4,270
<b>Artesia</b>				
1979	17,334	10,450	17,334	10,450
1995	18,000	10,580	18,000	10,580

a. Based on LARTS traffic zones, see Figure 3.4.

Source: Caltrans, Los Angeles Regional Transportation System (LARTS) Model.

The areas around proposed station locations lie within some of the poorest and physically deteriorated neighborhoods of the corridor. From the Jefferson station area to the proposed Century Freeway, the predominant character is that of older residential neighborhoods, mostly single-family, but also with a considerable number of two- to eight-family structures. While many homes are well maintained, the bulk are in need of repairs, and the wear and tear of overcrowding is apparent. For much of the length of the corridor, these residential areas directly abut the freeway right-of-way.

Commercial facilities are also suffering from physical deterioration, and convenience shopping is minimal between major thoroughfares. In many cases, industrial buildings are in the best condition, supporting the contention that development in that sector may be at the expense of residential areas. Increasing job opportunities is a positive trend on one hand, but it is obvious that without substantial improvements in housing and retail services, development over the long run will be imbalanced.

Housing data for all station areas except Manchester reflect a loss of units, most of which were single-family. It is likely that most of this loss has been due to deterioration, although some may be attributed to expansion of industrial facilities. Again, the loss of housing units in conjunction with population increases in some areas indicates more overcrowding and more rapid deterioration. As a whole, the demographic patterns in the station areas are consistent with those of the corridor, and the most critical community needs also tend to cluster around housing, service provision, and general physical upgrading. With numerous clusters of industrial development around several locations, employment opportunities may not be as critical as in other parts of the corridor, but presence does not guarantee access by local residents.

### **SUMMARY OF COMMUNITY NEEDS**

Most neighborhoods in the corridor are locked in an apparent cycle of decline that can only be reversed by substantial amounts of public and private investment. While it is obvious that there are needs in every aspect of community development and service provision, the most immediate needs are for basic services such as job training and placement, income assistance, and improved access to health care and other public services. The declining economic status of many corridor residents compared to the City of Los Angeles and Los Angeles County points to conditions requiring long-term strategies for improvements.

This scenario is complicated by the fact that a large percentage of the lower income families are Hispanic, many of whom are undocumented, lacking in basic education, and faced with a language barrier. While the need for publicly provided services among this population is great, they often do not receive them for the previously mentioned reasons. The inability of large portions of the population, both Black and Hispanic, to overcome social and financial barriers has obvious implications for increased crime and perpetration of negative trends. In this context, joint development can play an important role by fostering opportunities for mixed-use development that meets both housing and employment needs. These should include programs to ensure that corridor residents have maximum access to new housing and jobs and corridor businessmen can participate in commercial and industrial joint ventures. Based on the statistical analysis and key informant interviews, the following community needs have emerged as important and should be recognized in designing and implementing a joint development and value capture strategy for the corridor.

#### **General Community Needs**

- Priorities for action are unemployment, crime, housing, and social services.
- Community development programs need to relate to the special needs of lower income, Spanish-speaking, and elderly households in the corridor.

- Demand for public services such as health care, education, job training, income assistance, and counseling services is likely to increase.
- Infrastructure improvements should be accompanied by service and program improvements in order to have any significant impact on corridor residents. Thus the need is for integrated housing and industrial, commercial, and social planning; any joint development projects must take place in this context.
- A flexible approach to mixed use development that examines trade-offs in benefits to corridor residents is necessary. Such trade-offs may include zoning changes to allow for job-creating development, negotiation of public improvements along with private investment, or other strategies for matching developer interests with community needs. Trade-offs in residential displacement may be acceptable under certain conditions, provided that there is a substantial benefit in other development and adequate relocation assistance.
- Any joint development projects should provide for maximum minority participation in all phases of work.
- Joint development projects should support existing community development efforts and, where possible, work through established community-based organizations.

### **Health and Social Services**

With the higher incidences of disease, poor nutrition, and environmental health hazards in poor communities, the most immediate health need is for improved consumer information programs concerning emergency as well as preventive health measures.

- The varying quality and range of services offered at different facilities, particularly health care operations, indicates a need for better service delivery coordination and more efficient use of existing facilities.
- Special needs groups such as the handicapped, unwed and teenage mothers, the elderly, etc. require a greater level of programmatic support and education information dissemination.
- Improved transit can increase residents' access to existing services; new facilities should be located within transit corridors.

### **Housing**

- Substantially more housing is needed, both to replenish stock lost to deterioration and to meet increased demand.
- Given the increasing deterioration of the existing housing stock, measures to improve and repair these units are needed to minimize loss.

## **Employment**

- Job-creating development is critical to any community upgrading effort because it is the only way that residents can make investments in housing and attract needed commercial development.
- As high unemployment rates, particularly for youth, continue to exist, both the dependent population and crime rate can be expected to increase. Job training and counseling will be critical for addressing these problems.
- Some opportunities for joint development may lend themselves to promoting job-creating development, such as offices and light industry. However, the type of unskilled and semi-skilled jobs needed by a substantial portion of the unemployed population, especially youth, may not be provided by such development.

## **Crime**

- Higher crime rates imply a greater need for police staffing programs designed to counsel offenders and potential offenders, community programs for crime prevention and self-defense, and physical design to reduce robbery, vandalism, and attacks.
- The increasing incidence of gang crime demonstrates the need for programs aimed at keeping youth in school or employed, as well as other recreational outlets to combat idleness and boredom.

## **Transportation**

- With rising gasoline costs and continued traffic congestion, need for improved service on existing lines and more sophisticated transportation services is likely to increase, particularly for the elderly and handicapped.

Some of the most critical community needs concern better delivery of existing services rather than physical development. However, concurrent investment in mixed-use development that addresses both housing and employment needs should be the priority in joint development efforts. Along with this type of development is the need for programs to assure that area residents have maximum access to new housing and jobs.

## **Harbor Freeway vs. Vermont Avenue**

Although the Vermont corridor option was not fully analyzed in this study, it is clear that there are comparative issues concerning potential ridership and service to the community, development potential, and impact on existing community needs. These issues are presented in order to provide background information for further consideration of the pros and cons of a Vermont alignment versus a Harbor Freeway alignment for rail or bus.

The major and obvious difference between the two corridors is the nature of the physical development. The Vermont corridor is characterized by several miles of older, strip commercial development, with mostly single-family residential areas directly adjacent. The areas adjacent to either side of the Harbor Freeway, however, are more "spotty," having more vacant parcels, less residential density, and more industrial uses interspersed.

The demographics of the Vermont corridor do not vary much from those of the Harbor Freeway corridor. Like most of the other districts within the study area, neighborhoods along Vermont are predominantly Black, experiencing significant rises in the Hispanic population, and suffering from housing and commercial disinvestment. Problems of crime, unemployment, and inadequate services are no different than in the larger area. Also like much of the rest of the study area, those living in the Vermont vicinity tend to be long-term residents, many of whom are owner-occupants of single-family homes.

Arguments for and against the Vermont and Harbor Freeway alignments boil down to what types of secondary and tertiary development would be generated by such an investment and the degree to which each would maximize benefits to the most corridor residents. Construction cost and availability of public funds are also a critical issue, but those costs must be considered in light of the potential increase in the tax base as a result of ancillary development. The desirability of one versus the other is, to a great extent, a function of the attitude one takes toward development in the study area and how needs are prioritized. Community opinion and support for a Vermont Avenue alignment over a Harbor Freeway alignment is not unanimous.

## **4. TRANSIT OPTIONS: IMPLICATIONS FOR JOINT DEVELOPMENT**

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### **INTRODUCTION**

Mode and alignment alternatives for improved transit in the Harbor Freeway corridor have different implications for joint development and value capture because of differences in patronage potential and the location and physical configuration of stations. If more people use the system with one alternative than with others, opportunities for coordinating development to meet their housing, shopping, or employment needs may be greater. Links with other components of the regional transportation system also are important, and the implications of decisions on other proposed improvements need to be considered as well. However, these broader issues have not been addressed in detail in this study. The analysis presented in this chapter is intended to complement but not duplicate Caltrans' Alternatives Analysis being conducted as part of the Harbor Freeway Transit Project.

### **FACILITY AND SERVICE CONCEPTS**

Two options for improved transit service in the corridor were evaluated in terms of joint development and value capture opportunities: a Harbor Freeway transitway and a Vermont Avenue rail extension of the proposed Wilshire line.

#### **Harbor Freeway Transitway**

Design of a Harbor Freeway corridor transitway is not complete; schematic engineering drawings for alternative modes and alignments within the freeway right-of-way represent the status of present planning. While Caltrans' analysis of alternatives is focused primarily on those within the freeway right-of-way, options for service location within the Vermont corridor need to be examined as well to put the freeway transit concept in perspective.

Within the Harbor Freeway corridor, mode alternatives include rail and bus. Rail alternatives require fixed guideway and totally exclusive right-of-way. Bus transit is assumed to share the transitway with other high occupancy vehicles, including other buses, vans, and car pools. Rail alternatives preclude provision of HOV lanes. All alternatives would have on-line stations, except at Artesia Boulevard, where an off-line station is planned on the west side on land formerly reserved for the Artesia Freeway. In the rail alternatives, each vehicle would make each stop, while for the bus alternatives, roadway widening required at stations to allow HOV vehicles to bypass buses would allow buses to skip stops.

All bus alternatives must be designed to rail standards, a criterion that limits station locations to straight sections of the freeway.

Transitway and station locations within the freeway right-of-way are not set at this time; three options are under consideration: (1) above the median, (2) at grade in the median, or (3) above the side slopes of the freeway, splitting north and southbound flows. The Caltrans Stage 1 Evaluation of Transit Alignments presents these alternatives and indicates how each can be handled in freeway sections that are in cut, at grade, and on fill. Table 4.1 summarizes these options.

**TABLE 4.1  
ALTERNATIVES FOR THE HARBOR FREEWAY CORRIDOR**

**Bus Alternatives**

- \*Bus 1. A two-way transitway on a structure elevated over the median in both cut and fill.
- Bus 2. A two-way transitway on a structure elevated over the westerly side slope. This was rejected due to an excessive need of right-of-way and access ramp problems.
- Bus 3. Two elevated one-way structures on the east and west side slopes of the freeway.
- \*Bus 4. A two-way transitway in the median, at grade where the freeway is above the community on berm and on elevated structure where the freeway is below grade in cut.
- Bus 5. A two-way transitway at grade in the median in both cut and fill, with the freeway modified to provide two levels of roadway in cut.
- Bus 6. Same as Bus 3 except that one structure is two feet wider for ultimate conversion purposes. After conversion, one will be used for two-way rail and the other used for peak directional HOV.
- \*Bus 7. Same as Bus 5, with freeway widening as required.
- \*Modified  
Bus 1. A one-way transitway elevated over the median in both cut and fill.

**Rail Alternatives**

- \*Rail 1. Same as Bus 1, with narrower structures.
- Rail 2. A two-way transitway on a structure located over the westerly side slope of the freeway.
- Rail 3. Same as Bus 2, with narrower structures.
- \*Rail 4. Same as Bus 4, with a narrower transitway.
- Rail 5. Same as Bus 5, with a narrower transitway.
- Rail 6. N. A.
- \*Rail 7. Same as Bus 7, with one level of roadway.

\*Selected as final alternatives.

Source: California Department of Transportation, Stage 1 Evaluation of Transit Alignments, Draft, March 1981..

Precise station locations are also not committed at this time. Within the study area, approximate locations are at or nearby the following major cross streets:

- Santa Barbara Avenue (Jefferson-39th-Santa Barbara)
- Slauson Avenue (54th-Slauson)
- Manchester Avenue (Manchester-92nd-Century)
- Rosecrans Boulevard (140th-Rosecrans)
- Artesia Boulevard (on-line, off-line)

Transfers from the Century Freeway transitway would be accomplished at the Manchester Avenue station, with patrons wishing to travel south on the Harbor transitway making a cross platform transfer, while those traveling from the Century corridor to downtown Los Angeles continuing on the same vehicle. Because of the availability of a large Caltrans-owned parcel just west of the freeway along Artesia, this station is considered a good candidate for a large transportation center, mainly for the bus alternatives. Rail options generally include an "on-line" station adjacent to the freeway on the west side with service continuing to San Pedro, but an "off-line" station also is feasible.

### **Vermont Avenue**

The width of Vermont Avenue precludes many of the mode and service options for the freeway corridor, as an above-ground transitway and high occupancy vehicle (HOV) right-of-way could not be accommodated without extensive and expensive right-of-way acquisition and clearance, thus limiting options to below-grade rail or at-grade light rail or bus that would displace existing traffic lanes and be subject to congestion from cross traffic.

For this analysis, the alignment was assumed to be below grade from the proposed Wilshire rail line south along Figueroa Street and then Vermont Avenue to Gage Avenue where it would rise to grade and continue south in the median of Vermont Avenue. Station locations would be at:

Adams Boulevard  
Jefferson Boulevard (or Exposition Boulevard)  
Santa Barbara Avenue  
Slauson Avenue  
Manchester Avenue  
Century Freeway  
Rosecrans Boulevard  
Artesia Boulevard

### **Patronage**

Tables 4.2 and 4.3 present preliminary system patronage and station volume forecasts prepared by Caltrans. Differences between rail and bus are based on differing assumptions about operations in the downtown Los Angeles area and quality of linkages with the Downtown People Mover (DPM) and proposed Wilshire starter rail line. The patronage estimates assume that bus access to downtown is in mixed traffic from Exposition or Adams, only marginally improved from the present operating procedure of Harbor Freeway express buses exiting the freeway at Santa Barbara Avenue.



**TABLE 4.2  
PRELIMINARY HARBOR FREEWAY TRANSIT  
SYSTEM DAILY PATRONAGE ESTIMATES: 1995 WORK TRIPS (TWO-WAY)**

<u>Link</u>	<u>Bus</u>	<u>Rail</u>
CBD-Santa Barbara	55,400	84,000
Santa Barbara-Slauson	52,500	78,600
Slauson-Manchester	52,200	73,800
Manchester-Century Transit Transfer	58,800	75,900
Century-Rosecrans	21,500	23,300
Rosecrans-Artesia	18,400	21,600

Source: Caltrans.

**TABLE 4.3  
PRELIMINARY HARBOR FREEWAY TRANSIT DAILY  
STATION VOLUME ESTIMATES, 1995 Work Trips (Two-Way)**

<u>Station</u>	<u>Bus</u>	<u>Rail</u>
Santa Barbara	12,700	16,600
Slauson	4,600	7,500
Manchester	13,600	18,000
Rosecrans*	4,100	3,100
Artesia*	4,200	4,600

\*Assumes parking.

Source: Caltrans.

Busway options that would continue an exclusive right-of-way to the Convention Center DPM transfer station or to the Figueroa-7th intersection for direct transfer to the Wilshire line could improve potential bus ridership, as would some preferential treatment for the buses throughout a downtown distribution loop (contra-flow lanes, signal preemption, transit streets, etc.).

Whether parking should be provided at stations north of the proposed Century Freeway will be addressed in the Alternatives Analysis as part of the evaluation of station access. At Artesia, a 900-car parking lot is proposed.

System patronage clearly affects potential for joint development activity, particularly for commercial uses at or near stations. The next section presents an analysis of patronage for the Harbor Freeway in comparison with patronage potential associated with a Vermont rail extension from the Wilshire line and its implications for joint development.

## ANALYSIS OF TRANSIT FACILITY AND SERVICE CONCEPTS

### Vermont vs. Harbor Freeway Rail Alignments

As part of a long-range patronage forecasting effort conducted by SCRTD, Barton-Aschman Associates tested three alternatives having rail service on Vermont Avenue, with varying amounts of complementary regional rail coverage. Option A reflects the least rail coverage tested in these three options, Option B represents intermediate coverage, and Option C shows the maximum amount of rail network tested (see Figure 4.1). Other options tested include a busway facility on the Harbor Freeway. In all cases, transit service in the Century Freeway corridor was assumed to complement service in the Harbor Freeway corridor.<sup>1</sup>

Option A contains the least regional rail service of the options containing the Vermont rail line, but it has the highest daily patronage forecasted on the Vermont line (see Table 4.4). Conversely, Option C has the most regional rail service, but has the lowest ridership on the Vermont segment. Total daily rail system patronage, however, increases from 753,000 with Option A to 994,000 with Option C (Table 4.5) because of the increase in regional service provided. The decrease in ridership on Vermont is a result of increased competition or sharing of ridership with lines that did not exist in a prior option. The Vermont corridor Option C 1995 ridership is approximately 25 percent lower than Option A ridership (40,700 vs. 53,300 average daily work trips). Option B Vermont estimates are about 10 percent lower than Option A (49,000 vs. 53,300 daily work trips).

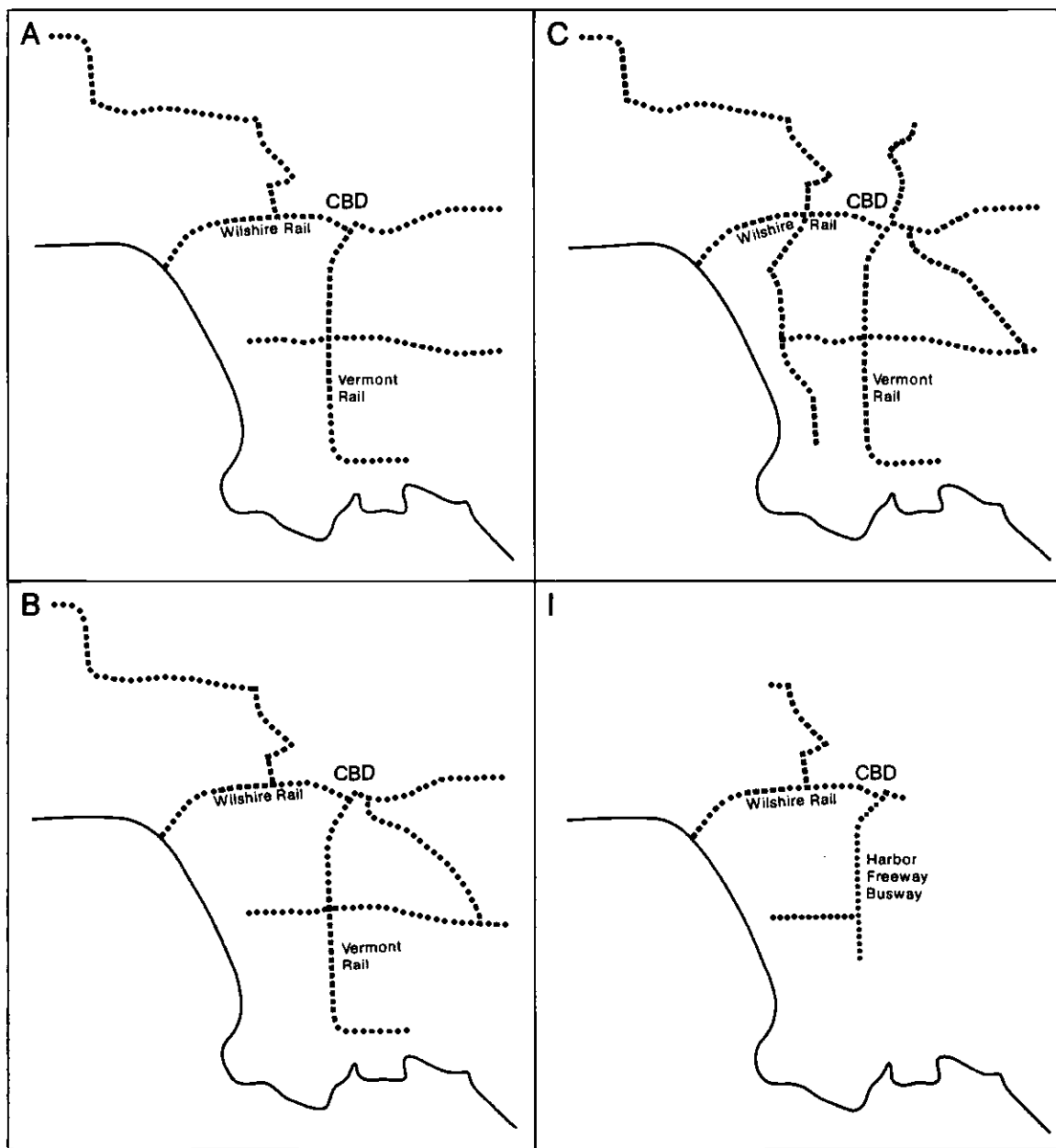
**TABLE 4.4**  
**AVERAGE WEEKDAY TRANSIT WORK TRIPS:**  
**TWO-WAY LINK VOLUMES ON HARBOR FREEWAY**  
**AND VERMONT RAIL ALIGNMENTS, 1995 (000s)**

<u>Link</u>	<u>Harbor Freeway Transitway (Caltrans)<sup>a</sup></u>	<u>Vermont Avenue Rail Transit Options (SCRTD)</u>		
		<u>A</u>	<u>B</u>	<u>C</u>
Figueroa & Adams-Exposition	63.0	53.3	49.0	40.7
Exposition-Slauson	58.9	52.5	48.1	39.7
Slauson-Manchester	55.4	48.7	44.6	35.8
Manchester-Century Freeway	56.9	43.4	39.5	31.3
Century-Rosecrans	17.5	22.7	23.2	22.0
Rosecrans-Artesia	16.2	19.9	20.0	19.7

a. Based on the same transit system and transit fares as used in the SCRTD patronage forecasting model.

Source: Caltrans, Barton-Aschman Associates for SCRTD.

<sup>1</sup>For details, see Barton-Aschman Associates, Technical Memorandum 5, Regional Travel Demand Model Results, prepared for Southern California Rapid Transit District, February 1981.



Source: Barton-Aschman Associates, Blayney-Dyett

Figure 4.1  
 REGIONAL RAIL SYSTEM,  
 1995—OPTIONS

For logical comparisons to be made between the SCRTD patronage forecasts and Caltrans' preliminary patronage estimates, both forecasts were reduced from total average daily trips to a common denominator, average daily work trips (home to work only). Both sources use different assumptions as to the portion of total daily trips that are non-work trips. Caltrans staff have suggested that their preliminary estimates may be 30 percent underestimated. This should be considered in evaluating the following comparisons.

With respect to these work trip estimates, the Caltrans rail alternative patronage estimates compare closely with the SCRTD patronage estimates for the Vermont rail line options. This is particularly the case north of the Century Freeway. South of the proposed Century Freeway, the option-specific patronage figures for the corridor are approximately 26 percent higher than the Caltrans estimates (22,000 vs. 17,500).

Again, it must be stressed that the Caltrans numbers are preliminary and are to be refined in the near future. Also, the vast array of system assumptions made for each alternative are different. The options considered by SCRTD (Figure 4.1) include a varied extent of regional rail service. The Caltrans network assumed only the Wilshire starter line and the Harbor/Century Freeway rail extension as the major transit improvements. Following the reasoning provided in the discussion of the differences in Options A to C ridership, it would appear that the SCRTD numbers should be higher. Counteracting this effect, however, is the higher level of rail service assumed in the Caltrans network (3.5-minute headways as opposed to 6-minute headways).

Station volume comparisons are presented in Table 4.5. The Harbor Freeway station volumes will be reevaluated in the Alternatives Analysis phase of the project.

**TABLE 4.5  
AVERAGE WEEKDAY TRANSIT STATION  
VOLUMES ON HARBOR FREEWAY AND  
VERMONT RAIL ALIGNMENTS, 1995 WORK TRIPS**

<u>Station</u>	<u>Harbor Freeway Transitway (Caltrans)</u>	<u>Vermont Avenue Rail Transit Options (SCRTD)</u>		
		<u>A</u>	<u>B</u>	<u>C</u>
Figueroa/Adams	—	5,200	5,100	5,400
Figueroa/Jefferson	—	3,700	3,800	3,800
Santa Barbara	16,600	7,700	7,600	7,400
Slauson	7,500	6,700	6,600	6,400
Manchester	18,000	9,300	9,300	9,000
Century	—	30,000	27,000	24,000
Rosecrans	3,100	4,700	4,700	3,700
Artesia	4,600	4,700	4,700	4,500

Source: Caltrans, Barton-Aeschman Associates.

## Busway Patronage

The Harbor Freeway busway volumes provided by Caltrans and summarized from a similar SCRTD network (Option I) are shown in Table 4.6. The Caltrans network is generally the same as the Option I network shown in Figure 4.1 and includes the starter line and the Harbor/Century Freeway busway. The average daily work trip patronage estimates compare closely. In the vicinity of Manchester, busway patronage with Option I is 35,600, which is 9 percent less than the Caltrans patronage estimate of 39,100. A divergence appears south of Century where the Option I work trip estimates are significantly less than the Caltrans' projections.

**TABLE 4.6**  
**AVERAGE WEEKDAY TRANSIT WORK**  
**TRIPS: TWO-WAY LINK VOLUMES ON**  
**HARBOR FREEWAY BUSWAY, 1995 (000s)**

<u>Link</u>	<u>Caltrans</u>	<u>SCRTD Option I</u>
Figueroa & Adams-Exposition	41.6	47.9
Exposition-Slauson	39.4	43.8
Slauson-Manchester	39.1	35.6
Manchester-Century	41.1	33.0
Century-Rosecrans	16.1	12.9
Rosecrans-Artesia	13.8	4.0

Source: Caltrans, Barton-Aschman Associates.

Although both sets of work trip figures are estimated on similar networks, there are significant differences in the type of service being provided on the busway. Option I assumes one-seat service—a bus circulates at grade, then enters the busway for the trip to downtown. Caltrans assumes feeder service to the busway, with buses on the busway operating in strictly line-haul fashion. The method of operation assumed by Caltrans requires a transfer at the busway inducing a time penalty for the trip. Specifically, Caltrans assumes an additional 2-minute transfer penalty for freeway transit.<sup>2</sup> Caltrans also assumes shorter bus headways than those assumed in Option I, together with a higher transit fare level. Table 4.7 provides a more detailed summarization of the daily passenger flows as projected for SCRTD in Option I. The values in that table represent total daily work trip activity.

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<sup>2</sup>California Department of Transportation, District 7, Los Angeles Regional Transportation Study Travel Forecast Summary (Series: Report No. 7, December 1980), p. 4.

**TABLE 4.7  
HARBOR BUSWAY PASSENGER FLOW:  
TWO-WAY DAILY WORK TRIPS, 1995 (000s)**

Station Location	Link Volume	Passenger Station Flow			
		On-Board Bus Access/Egress	Boarding	Alighting	Transfer Through Trips
Figueroa/Adams	47.9	—	2.2	2.2	45.1
Exposition	43.8	—	5.3	4.1	41.1
Slauson	35.6	4.8	4.5	2.8	33.7
Manchester	33.0	—	4.5	3.2	27.3
Century	12.9	—	—	—	—
Rosecrans	4.0	4.5	4.6	0.3	3.8
Artesia	—	—	0.1	0.1	4.0

Source: Barton-Aschman Associates.

With neighborhood one-seat service via the transitway to downtown, it appears that bus service can attract about the same ridership as rail and serve both in-commuters and out-commuters. North of Century Boulevard, the four busway stations would attract 10,650 residents, 2,400 riding buses entering the transitway, and 8,250 who live within walking distance, transfer from a local bus stopping at the station, or are dropped off. Those riding freeway transit buses to work in the corridor total 6,150. This compares with in-commuters and out-commuters on the Vermont rail lines of 6,050 and 10,250 (see Table 4.8).

#### **Car Pool Ridership on the Harbor Freeway Transitway**

Caltrans' estimate of 1995 HOV lane usage appears reasonable (see Table 4.9). Several factors combine to cause the increase in freeway vehicle volume. First, if the Harbor Freeway alignment contains rail, there would no longer be an exclusive HOV facility for car pools. This forces all car pools onto the existing freeway lanes. Absence of the exclusive facility eliminates two strong incentives for car pooling. The time-savings achieved on the guideway are lost—the car pools would be operating with the rest of the freeway travelers. In turn, the higher vehicle occupancies encouraged by the HOV requirement of three or more occupants are no longer rewarded. Since no timesavings will result from higher vehicle occupancies, the vehicle occupancies naturally drop. Consequently, the same number of people traveling by automobile will occupy more vehicles.

**TABLE 4.8  
COMPARISON OF PASSENGER FLOWS:  
TWO-WAY DAILY WORK TRIPS, 1995 (000s)<sup>a</sup>**

<u>Station Location</u>	<u>Vermont Rail (Option A)</u>			<u>Harbor Transitway (Option I)</u>		
	<u>Boarding</u>	<u>Alighting</u>	<u>Total</u>	<u>Boarding</u>	<u>Alighting</u>	<u>Total</u>
Figueroa/ Adams	3.0	2.2	5.2	2.2	2.2	7.3 (12.1)
Figueroa/ Jefferson	2.0	1.7	3.7	—	—	—
Santa Barbara <sup>b</sup>	4.6	3.1	7.7	5.3	4.1	9.4
Slauson	4.6	2.1	6.7	4.5	2.8	7.3
Manchester	6.3	3.0	9.3	4.5	3.2	7.7
Century	21.3	8.7	30.0	N.A.	N.A.	N.A.
Rosecrans	2.5	2.2	4.7	4.6	0.3	4.9 (9.4) <sup>c</sup>
Artesia	2.4	2.3	4.7	0.1	0.1	0.2

- a. Divide by 2 to obtain number of out-commuters (boarding) or in-commuters (alighting).
- b. Exposition assumed for Harbor Freeway transitway.
- c. Includes trips on buses entering or exiting the transitway.

Source: Barton-Aschman Associates.

**TABLE 4.9  
PROJECTED VEHICLE VOLUMES ON  
THE HARBOR FREEWAY TRANSITWAY:  
TWO-WAY PEAK VOLUMES, 1995**

<u>Link</u>	<u>Bus/HOV Alternative</u>		<u>MRT Alternative</u>		<u>LRT Alternative</u>	
	<u>Transit- way<sup>a</sup></u>	<u>Free- way</u>	<u>Transit- way</u>	<u>Free- way</u>	<u>Transit- way</u>	<u>Free- way</u>
Route 10 - Slauson	80/1,430	13,160	17	14,450	22	14,650
Slauson - I-105	80/1,060	12,390	17	13,300	22	13,500
I-105 - Artesia	42/450	9,660	8	10,000	10	10,150

- a. Number of buses/number of high occupancy vehicles (HOVs).

Source: Caltrans.

The reduction in occupancy is further exacerbated by replacing the HOV lane by rail. The transit and shared-ride modes often compete for a similar passenger market. In the case of rail, the transit mode has increased desirability. At the same time, ride-sharing has become a much less attractive mode due to the loss of the benefits from the HOV lane. Thus, rail transit captures a portion of the disgruntled car/van poolers.

The extent to which the transit (especially rail) and shared-ride modes compete in the ridership market is not explicitly known. Until more detailed, case-specific information is available, it should not be assumed that an HOV component is necessary to render the Harbor Freeway transit viable. It also appears (from the Caltrans peak-hour vehicle volumes) that the HOV provision, along with bus transit on the guideway, results in less freeway congestion than the rail options. In this case, HOV and bus transit were tested together and their relationship is implicit in the results provided. Because this relationship has been simulated, it can be said that it is advantageous and workable for HOVs to use the busway.

The indirect benefits of reduced freeway congestion are important for joint development because overall accessibility in the corridor may be greater. Businesses seeking sites for expansion or relocation may be attracted to the corridor if freeway congestion is marginally lower. Although the number potentially affected cannot be estimated, the fact that a differential impact might exist is important to recognize.

It is our understanding that whatever happens on the Harbor Freeway also happens on the Century Freeway. If this did not hold and rail service were to be implemented only on the Harbor Freeway, the HOV component of the Century Freeway would be, of course, of limited usefulness.

### **Effects on Other Corridors**

With either a Harbor Freeway busway or a Vermont rail alignment, transit ridership will shift from Crenshaw Boulevard to the Harbor Freeway; specifically, a 50 percent decrease in present transit ridership on Crenshaw as a result of the busway. The shift from Crenshaw onto the Harbor Freeway represents only a very small portion of the increase in ridership on the Harbor.

The rail option illustrates further reductions in transit ridership on Crenshaw—approximately 70 percent. In this option, rail on Vermont carries 30 percent more riders than the busway. These shifts are expected because of the better parallel service.

While patronage estimates drop on Crenshaw and other north-south bus routes, it can be expected that the east-west routes will gain ridership. The east-west ridership gain will be the result of buses traveling to the busway or rail line. Similarly, ridership on specific portions of the Crenshaw route (particularly near a rail station) may show significant increases.

The impact on off-peak ridership would be much less significant, if it would occur at all. Unfortunately, in the absence of a regional non-work model, it is not possible to estimate the magnitude of these effects.



## **Increases Over Current Transit Ridership**

The patronage estimates developed in Option I were compared with actual SCRTD screenline volumes, reflecting actual ridership on bus lines in the corridor. The current information available from Caltrans does not contain enough detail to determine patronage on roadways other than the Harbor Freeway.

The busway (Option I) patronage estimate is approximately 20 times higher than current transit ridership on the Harbor Freeway. The Vermont rail option (Option A) predicts ridership 25 times higher than current ridership. This drastic ridership increase is logical, given the timesavings to be encountered through the use of a separate transit facility in combination with a significant increase in level of service.

Ridership increases on the east-west routes also should occur. Specifically, with the Harbor Freeway busway in Option I, ridership is estimated to increase from between 2.5 to 3.0 times the current volume. Under the Vermont rail option (Option A), ridership increases are smaller than in Option I. The volumes on Manchester increase approximately 150 percent, while the Slauson volumes decrease slightly.

The smaller ridership increases for the Vermont rail line also are logical, mainly because there is higher transit service provided now, so increases are not as great.

## **OPPORTUNITIES FOR PHYSICAL AND ADJACENT JOINT DEVELOPMENT**

In both the Vermont and Harbor Freeway corridors, sites with joint development potential were evaluated to determine whether opportunities existed for physically integrated joint development or adjacent development that could be designed to maximize pedestrian access and station area amenities. This part of the analysis focused on the spatial relationships between the sites and the proposed station locations, not the development potential at each site.

For the Harbor Freeway, several of Caltrans' station locations are not compatible with a joint development objective, so alternative locations are suggested. These alternatives also should improve access, as they are centered on intersections rather than being set back.

### **Station Locations and Joint Development Potential**

In the Harbor Freeway corridor, the following station locations are proposed to maximize joint development potential.

**Jefferson-Santa Barbara:** A station at Exposition Boulevard may offer better joint development potential than one at Jefferson, 39th, or Santa Barbara because of the opportunity to integrate physically an office building with a transit station. The drawback to this location is that a station could be converted only with a light rail or an intermediate capacity rail technology because of the freeway curve.

**Slauson:** A station at the Slauson intersection offers better opportunities to serve adjacent development and east-west feeder bus routes than one located to the south at 59th street.

**Manchester Avenue:** A station at the Manchester Avenue intersection offers a better opportunity for joint development than one at 88th Street or 92nd Street or at Century Boulevard.

**Rosecrans:** Since there are no viable opportunities for joint development, a choice between either of the station locations proposed by Caltrans should be made on the basis of cost and transportation service provided.

**Artesia:** The off-line station location, north of Artesia Boulevard between Vermont and Normandie, presents the best opportunity for joint development. Further, if the proposed park-and-ride lot, which is proposed for construction in 1983-85 as part of the Freeway Transit Facility Development Program funded under S.B. 620, is located on this site, a coordinated joint development program can be implemented even before a decision on the Harbor Freeway transitway is made. Current plans call for siting the park-and-ride lot on the southeast corner of the Artesia/Normandie intersection in the same location that the City of Gardena has proposed an elderly housing project. Moving the park-and-ride lot to the north side of Artesia Boulevard could allow this site to be developed for housing, a use compatible with housing to the south.

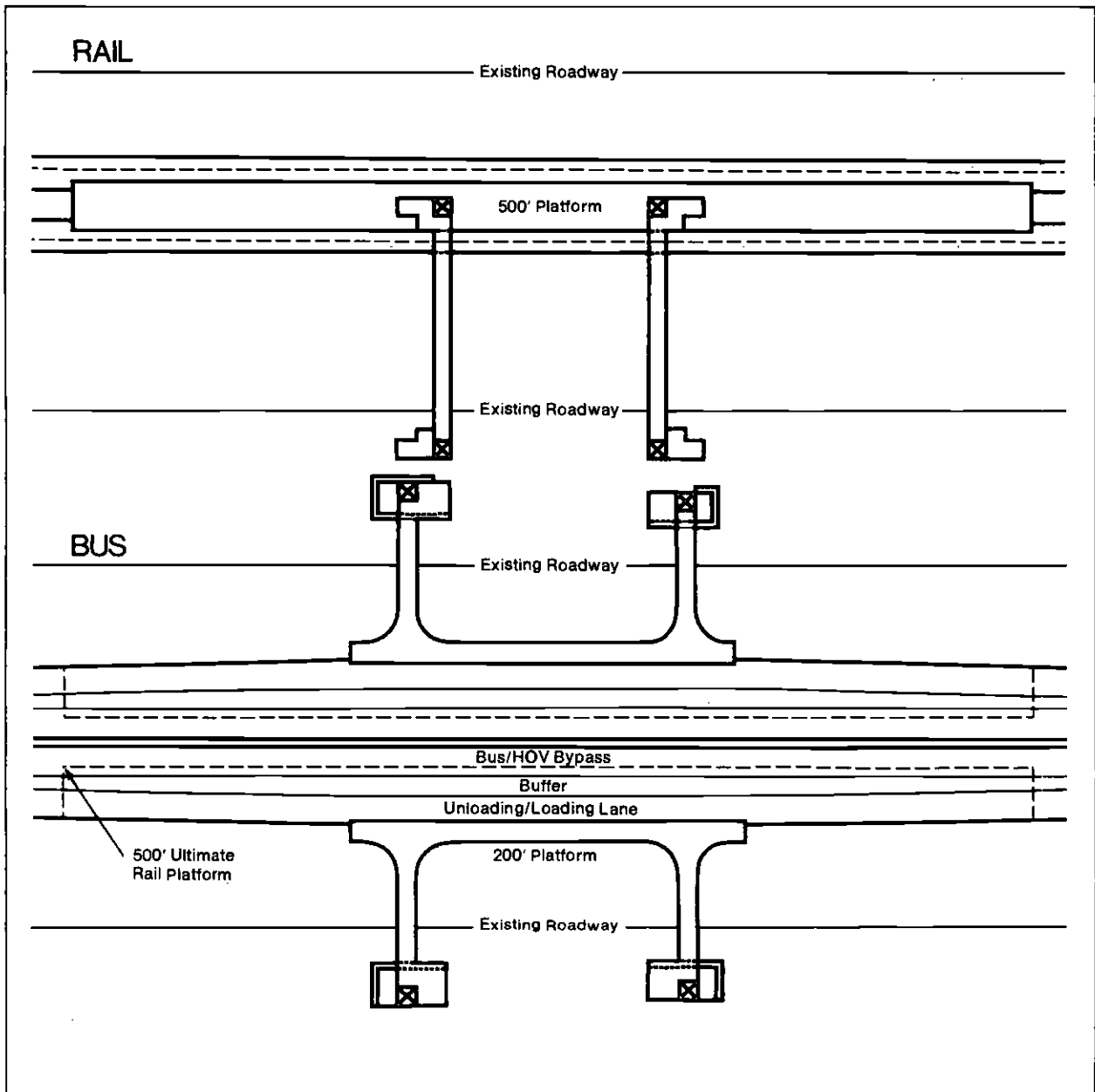
### **Station Configurations and Joint Development Potential**

Caltrans is evaluating two types of stations: a center platform station to be used for rail service and a side platform station that could be compatible with both bus and rail modes (see Figure 4.2). With the bus/HOV option, the side platform station shows access from both sides of the freeway.

From a joint development perspective, the advantage of a center station lies in the potential benefit of a single accessway that brings all patrons through one passage. Retailers would have a captive market that would be much greater than if there were several access points. The disadvantage of a center station is that access from below the freeway, while relatively inexpensive to provide, may preclude physically linked development. With access from side towers, a physical link with adjacent development is possible, including either a pedestrian bridge or, more simply, building entrances and plazas located to permit easy access.

How opportunities for physically integrated development could be realized will be addressed more fully in the site analysis (Chapter 6) and the proposed station area joint development concept (Chapter 7). During implementation, close coordination between those designing the transitway and proponents of joint development projects will be essential to ensure that issues of access, security, and construction scheduling are successfully resolved.

Side stations allow better physical integration with adjacent development and pedestrian access. However, costs of two means of access (two elevators, etc.) probably are higher, and unless there were offsetting benefits such as revenues from airspace leases, side stations may not be justified where center stations would work well. Further, most shopping trips are made in the afternoon, not the morning, but prime opportunity sites at Slauson and Manchester, for example, are located on the east side of the freeway. Assuming most transit riders work in the CBD and elsewhere, they will be leaving the stations on the west side and so are less likely to patronize transit-oriented shops on the east side in the afternoon. With rail, access only is proposed on



Source: Blayney-Dyett, Caltrans

Figure 4.2  
 PRELIMINARY  
 STATION  
 SCHEMATICS

the east side side so joint development could be more feasible than with a bus/HOV-type side station.

## **CONCLUSIONS AND IMPLICATIONS FOR JOINT DEVELOPMENT**

Although the Harbor Freeway rail patronage estimates are somewhat higher than patronage projections for the busway and the Vermont rail option, given the margin of error implicit in any forecasting effort, differences in accessibility offered by the alignment and mode alternatives are not dramatic. Opportunities for walk-in patronage may be greater along Vermont Avenue because of the higher density of residential development. However, rail or bus service in the freeway corridor should attract comparable numbers of people using buses to get to the stations, as demonstrated by the analysis of station volumes and access modes.

Most of the people using improved transit are commuters who work outside the corridor; few have destinations within the corridor itself. However, some stations are projected to have a balanced ridership profile, reflecting a mix of jobs and housing within the station "catchment area." This should enhance joint development opportunities.

Finally, a bus transitway on the Harbor Freeway should be able to attract relatively high patronage volumes, although not equal to the "best" Vermont rail option tested. An added benefit, though, of the bus/HOV concept is a slight reduction in freeway congestion, which could marginally influence business location decisions.

This analysis suggests the following implications for joint development:

- Regional accessibility for corridor residents will not necessarily be maximized with a Vermont rail alignment compared with a Harbor Freeway transitway since station volume projections are similar. This suggests neither alignment or mode—if the choice is between them—will result in a substantial net market benefit for housing within the corridors. However, the bus/HOV option has the greatest positive effect on freeway congestion. This reduction in congestion, in turn, may improve the perception of the corridor as an appropriate location for future office, commercial, or industrial development. Perceived congestion—hence absence of transit or transportation accessibility—has been a frequently cited deterrent to development within the corridor.
- A bus/HOV concept could be linked with an industrial and commercial development strategy. Potential development sites within the corridor that are outside a proposed station's watershed could be linked to the bus/HOV transitway through improved SCRTD feeder service (possibly employing line haul buses from the transitway) or company-sponsored transit service (including van pools that would use the transitway). This opportunity for one-seat service provides more attractive service levels than the rail option, particularly for residents of projects similar to the one proposed for the Goodyear plant site.
- Because of transfer requirements, between rail and the feeder bus service that would distribute commuting rail patrons, rail options (catering to commuters) could offer somewhat greater station area development opportunities for convenience retail than bus options that include "one-seat" service. The "one-seat" service concept diffuses the accessibility gain, weakening the case for transit-oriented housing and retail in close proximity to stations.

- Projected station volumes, particularly with rail but also with the busway, while not high by Wilshire standards, suggest the opportunity for future transit-oriented development of both commercial and residential uses. More detail on access mode and travel time would be needed to determine the value of proximity to a station for commuters, a subject to be addressed in the Alternatives Analysis. (The real estate market analysis points out some of the constraints to realizing transit-oriented residential development opportunities, including security, image, and costs vs. obtainable rents.) The volumes of riders commuting to Exposition and to Manchester may suggest specific opportunities for a station area commercial, office, and retail development project.
  
- Shifting transit ridership from Vermont to the Harbor Freeway corridor need not adversely affect commercial activity on Vermont because the primary beneficiaries of improved freeway transit are long-distance commuters, not local shoppers. The absence of non-work trip patronage, however, limits the conclusions that can be drawn about the effects of mode and alignment options on shopping travel patterns. Nonetheless, increases in east-west bus route patronage and "kiss-and-ride" trips may offer merchants in community and regional shopping districts at Vermont/Manchester, Manchester/Broadway, and Vermont/Slauson with opportunities to capitalize on a transit-oriented market with either rail alignment and, to a lesser extent, with the busway option.

## 5. MARKET ANALYSIS

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The market analysis undertaken for this study focused on housing, retail, industrial, and office development potential in the corridor. The impacts of transit improvements on real estate markets are addressed in general terms in this chapter and, more specifically, in the Site Analysis chapter. An overview of major economic issues and development needs, presented first, will place these findings in perspective.

A fundamental conclusion of the market analysis is that, even with the proposed transit improvements, SCRTD and Caltrans have little to "sell" developers beyond the marginal attractiveness of joint development sites because the market in the corridor is depressed and development opportunities are barely better than competing sites. Further, for housing neither free land nor a reduction in parking requirements will have a significant effect on developers' decisions. On a more promising note, opportunities do exist for feasible development projects in two station areas. At Broadway and Manchester, retail market demand can support a community shopping center, while at Artesia Boulevard, an industrial park could be developed in concert with the transit improvements.

### OVERVIEW

The Harbor Freeway corridor encompasses an area of substantial diversity, of which the majority is typified by an older and deteriorating physical stock, little undeveloped land, and substantial poverty, with most of the associated "inner city" problems.

In the regional context, the corridor is among the more "depressed" sections of the metropolitan area, but is adjoined on three sides by areas showing considerable vitality: the downtown central business district, with substantial office and retail development; the Culver City-Inglewood-Hawthorne area, which is experiencing significant growth in residential, retail, and industrial sectors; and the Torrance-Carson corridor, where industrial growth is important. The fourth side, to the east, is the locus of older industrial development, especially along the southern half of the corridor, from Florence to Compton.

The corridor's location between the major activity centers of the Port of Los Angeles, Los Angeles International Airport, and the central business district gives it an as-yet-unrealized potential for preference in both residential and business location, to which the presence of the University of Southern California and the cultural and recreational facilities of Exposition Park clearly adds.

What the corridor badly needs to capitalize on those advantages, however, is a track record of successful, if modest, efforts to:

- Replenish and augment the housing stock as efficiently as possible in view of the area's constraints, whether by new construction or rehabilitation of existing or move-on structures;
- Capture within the corridor the substantial consumer potential of dense (if, on average, low-income) population by overcoming such obvious barriers to effective retailing as poor security, obsolete building stock, and indifferent merchandising management; and

- Orient industrial development, through the size and type of buildings as well as the coordination of social and business services supporting industry, toward an "incubator" role rather than direct competition with either industrial parks in prime areas or large sites for major manufacturing plants.

Such a track record is only now being built with regard to each of these aspects of the corridor's revitalization. Until it is a firmly established record of success, the corridor will continue to be viewed with skepticism or hostility—or ignored—as a potentially desirable place to live and do business. The participation of SCRTD, Caltrans, or the cities of Los Angeles, Gardena, or Compton in joint development projects in connection with corridor transit improvements can be part of building that initial track record, but the projects cannot be based on the assumption that the "image" of the corridor has already changed.

## HOUSING

The critical issue in housing markets in the Harbor Freeway corridor is price—what can be produced and offered at prices affordable to a fairly poor, slowly growing, and quite stationary market area population.

Further, continuing demolition outpacing construction has been gradually shrinking the housing stock in the area. In the Special Impact Area, for example, the number of housing units declined 4.1 percent between 1970 and 1978. Throughout the corridor, there has been a steady decline in the number of single-family units and a slow growth in the number of multi-family units, the shift occurring at a faster rate than is true of the county as a whole.

Rents and housing values in the corridor vary widely (see Tables 5.1 and 5.2, which present statistics for a larger area depicted in Figure 3.2). Resale units, most between 25 and 50 years old, range in price from \$25,000 to \$55,000, with a typical 45-year-old, three-bedroom house of about 1,450 square feet commanding about \$35,000. Rents average about \$350 a month for a two-bedroom unit, with three- and four-bedroom houses renting at between \$500 and \$600 a month.

Although there has been active development of new, market-rate housing outside the corridor on the western fringe, there has been no such construction (for either sale or rent) within the corridor for several years, and the only prospect for it is in the special case of off-campus student housing northwest of the University of Southern California.

The potentially short-term obstacle of high interest rates has combined with the long-term level of land prices (\$5.50 to \$7.00 a square foot for parcels of 1 to 5 acres—and sometimes more) and rapidly rising construction costs to push the prices at which new construction can be brought on the market far above what demand will support in the corridor. Single-family, detached tract housing of about 1,200 square feet can draw upwards of \$125,000 in good sections of Gardena, for example, but will support prices of no more than \$85,000 to \$90,000 in the area around Pepperdine University's campus at 79th Street and Vermont Avenue (one of the corridor's best residential neighborhoods), despite higher land prices near Pepperdine, reflecting either proximity to the freeway or expectations for higher density development in the core of the corridor. Even in this higher-than-average-income area of the corridor, the extensive presence

**TABLE 5.1  
CONTRACT RENTS IN THE HARBOR FREEWAY AREA**

Major Economic Areas	Median Monthly Contract Rent			Distribution of Total Renter Occupied Units by Monthly Contract Rent—1979*						
	1970 Census	1979* Estimates	Percent Change 1970-1979	No Cash Rent	Under \$150	\$150— \$199	\$200— \$299	\$300— \$399	\$400 and Over	Total
1 San Fernando Valley Area	\$130	\$261	+ 100.8%	2.7%	6.6%	17.1%	38.4%	21.9%	13.3%	100.0%
2 Glendale Area	108	206	+ 90.7	**	14.0	34.2	30.1	16.8	4.9	100.0
3 Pasadena Area	107	209	+ 95.3	3.4	18.0	25.8	32.6	12.3	7.9	100.0
4 Pomona-Foothill Area	113	223	+ 97.3	3.8	9.6	27.9	38.3	16.6	3.8	100.0
5 San Gabriel Area	115	219	+ 90.4	5.7	9.2	26.9	42.6	9.2	6.4	100.0
6 Northeast Area	76	168	+ 121.1	2.7	36.5	29.7	20.3	10.8	**	100.0
7 East Area	59	168	+ 184.7	1.0	28.9	56.7	11.3	2.1	**	100.0
8 Central Area	62	170	+ 174.2	4.1	30.6	38.8	22.4	4.1	**	100.0
9 Wilshire Area	119	198	+ 66.4	7.0	24.3	19.6	30.0	13.0	6.1	100.0
10 Hollywood Area	120	218	+ 81.7	0.6	18.0	26.7	26.2	15.1	13.4	100.0
11 Beverly Hills-Westwood Area	180	403	+ 123.9	4.2	**	2.8	15.5	26.8	50.7	100.0
12 Santa Monica-South Bay Area	139	289	+ 107.9	1.6	5.5	8.5	38.5	27.7	18.2	100.0
13 Adams-Inglewood Area	107	190	+ 77.6	3.2	25.8	26.4	30.9	10.0	3.7	100.0
14 Southeast Area	71	148	+ 108.5	1.3	49.4	24.8	19.7	3.5	1.3	100.0
15 Whittier-Norwalk Area	121	218	+ 80.2	0.8	14.2	26.8	45.3	5.0	3.9	100.0
16 South Coast Area	110	242	+ 120.0	1.0	11.0	18.9	45.1	14.4	9.6	100.0
<b>TOTAL LOS ANGELES COUNTY</b>	<b>110</b>	<b>220</b>	<b>+ 100.0</b>	<b>2.5</b>	<b>17.7</b>	<b>22.9</b>	<b>33.9</b>	<b>14.5</b>	<b>8.5</b>	<b>100.0</b>
17 Orange County	138	281	+ 103.6	1.1	2.8	10.1	44.2	28.0	13.8	100.0
<b>TOTAL LOS ANGELES MARKETING AREA</b>	<b>\$114</b>	<b>\$233</b>	<b>+ 104.4%</b>	<b>2.3%</b>	<b>15.3%</b>	<b>20.8%</b>	<b>35.6%</b>	<b>16.7%</b>	<b>9.3%</b>	<b>100.0%</b>

Note: Data is indicative rather than conclusive.

\* The 1979 estimates are based on data obtained from surveys taken during the year 1978 and the first six months of 1979.

\*\* Less than 0.1%.

Sources: U.S. Census, 1970. Consumer Trend Analysis, Los Angeles Times Marketing Research Department, 1978 and January-June 1979.



**TABLE 5.2  
OWNERSHIP HOUSING VALUES IN THE HARBOR FREEWAY AREA**

Major Economic Areas	Median Home Value			Distribution of Total Owner Occupied Units by Home Value—1979*						
	1970 Census	1979* Estimates	Percent Change 1970-1979	Under \$50,000	\$50,000-- \$64,999	\$65,000-- \$74,999	\$75,000-- \$99,999	\$100,000-- \$124,999	\$125,000 and Over	Total
1 San Fernando Valley Area	\$29,196	\$ 84,861	+ 190.7%	8.7%	13.2%	16.2%	30.2%	10.9%	20.8%	100.0%
2 Glendale Area	28,495	85,484	+ 200.0	14.0	14.0	13.3	20.7	19.3	18.7	100.0
3 Pasadena Area	28,792	81,855	+ 184.3	11.4	17.2	13.3	29.5	10.5	18.1	100.0
4 Pomona-Foothill Area	22,479	68,537	+ 204.9	20.1	23.7	17.5	22.0	7.9	8.8	100.0
5 San Gabriel Area	27,545	77,000	+ 179.5	11.9	16.9	18.7	31.2	9.4	11.9	100.0
6 Northeast Area	} 16,839	54,113	+ 221.4	42.6	27.0	7.8	16.5	1.7	4.4	100.0
7 East Area										
8 Central Area										
9 Wilshire Area	} 35,549	91,667	+ 157.9	16.7	15.5	5.9	17.8	4.8	39.3	100.0
10 Hollywood Area										
11 Beverly Hills-Westwood Area	50,000+	150,000+	+ 200.0+	**	**	**	**	**	**	**
12 Santa Monica-South Bay Area	32,239	129,167	+ 300.7	5.6	2.8	5.6	22.7	12.2	51.1	100.0
13 Adams-Inglewood Area	25,041	66,277	+ 164.7	33.6	14.9	12.2	22.4	7.8	9.1	100.0
14 Southeast Area	15,597	49,063	+ 214.6	51.4	21.4	14.8	6.2	2.9	3.3	100.0
15 Whittier-Norwalk Area	24,032	71,131	+ 196.0	15.4	21.5	21.3	27.1	7.9	6.8	100.0
16 South Coast Area	27,222	81,569	+ 199.6	11.5	17.7	14.0	25.9	11.5	19.4	100.0
<b>TOTAL LOS ANGELES COUNTY</b>	24,272	74,794	+ 208.1	18.0	17.3	15.0	24.1	9.3	16.3	100.0
17 Orange County	27,224	91,190	+ 235.0	6.5	10.5	12.2	32.1	18.2	20.5	100.0
<b>TOTAL LOS ANGELES MARKETING AREA</b>	<b>\$26,748</b>	<b>\$ 79,931</b>	<b>+ 198.8%</b>	<b>15.0%</b>	<b>15.5%</b>	<b>14.3%</b>	<b>26.2%</b>	<b>11.6%</b>	<b>17.4%</b>	<b>100.0%</b>

Note: Data is available only for areas as indicated. Data is indicative rather than conclusive.

\* The 1979 estimates are based on data obtained from surveys taken during the year 1978 and the first six months of 1979.

\*\* Sample size is too small to calculate a distribution.

Sources: U.S. Census, 1970. Consumer Trend Analysis, Los Angeles Times Marketing Research Department, 1978 and January-June 1979.

of graffiti and other signs of vandalism in back alleys provide visible evidence of what depresses demand in the corridor.

The special case of USC affects almost exclusively the part of the corridor northwest of the campus, although in an exchange for use of some low-income units there for housing, the university has participated in development of almost 300 units of subsidized, low-income housing on scattered sites as far south as Manchester Avenue. In its intended expansion area, the university will continue to seek sites as small as half an acre as they become available.

The market for subsidized housing is more active, although current interest rates are effectively forestalling new projects. In this market, there has been a fairly clear distinction in the last several years between the new construction, in which USC has participated, on the west side of the freeway and move-on rehabilitation on the east side. The planned Goodyear site project—with a first phase of 400 condominium units priced at from \$63,000 for two-bedroom units to \$98,000 for four-bedroom units—is the single exception to this pattern, which closely reflects the income disparities between the two areas.

The issue of efficiency in production is an important one, but it is also in flux because of the Reagan administration's proposed economic program. On the one hand, move-on rehabilitation can produce units about 30 percent of the cost of new construction, but an important part of that cost advantage is the ability to use CETA training funds (and trainee rather than Davis-Bacon pay scales) for the labor. The proposed abolition of the CETA program would seriously threaten the housing operations of groups like the Watts Labor Community Action Coalition, which for the last decade has been the most important housing producer in the area. On the other hand, proposed change in new construction subsidy programs would have similar serious effects. While an increase in the tenant share of rent under Section 8 (from 25 percent of income to 30 percent) would make the subsidy stretch further, cutbacks in the total amount of subsidy funds could limit new construction as a source of supply.

An additional policy issue that is relevant to the corridor is that of density. U.S. Department of Housing and Urban Development guidelines for subsidy programs continue to favor low density (15 units per gross acre) for family housing—in the form of two-story walkups. With land prices in the \$5.50 to \$7.00 a square foot range in the corridor, which are relatively high given prevailing housing costs, it is difficult both to find available sites to accommodate 50 to 60 units (the minimum size that can support the essential presence of a resident property manager) and to produce units at reasonable costs.

For the purpose of illustration, a hypothetical schedule of development and financing costs was prepared and compared with an estimate of required rents for a project at considerably higher density—67 units per gross acre—the maximum allowable under R-4 zoning such as exists on about half of the 10-acre potential development site at Manchester Avenue and the Harbor Freeway (see Table 5.3). The hypothetical project is for 335 units of two-, three-, and four-bedroom units (Type V wood frame construction), with an average size of about 1,050 square feet. Parking is in the form of two levels of concrete deck, partially below grade. Costs taken from a standard cost estimating handbook (Moselle) and confirmed by local developers are on the low side for purposes of showing the production costs-demand gap even when costs are tightly controlled. Typical costs may be somewhat higher. Several kinds of incentives are

**TABLE 5.3  
DEVELOPMENT & FINANCING COSTS  
FOR 335-UNIT HOUSING DEVELOPMENT**

	<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot (Net Building Area)</u>
<b>DEVELOPMENT COSTS</b>			
<u>Development costs:</u> *			
392,225 sq. ft. of gross building area @ \$52/sq. ft.	\$20,395,700	\$60,883	\$57.78
Less land cost: 5 acres @ \$7/sq. ft.	(1,524,600)	(4,548)	(4.32)
Less site preparation costs: 5 acres @ \$1.35/sq. ft.	(294,030)	(877)	(0.83)
Less 25% parking waiver: with 325 sq. ft./space @ \$13/sq. ft.	<u>(707,687)</u>	<u>(2,113)</u>	<u>(2.01)</u>
<u>Adjusted development costs</u>	\$17,869,383	\$53,345	\$50.62
<b>FINANCING COSTS</b>			
<u>Debt service:</u>			
80% of adjusted development costs @ 15% for 25 years	2,090,970	6,238	5.92
@ 11% for 25 years	1,600,046	4,773	4.53
<u>Return on equity (ROI):</u>			
@ 18 percent on 20% of adjusted development costs	612,192	1,823	1.73
@ 15% on 20% of adjusted costs	510,159	1,528	1.45
<u>Debt service:</u>			
90% of adjusted development costs @ 13% for 40 years	2,000,975	5,975	5.67
@ 9.5% for 40 years	1,487,739	4,447	4.22
<u>Return on equity:</u>			
@ 18% on 10% of adjusted development costs	306,096	916	0.87
@ 15% on 10% of adjusted costs	255,080	759	0.72

\*Including interest on construction financing.

Source: Richard Grefe Associates.

included in the project—public underwriting of land and site development costs, and a waiver of parking requirements from 2 spaces per unit to 1.5 spaces per unit, as well as the alternative options of Section 221(d)(4), guaranteed financing at lower than market interest rates, and Section 8, rent subsidies.

Development costs per unit (\$60,883) can be reduced 12 percent by providing a cleared site at minimal cost and lowering parking requirements. However, market rents would have to be set at \$674 per month under the most optimistic assumptions about financing costs (11 percent) and the minimum return on investment that a project sponsor would accept (15 percent). With more conservative estimates of financing costs, required monthly rents rise to \$829 without any subsidies. Table 5.4 summarizes the required rents and indicated income levels for market rate and subsidized projects. Comparing these with the distribution of contract rents shown in Table 5.1 and income levels shown in Table 3.4 shows how few residents would qualify without large rent subsidies.

Several conclusions emerged from this analysis:

- At high densities, parking requirements can have a genuine effect on the production costs and may be a useful item for negotiation;
- By far the most significant effect is that of prevailing interest rates;
- The land write-down is significant, but not conclusive in making such a project feasible; and
- Under a considerable range of potential conditions, only significant Section 8 subsidies will make the project reach the typical target market segment, which is at or below the median family income level for the corridor (and hence at or below 80 percent of the regional median).

Current construction of two-story walkup, two- and three-bedroom family housing is experiencing land costs of \$10,000 to \$12,000 a unit (sometimes up to \$20,000 a unit) and hard costs between \$44,000 and \$48,000 a unit. There is no indication that HUD will depart from its density preferences, although developers believe that a move to, say, 30 units a gross acre with three-story, interior corridor, elevator buildings would make production far more feasible. This would enable them to amortize land costs across two to three times as many units, which would obviously help lower costs.

## **RETAIL**

The principal issue in the market for retail space in the Harbor Freeway corridor is whether the area's buying power, which is now effectively captured to a very significant degree by stores outside the corridor, can be served more efficiently by further retail development within the corridor.

**TABLE 5.4  
REQUIRED RENTS AND INCOME LEVELS FOR  
HYPOTHETICAL HOUSING PROJECT**

	<u>Market/Section 8 Debt @ 15% Equity @ 18%</u>	<u>Section 221(d)(4) Debt @ 13% Equity @ 18%</u>	<u>Market/Section 8 Debt @ 11% Equity @ 15%</u>	<u>Section 221(d)(4) Debt @ 9.5% Equity @ 15%</u>
	<u>Per Unit</u>	<u>Per Unit</u>	<u>Per Unit</u>	<u>Per Unit</u>
Required Cash Flow After Financing and Before Taxes*	\$1,823	\$916	\$1,528	\$759
Debt Service	6,238	5,975	4,773	4,447
Operating Expenses	1,391	1,391	1,391	1,391
Required Effective Gross Income	9,452	8,282	7,692	6,596
Adjustment for Vacancy				
- Market	495 @ 5%	—	400 @ 5%	—
- Section 8/221(d)4	95 @ 1%	253 @ 3%	74 @ 1%	201 @ 3%
Required Annual Rent				
- Market	9,947	8,535	8,090	6,797
- Section 8/221(d)4	9,652	—	7,766	—
Required Monthly Rent				
- Market	829	711	674	566
- Section 8/221(d)4	804	—	647	—
Indicated Income Level	\$33,150 - 39,800	\$28,450 - 34,150	\$27,000 - 32,250	\$22,650 - 27,200

\*From "Return of Equity" in Table 5.1.

Source: Richard Grefe Associates.

Figure 5.1 showing the major patterns of retailing in the area reveals:

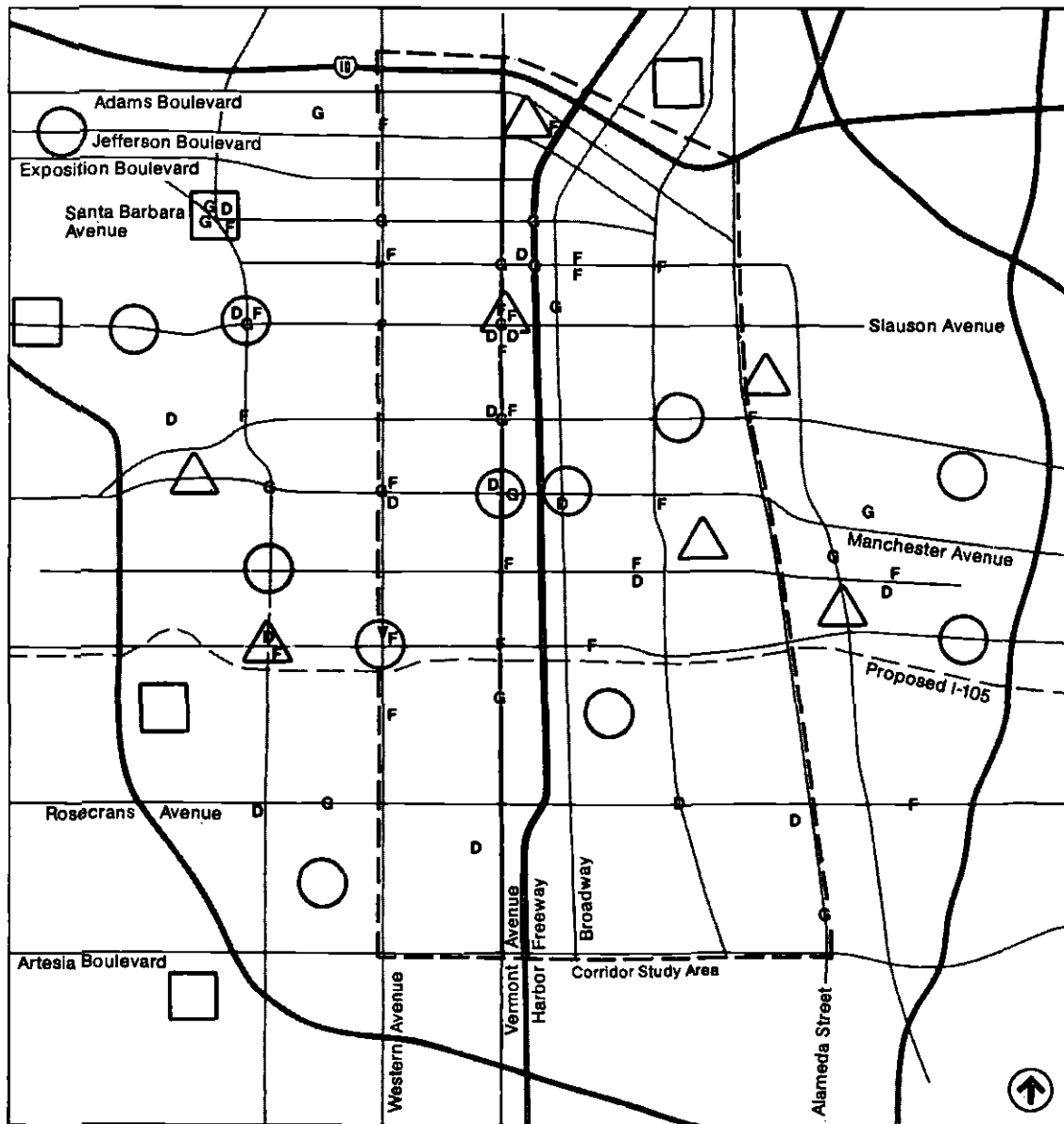
- An absence of major regional shopping centers, which instead ring the outside of the corridor;
- The presence of very few modern neighborhood or community shopping centers; and
- Virtual abandonment of the eastern half of the corridor by even most kinds of convenience stores.

In essence, the corridor is still distinguished by older patterns—individual stores clustered around major commercial intersections (the legacy of the Big Red Cards) and highway strip development, again without integration of individual stores into a unified and synergistic retail center.

There are clearly several reasons for the persistence of these older patterns. The most frequently mentioned reason is crime. The "ring" pattern effectively shifts the greatest exposure to the risk of crime from the retailer and customers at the store to the customers en route to and from the store. Until new retail centers in the corridor prove that they can capture enough activity for tenants to support extra security costs of between 15 and 20 percent of their base rents, there will remain a strong incentive for making customers "bear the costs" alone.

A second reason is the existing building stock and occupancy at most good locations (major intersections) throughout the corridor. The most important potential tenants for new retail space are existing businesses in the corridor, but they are marked, for the most part, by indifferent merchandising and are further hampered by a widespread perception (whether valid or not) that the merchandise itself is inferior. In short, they operate as "marginal" businesses and cannot be expected to look favorably on the typical shopping center rent structure, in which their rents, relative to those of major anchors, are as much as twice as great. Until they are weaned from marginal expectations and marginal ways of doing business, they will not find the higher rents attractive opportunities. They are essential to such shopping centers, however, because of the convenience-oriented consumption patterns of poor areas like the corridor, in which a small shopping center is as likely to be "carried" by its small tenants as by its anchors. The new shopping center being built on the former Sears site at Vermont and Slauson has departed from the normal rent structure, and existing businesses becoming tenants in the centers will bear lower rents for up to five years. The developers will carefully supervise the upgrading of merchandising methods in those stores.

A third reason is closely related to this problem—it is the "first and fifteenth syndrome," in which the cash flow of many households in the area is depleted rapidly in the few days after public assistance or other transfer payments are received twice a month. Stores are confronted with extremely uneven volumes, making it difficult to support their overhead during low volume periods without slighting the quality of service (and hence driving away customers) at peak volumes. One obvious way of dealing with this problem—pioneered in the corridor by the Watts Labor Community Action Coalition at its warehouse-store-social service center complex on Central Avenue—is the use of parking space for temporary, low overhead, "farmer's market"-type retailing at peak periods. This approach cannot replace efforts to move toward more

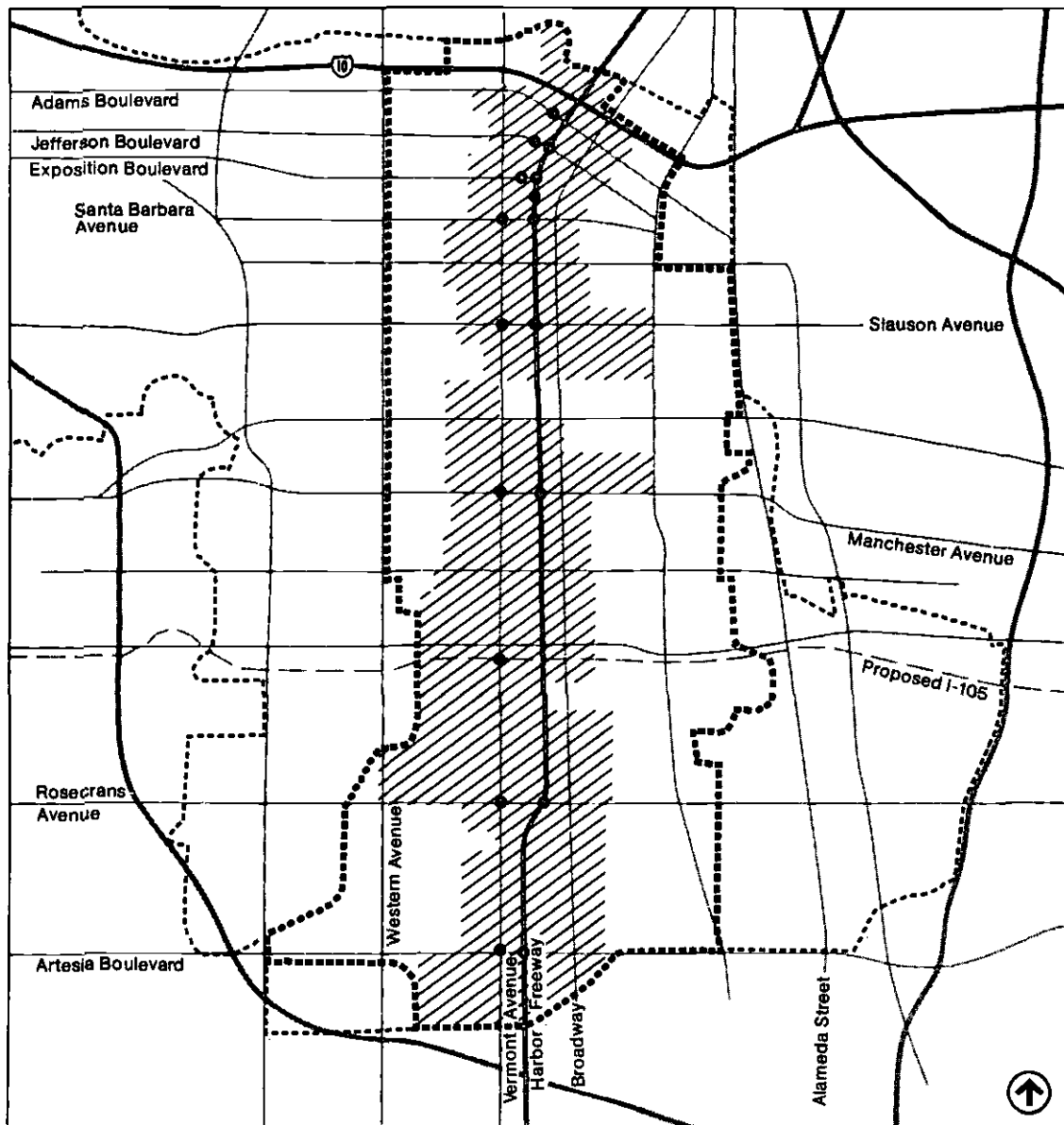


Source: Richard Grefé Associates, Blayne-Dyett

**Figure 5.1**  
**MAJOR RETAIL STORES AND**  
**CONVENIENCE STORES**  
**IN THE REAL ESTATE**  
**MARKET ANALYSIS AREA**

**LEGEND**

- Regional Shopping Center
- Discount Department Store
- △ Other Shopping Center
- G Grocery Store
- D Discount Drug Store
- V Chain Variety Store
- F Fast Food Restaurant



Source: Richard Greifé Associates, Blayney-Dyett

**Figure 5.2**  
**RETAIL MARKET**  
**ANALYSIS AREAS**

- LEGEND**
- Primary Market
  - - - - - Secondary Market
  - ////// Convenience Market
  - Station



permanent and stable retailing, but it can supplement and reinforce moves toward more modern shopping center retailing. A similar kind of synergy can be obtained from including not only standard commercial services—retail banking, utility customer service centers, etc.—but also public social service centers.

Two significant shopping center developments are currently under construction in the corridor—the Vermont-Slauson project of 148,000 square feet, with a Zody's discount store, a Boy's grocery, and a Sav-On drugstore as the principal tenants; and a 200,000 square foot center at 103rd and Compton Avenue, with Pacific Telephone and California Federal Savings and Loan, a Market Basket grocery, and a Newberry's discount store as major tenants. Both projects involve substantial public participation through Urban Development Action Grants, U.S. Economic Development Administration funds, and Community Development Block Grant money. The continued availability of such assistance is in doubt if the Reagan administration economic program is substantially enacted, and retail corridor development in the corridor may have to proceed at a more modest pace.

Other kinds of public participation that can play an important role in retail development include the closing of minor streets to permit assembly of a parcel of effective size and cooperative off-street parking arrangements in the more congested retail districts at fully developed major intersections. The crucial contribution local governments can make in this kind of participation is timely accomplishment of the bureaucratic procedures legally required to effect these changes.

The question remains of how much retail space of what kinds can be supported by the buying power of the household population and average income for a set of retail market areas around potential stations for the corridor transit improvements. Because of the proximity of potential stations to one another, these are not exclusive market areas, but reflect reasonable zones from which retail development at those sites might draw. Table 5.5 presents the 1979 household population, while Table 5.6 summarizes estimates of the total supportable retail space in various categories within these zones. Figure 5.2 presents the convenience, primary, and secondary market analysis.

The terms "convenience market area," "primary market area," and "secondary market area" are intended to denote zones of increasing distance from the station sites. The boundaries of these areas, as shown in Figure 5.2, are not ideal, but reflect the compromises made in light of the differing geographic aggregations of available data. These market areas are only loosely related to typical distances over which people travel to shop for various kinds of goods, referred here as "primary shoppers' goods" and "convenience goods." Because the relationship is so loose and varied, it is best not to think of the zones and the categories of goods analogously. The market area distinctions are useful in the estimation process, but are not particularly relevant for decision-making; the distinctions among goods, on the other hand, are important for consideration of the mix of stores of merchandise that might be offered in new retail space.

**TABLE 5.5  
1979 HOUSEHOLD POPULATION AND  
FAMILY INCOME IN MARKET AREAS  
SURROUNDING POTENTIAL STATION SITES\***

<u>Station</u>	<u>Households in Conve- nience Zone</u>	<u>House- holds in Primary Zone</u>	<u>House- holds in Secondary Zone</u>	<u>House- holds in Total Area</u>	<u>Median Family Income</u>
Adams/Jefferson	16,084	43,473	178,080		
Santa Barbara	12,807	55,800	169,030	237,637	\$15,036
Slauson	15,502	52,129	170,006		
Manchester	21,862	48,842	165,245	235,949	\$14,695
Century	19,033	45,733	171,183		
Imperial	14,770	39,502	135,691		
Rosecrans	10,854	50,854	128,535	189,963	\$16,265
Artesia	7,448	34,156	148,359		

\*These market areas are not exclusive between stations and overlap.

Source: Los Angeles Regional Transportation System Model; Los Angeles Times Marketing Research Department.

The methodology used to calculate supportable space is quite straightforward. Household population estimates for 1979 were taken from Table 5.5 and combined with income data from the Los Angeles Times Marketing Department to arrive at estimates of average household income for each zone. With updated data on expenditure patterns from the U.S. Bureau of Labor Statistics' most recent Consumer Expenditure Survey, the percentage of household income spent for various kinds of goods was estimated, and then, with data supplied by the Urban Land Institute for the Los Angeles SMSA, the average sales per square foot for stores selling each category of goods were calculated. These yielded the Table 5.6 estimates of total retail space supportable by the buying power estimated to be present in the defined market areas.

**TABLE 5.6**  
**TOTAL SUPPORTABLE RETAIL FLOOR**  
**SPACE IN MARKET AREAS SURROUNDING**  
**POTENTIAL STATIONS (In Square Feet)**

<u>Station Area</u>	<u>Market Areas*</u>		
	<u>Convenience</u>	<u>Primary</u>	<u>Secondary</u>
<b>Adams/Jefferson/Exposition</b>			
Grocery	127,822	345,487	1,415,229
Drug	63,489	171,603	702,947
Variety	53,613	144,910	593,600
Hardware	33,508	90,568	371,000
Liquor	40,662	109,904	450,202
General Merchandise (Department Store)	137,863 (120,630)	372,626 (326,048)	1,526,400 (1,335,600)
Apparel	76,998	208,115	572,400
Furniture/Appliance	113,091	305,670	1,252,125
<b>Santa Barbara</b>			
Grocery	103,862	452,524	1,370,792
Drug	50,554	220,263	667,224
Variety	42,690	186,000	563,433
Hardware	26,681	116,250	352,146
Liquor	32,377	141,067	427,323
General Merchandise (Department Store)	109,774 (96,053)	478,286 (418,500)	1,448,829 (1,267,725)
Apparel	61,310	267,128	808,186
Furniture/Appliance	90,049	392,344	1,188,492
<b>Slauson</b>			
Grocery	125,717	422,753	1,378,707
Drug	61,192	205,772	671,076
Variety	51,673	173,763	566,687
Hardware	32,296	108,602	354,179
Liquor	39,190	131,787	429,790
General Merchandise (Department Store)	132,874 (116,265)	446,820 (390,968)	1,457,194 (1,275,045)
Apparel	74,212	249,554	813,859
Furniture/Appliance	108,998	366,532	1,195,355
<b>Manchester</b>			
Grocery	169,742	379,220	1,283,000
Drug	84,380	188,513	637,788
Variety	70,444	157,380	532,456
Hardware	44,028	147,204	332,785
Liquor	54,041	120,733	408,471
General Merchandise (Department Store)	183,485 (160,061)	409,973 (357,593)	1,387,043 (1,209,879)
Apparel	102,333	228,996	774,753
Furniture/Appliance	150,301	335,789	1,136,059

\*These market areas are not exclusive for each station, but overlap considerably.

**TABLE 5.6**  
**TOTAL SUPPORTABLE RETAIL FLOOR**  
**SPACE IN MARKET AREAS SURROUNDING**  
**POTENTIAL STATIONS (In Square Feet)**  
**(Continued)**

<u>Station Area</u>	<u>Market Areas*</u>		
	<u>Convenience</u>	<u>Primary</u>	<u>Secondary</u>
<b>Century</b>			
Grocery	147,777	355,081	1,329,104
Drug	73,461	176,513	660,706
Variety	61,329	147,362	55,590
Hardware	38,330	92,101	344,744
Liquor	47,048	113,048	423,149
General Merchandise (Department Store)	159,760 (139,349)	383,876 (334,831)	1,436,886 (1,253,304)
Apparel	89,091	214,069	801,282
Furniture/Appliance	130,852	314,414	1,176,883
<b>Imperial</b>			
Grocery	126,986	339,621	1,166,612
Drug	63,485	169,789	583,233
Variety	54,157	144,841	497,534
Hardware	33,848	90,525	310,959
Liquor	40,659	108,741	373,531
General Merchandise (Department Store)	137,150 (120,270)	366,804 (321,659)	1,259,988 (1,104,912)
Apparel	76,993	205,915	707,325
Furniture/Appliance	113,083	302,437	1,038,884
<b>Rosecrans</b>			
Grocery	93,318	437,220	1,105,098
Drug	46,653	218,583	552,475
Variety	39,798	186,465	471,295
Hardware	24,874	116,540	294,559
Liquor	29,879	139,991	353,832
General Merchandise (Department Store)	100,787 (88,343)	472,216 (414,097)	1,193,539 (1,046,642)
Apparel	56,579	265,090	670,023
Furniture/Appliance	83,101	389,351	984,096
<b>Artesia</b>			
Grocery	64,035	293,658	1,275,526
Drug	32,013	146,811	637,683
Variety	27,309	125,239	543,983
Hardware	17,068	78,274	339,989
Liquor	20,503	94,025	408,404
General Merchandise (Department Store)	69,160 (60,648)	317,163 (278,127)	1,377,619 (1,208,066)
Apparel	38,825	178,047	773,361
Furniture/Appliance	57,024	261,507	1,135,874

Source: Richard Grefe Associates.

For the purposes of illustration of the potential at one promising site—Manchester Avenue between the Harbor Freeway and Broadway—the competitive position of that site with respect to others in the area in the convenience and primary market areas was analyzed (see Table 5.7) and the potential capture rates and supportable floor space at that site were estimated. Because it is on the east side of the freeway and well south of the stronger retail districts to the north and northwest, it could be expected to capture a strong share of the market activity in its area. Further, the market is not likely to be affected by completion of the Vermont-Slauson Center, which will compete with the Vermont-Manchester commercial district. The site would feasibly support between 320,000 and 365,000 square feet, with a heavy concentration in convenience goods. This suggests the potential for a retail center of "community" size, but with a tenant mix more closely resembling that of a "neighborhood" shopping center. This analysis excludes any sales potential that might be drawn from the larger secondary market, which could increase supportable space estimates up to 50 percent.

**TABLE 5.7**  
**MANCHESTER AVENUE-HARBOR FREEWAY STATION SITE**  
**RETAIL CAPTURE RATES AND SUPPORTABLE FLOOR SPACE**  
**(Convenience and Primary Market Areas Only)**

<u>Category of Goods</u>	<u>Composite Capture Rate</u>		<u>Square Feet of Supportable Floor Space</u>	
	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
Primary Shoppers' Goods (General Merchandise, Apparel, etc.)	14.7%	12.85%	135,900	118,700
Secondary Shoppers' Goods (Furniture, Appliances, Hardware, etc.)	11.4%	10.3%	77,500	69,900
Convenience Goods (Grocery, Variety, Drug, Liquor, etc.)	<u>12.4%</u>	<u>10.8%</u>	<u>152,000</u>	<u>132,200</u>
Total	12.9%	11.3%	365,400	320,800

Source: Richard Grefe Associates.

Available information provides no basis for allocating demand between upgraded existing space and new construction. However, if a new center is built at this location, space should be offered to existing Broadway-Manchester merchants. Such an offer must be backed up by two things: (1) rents that, for the initial few years, put a relatively greater burden on the anchor stores rather than on small shops, and (2) extensive advice and assistance in upgrading merchandising and marketing techniques. These stores, moreover, should not become permanent tenants "as of right"; after four or five years, if they cannot make it in the new development on the

same terms as any other potential tenants, their leases should not be renewed. Otherwise, the long-term viability of the center could be compromised.

## **INDUSTRIAL**

The market for industrial space in the Harbor Freeway corridor is undergoing substantial change, as labor-intensive manufacturing firms abandon outmoded plants or leave the Los Angeles region altogether in search of lower cost labor. The departure of large operations, such as the Goodyear, B. F. Goodrich, and Firestone plants and, recently, Max Factor's main manufacturing plant in Hawthorne, suggests a shift in use rather than a void in manufacturing space demand. Moreover, several cities near the corridor are aggressively seeking to encourage relocation of manufacturing plants in their own industrial districts.

What is taking the place of manufacturing is primarily warehousing and distribution—especially firms oriented toward trans-Pacific trade through the Port of Los Angeles—and, to an increasing degree, research and development (R&D) firms supporting the aerospace industry in the Torrance-South Bay area. Although the corridor offers extensive rail access, it is of steadily decreasing importance in the demand for warehousing or light manufacturing space south of the central business district, and of much greater importance to the concentration of heavier manufacturing to the east.

Two important limiting factors affect the corridor's competitive position relative to other potential locations: freeway access and security. The Harbor Freeway is perceived as more congested than the Long Beach Freeway to the east, and the Artesia Boulevard Freeway is similarly considered less desirable than the San Diego Freeway to the west and south. The security (or crime) problem is generally viewed as putting a northern limit of Rosecrans Boulevard on the demand for first-class business and industrial park development, although the perception of the problem varies. In general, burglary and assault or robbery are considered more serious and intractable problems to the east of the Harbor Freeway; vandalism, a greater obstacle to the west of the freeway. Available parcels north of Rosecrans have met lukewarm demand; a 10-acre site at 92nd and Main Street, for example, has been passed up by several potential developers of small industrial parks.

South of Rosecrans Boulevard, the market is quite active, with parcels snapped up immediately at prices of up to \$10 to \$12 a square foot for small sites and \$7 to \$8 a square foot for finished parcels of 2 to 5 acres. Four major business parks in the area are now fully or about fully developed: Overton, Moore & Associates' Los Angeles Business Center at Central Avenue and the Artesia Freeway; Cadillac-Fairview's Los Angeles Industrial Center on the opposite side of the freeway; Cadillac-Fairview's Pacific Gateway Center at the San Diego Freeway and Vermont Avenue; and Boise Cascade's Broadway-Rosecrans industrial park. A few properties are available in each; shell buildings in the 75,000-90,000 square foot range are renting at 20 to 28 cents a square foot. Another competitive site is the Watts industrial park at Alameda Street and Imperial Highway; now fully sold or leased after a slow development, it commands somewhat higher rents, in the 30 cents a foot range, but its tenants are somewhat more office-oriented, as is Pacific Gateway Center, where speculative office space has been developed in an effort to capture the R&D market.

The shift toward R&D at this end of the corridor is likely to lead soon to use of decked parking in connection with business park development, because the parking requirements are about three times as great as for warehousing, distribution, and light manufacturing. An increasing share of industrial use will also go to supporting services as the South Bay industrial market shifts somewhat from large to smaller users of the kind that have up to now been more attracted to the San Fernando Valley and Orange County markets.

For the purpose of illustration of these trends, the competitive position of a small, mixed warehousing and research and development park at the extreme southern end of the corridor adjoining the Harbor Freeway was analyzed. Table 5.8 shows the estimated capture rate and supportable space in the site area.

**TABLE 5.8  
ARTESIA BOULEVARD-HARBOR FREEWAY STATION AREA  
INDUSTRIAL SPACE CAPTURE RATES AND ACREAGE SUPPORT**

	Demand for Industrial Acreage				Acres of
	<u>Primary Market Area</u>	<u>Secondary Market Area</u>	<u>Total</u>	<u>Estimated Capture Rate</u>	<u>Support in Site Area</u>
Warehousing & Distribution	360	28	388	2.8%	10.9
Research & Development	44	26	70	2.1%	1.5
Services	81	15	96	1.2%	1.2
Total	485	69	554	2.5%	13.6

Source: Richard Grefe Associates.

### OFFICE

The market for office space in the Harbor Freeway corridor is dominated by less-than-Class A tenants, chiefly professionals and financial, insurance, and real estate business oriented to highly localized markets. There has been virtually no new office construction in the corridor within the last decade or so, although one two-story office project is under construction on Figueroa Street north of the Hilton University Inn, after nearly a decade of effort to get the project underway. Just outside the extreme northwestern corner of the corridor, there has been some office investment by professionals, including a group of Korean doctors who developed a medical office building west of Western Avenue. Similar activity, although in the form of substantial rehabilitation rather than new construction, has occurred near Broadway and Manchester Avenue.

There is some reason to expect a potential for additional office space near the University of Southern California, although the university itself is strongly committed to a policy of keeping its office expansion on the campus, leasing space outside its limits only on a short-term basis. The latent demand among firms (particularly in electronic data processing fields) that might find location near USC advantageous is difficult to determine, but USC's real estate manager believes that it would not be significant, particularly because access to the campus from established office districts such as the downtown or mid-Wilshire is not very difficult.

There is still considerable activity in office construction downtown, and the current absorption rate appears to be reducing the short-term overstock there, but that is essentially aimed at a Class A market, as is development both at Los Angeles International Airport and along Wilshire Boulevard. Population growth in the corridor will not be significant in generating new demand for professional or fire services; in fact, cut-backs in public assistance for social services may reduce the demand in the corridor for medical clinic or law office space, which now make up an important part of the total demand.

It might be possible to break into an entirely different market with space in the corridor at, for example, Exposition Boulevard and the Harbor Freeway, but it would depend to a large extent on the degree of lunchtime access to downtown. Nothing in the USC-Exposition Park area would support the restaurant and shopping demand that would accompany office development, but the retail support must usually exist first.

The effect of transportation improvements on the development potential of this site appears marginal at best. Other competing sites offer equal or greater opportunities (including proximity or transit accessibility to the CBD and the Wilshire corridor) without the perceived security and "image" problems of the site in the corridor. Further, proximity to either USC or the Coliseum is unlikely to create immediate development pressures.

## **THE IMPACT OF TRANSIT IMPROVEMENTS ON REAL ESTATE MARKETS**

A much higher proportion of the residents of the Harbor Freeway corridor is dependent on public transit than is true for the city as a whole; moreover, residents are nearly twice as likely to travel to and from work on public transit. It must be noted, however, that the proportions are still small in comparison to the share using automobiles.

The implication is that transit improvements—even major improvements of the kind contemplated for the corridor—will not have a significant effect on the relative attractiveness of the corridor as a residential or business district location, particularly if the Harbor Freeway corridor improvements accompany construction of both the Century Freeway and the Wilshire Avenue rapid rail line. Where the transitway improvements may have an effect is locally, around stations, if the station patronage contributes substantially to pedestrian traffic in the immediate area. However, information on how transit patrons would get to the station was not available for this study. What can be inferred from the available patronage forecasts is that a fairly dense volume of pedestrians will be passing through those stations (but not necessarily adjoining areas outside the stations) at rush hours. As a result, no determination could be made as to whether the development potential within the station areas represents a



net increment in potential customer volume for the neighborhoods or just a shift of a few blocks from existing stores to new space in the station.

Nevertheless, if land use patterns in the corridor change as station area development opportunities are realized, transit patronage also will change, and the interaction may have significant effects locally. If, for example, accessibility to the downtown from the area around Exposition Boulevard and USC is improved enough to support office development there, the office development would in turn generate pedestrian traffic that could gradually induce retail or other office development in the station area. Likewise, people may find it more attractive to live near stations than at greater, but still walkable, distances or at locations requiring an additional bus trip after a transfer at the station. The same is, of course, true for existing bus lines on Vermont Avenue.

## **6. SITE ANALYSIS**

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### **INTRODUCTION**

A systematic, site-by-site analysis was undertaken to assess opportunities potentially associated with transit improvements in the Harbor Freeway and Vermont corridors. These included:

- Infill development on vacant land or parking lots and redevelopment, either publicly or privately initiated;
- Development on state-owned land; and
- Reuse of vacant buildings and city land.

The photographs in Figure 6.1 illustrate these types of development opportunities; details on the uses proposed for each site are presented in the body of this report. All told, 47 sites within 1,500 feet of proposed stations were evaluated, including 134 acres in the Harbor Freeway corridor and 115 acres in the Vermont corridor. Seventy-six acres, in fact, are suitable for joint development with either alignment.

Opportunities around all proposed stations in the Harbor Freeway and Vermont corridors except one were evaluated. The Century Freeway/Vermont station area was not studied in detail because there are no obvious sites for joint development and options for joint development will be evaluated. Those working on the Century Freeway Housing Plan and Economic Strategy and this comprehensive station area analysis provide a sound basis for comparing opportunities associated with the two corridors and formulating a specific joint development strategy for selected station areas, once a decision has been made on mode (rail or bus) and alignment (Vermont vs. Harbor Freeway).

### **METHODOLOGY**

Using aerial photographs, land use maps, and ownership information in the County Assessor's files, joint development opportunities were analyzed on a station-by-station basis, focusing on vacant sites, underutilized sites with redevelopment potential, and publicly owned land devoted to parking or similar low intensity uses. Vacant lots and developable sites outside a 500-foot perimeter were excluded, except where sufficient acreage is available to build a major project. Where zoning or plan designations need to be changed, the suggested designations are presented, as is the probable feasibility of the recommended use, including an analysis of the type of public assistance or subsidy required to make development of the site feasible.

The proposed land uses reflect an assessment of options, and primary and secondary uses, based on the following evaluation criteria:

- General plan designation
- Compatibility with adjoining uses
- Compatibility with local, state, and federal policies
- Feasibility/marketability

- Effects on corridor employment
- Need for public funding or development subsidy
- Housing needs
- Community service needs
- Traffic and parking
- Relation to transit stations
- Environmental compatibility

This chapter focuses on the characteristics of the sites themselves, while Chapter 7 presents the recommended development concept for each station area.

Station area maps presented in Chapter 7 illustrate the relationship of the sites to the proposed station and show existing conditions, uses and the adopted land use plan. The Appendix contains Assessor's references and legal descriptions for the sites.

The site analysis is presented in three parts. First, existing land use and development opportunities for each site are described on a station-by-station basis, starting at the north end of the corridor with stations proposed for the Harbor Freeway transitway. After all sites associated with Harbor Freeway transitway stations are presented, those in the Vermont corridor are addressed. Following this, candidates for physically integrated development are listed. The chapter closes with an assessment of the effects of the proposed transit improvements on market demand.

## **HARBOR FREEWAY CORRIDOR JOINT DEVELOPMENT OPPORTUNITIES**

### **Station: Harbor Freeway at Jefferson Boulevard**

**Site F-1.** This site is a large square block of 163,000 square feet at the northwest corner of Jefferson Boulevard and Grand Avenue, just east of the freeway. The site is primarily vacant at present, with two houses, a small medical building, and a small structure housing a check cashing service occupying less than 25 percent of the site. Adjacent uses are industrial, with the multi-story May Company warehouse occupying most of two blocks to the south.

Industrial use of the site is very feasible, particularly one that has a very high employment density. Proximity to downtown and the resulting land price premium do not justify warehousing or other non-intensive uses. The site will have good transit access both from the south and from other residential areas with a downtown transfer. No plan or zoning changes are required for industrial development.

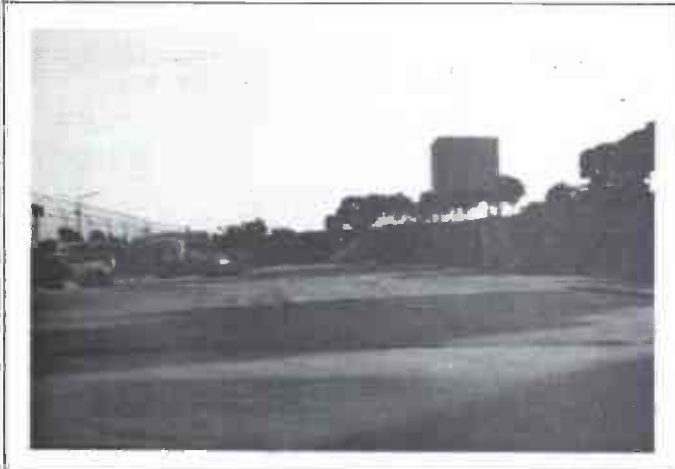
**Site F-2.** This site is located at the southeast corner of Figueroa Street and Jefferson Boulevard, extending east to Flower Street (adjacent to freeway) and south to the new office buildings to the north of the University Hilton Hotel. This is a prime location for office, hotel, or retail use. Current uses include a used car lot, small church, and parking lot. It is within the Community Redevelopment Agency's Hoover Redevelopment Project boundaries, and informants indicate that the owners are anxious to develop the site to a higher use. An 18-story, 360,000 square foot office building is currently planned for the southern half of this site. If this project proceeds, another large-scale project on the northern half of the site would require some government funding or subsidy to make it feasible in the near term, unless the market improves significantly.



**Infill Development: Site F-6.**  
East side of Figueroa Street between Santa Barbara and 39th Street.



**Redevelopment: Site F-19.**  
West of Broadway between Manchester and 88th Street, includes City Parking District land.



**Development on State-owned Land: Site F-20.**  
Manchester Avenue off-ramp.



**Development on State-owned Land: Sites F-25 and F-26.**  
Artesia Blvd. between Vermont and Normandie.



**Reuse of Vacant Buildings: Site F-22.**  
Unused hospital at Manchester Avenue, east of freeway.



**Reuse of Vacant Buildings: Site F-22.**  
City Maintenance Yard between Denver and Manchester.

**Figure 6.1 JOINT DEVELOPMENT OPPORTUNITIES IN THE HARBOR FREEWAY CORRIDOR**

**Station: Harbor Freeway at Exposition Boulevard**

**Site F-3.** This site, split by the freeway, currently is used for parking, and the land on the east side of the freeway belongs to the state—it's an underutilized Department of Motor Vehicles lot. Development of a high- or mid-rise office structure straddling the freeway in a physical joint development project with a station at Exposition Boulevard would be the only feasible use of this site. Public subsidy, land write-downs, and provision of a support structure over the freeway probably would be required to make a project viable. A station location other than Exposition would make such a development totally infeasible. If Exposition is selected as the station site, a new plan designation of transit commercial is recommended.

**Site F-4.** In the near term, existing commercial and residential uses should be retained. However, over the next 10-20 years, this site has a high potential for intensification of use, particularly in conjunction with a station at Exposition or, secondarily, at 39th Street. This potential is reduced if the station is located either at Jefferson Boulevard or Santa Barbara Avenue. Present uses are one- and two-story structures on small lots surrounded by parking.

Recommended uses would be of greater density, possibly combining retail and residential uses in larger structures, and oriented to the transit service provided both by freeway transit and existing service on Figueroa Street, thus requiring a lower ratio of parking to developed space. Multiple ownerships make land assembly difficult without public participation through the Community Redevelopment Agency.

**Station: Harbor Freeway at 39th Street**

**Site F-5.** Presently a vacant lot and small hotel, this site has excellent potential for development as mid-rise office space designed to meet the office space needs of Coliseum tenants. If the 39th Street station location is selected, a plan change should be considered to reserve this site for transit commercial uses, rather than highway commercial (Figueroa frontage) and multi-family residential (Flower frontage). Retail use could be integrated into the project if the station was located adjacent to the site at 39th Street.

**Station: Harbor Freeway at Santa Barbara Avenue**

**Site F-6.** Presently partially vacant with small office and residential structures interspersed, this site has good potential for commercial development (retail, restaurants, office), particularly in conjunction with a station at 39th Street or Santa Barbara Avenue. It is across Figueroa from the Sports Arena, a major activity center. The present plan designation is highway commercial; the recommended designation, should either of these locations be selected for a station, is transit commercial.

**Site F-7.** This small, vacant, triangular site is just east of the freeway. Although in an area designated for industrial use, most surrounding parcels contain older housing. Development for industrial use would require acquisition of additional parcels and clearance of the existing housing.

**Site F-8.** This site has limited development potential because of traffic congestion and adjoining residential use. The site, which is split by the ramps for the northbound Harbor Freeway, is partially vacant but contains old houses and a gas station converted to a furniture store. Industrial use would be compatible with similar uses to the east, but the traffic volumes in the area may preclude an auto-oriented use. Pedestrian-oriented retail use may be a feasible alternative if physically integrated with the transit station.

**Site F-9.** This site is an entire block across Santa Barbara Avenue from the Coliseum-Sports Arena parking lot. Designated for community commercial, current uses include a gas station, parking lots, and several poorly maintained residential and commercial structures. While located some distance from the proposed transit station locations, this site could be developed as a large-scale (100-200 units) housing project integrated with commercial uses at the major intersections. Such a project may provide an opportunity to relocate households displaced by commercial development in neighborhoods zoned for such uses that are closer to the freeway. Rent from retail commercial uses could help subsidize housing costs. To accomplish this, a plan amendment would be required, changing the land use designation on a portion of the site from community commercial to multi-family residential.

**Station: Harbor Freeway at Slauson Avenue**

**Site F-10.** This site, with a plan designation for industrial use and potential for rail-oriented industrial, presently has dilapidated housing and vacant commercial buildings as land uses. Redevelopment to industrial use is unlikely without governmental assistance in land assembly and infrastructure improvements. The site has few attractions apart from potential for rail service and moderately good access to freeway transit.

**Sites F-11 and F-12.** While these two sites include the Caltrans parking lot to the east of the freeway and two gas stations between the freeway ramps and Broadway, they are not considered prime sites for joint development. Redesignation from highway commercial to industrial is recommended, primarily as a result of the proximity to the new Vermont-Slauson retail commercial project that precludes further commercial development in the area.

**Sites F-13 and F-15.** Situated in the same relationship to the west of the freeway as sites F-11 and F-12 on the east, development opportunities are limited. The present plan designations are highway commercial for the gas stations and quasi-public for the vacant land enclosed by the southbound freeway ramps. A weak market and a poor environment for housing preclude commercial and residential use, thereby limiting site use to industrial development or possibly a public service facility or station parking.

**Site F-14.** Located northwest of the freeway, this site, which is presently occupied by five older homes, is a candidate for industrial development. While adjacent to a potential station location, railroad tracks preclude vehicular access from Slauson Avenue, limiting commercial development opportunities. Overall, this site is a low priority for joint development.

**Site F-16.** A small vacant parcel suitable for residential development, this site has limited joint development potential because of its size and distance from the station. It may be suitable as a site for replacement housing for those displaced by

construction of a Harbor Freeway transitway or for relatively high density (45-50 units per acre) housing.

**Site F-17.** Mixed industrial and residential uses dominate this site, which is adjacent to the railroad line on the north side of Slauson Avenue. It has potential for industrial development replacing older dilapidated housing, but this would require a plan change to industrial use. This site is not a high priority for joint development because of distance from the proposed station and the need for residential relocation.

**Site F-18.** This small vacant parcel might be suitable as a replacement housing site, probably for senior citizen housing. It does not relate to the proposed transit station, but represents a typical "infill" development opportunity.

#### **Station: Harbor Freeway at Manchester Avenue**

**Site F-19.** This site is a large (176,000 square feet), two-block-long parcel that is used for parking, a portion of which (33,000 square feet) is publicly owned and controlled by the Los Angeles Off-Street Parking Agency (Vehicle Parking District No. 117). A special assessment district funds construction and maintenance for this lot and one located east of Broadway. Development of this site could be successful with a large-scale project, integrating housing between 87th and 88th and commercial use and parking from Manchester to 87th Street. To make this work in conjunction with existing commercial uses at the intersection of Manchester and Broadway, shops should be redesigned to draw pedestrian activity from the present parking lot, therefore increasing activity and visibility and upgrading the area's image and economic viability. The assessment district also may have to be revised to reflect a change in parking and access for customers and local merchants.

To accomplish this, the plan designation should be changed from community commercial to transit commercial and multi-family housing. Although development of housing will require a subsidy and commercial revitalization and development will require improved income levels in the community, this is one of the few vacant sites of sufficient size to allow major development without relocation or major disruption; thus this site must be considered a prime candidate for joint development. Further, city ownership of part of the site should facilitate land assembly. The city could take the lead in initiating a joint development project, building on existing precedents for mixed use on parking district lots.<sup>1</sup>

**Site F-20.** This site is the Caltrans parking lot southeast of the freeway inside the northbound ramps. Potential uses include a transportation center, small-scale, pedestrian-oriented retail development, and possibly a parking structure. A joint, quasi-public/commercial, mixed use district would be appropriate as a plan designation; presently the site is designated neighborhood commercial.

**Site F-21.** This site has a vacant one-story hospital building and a small, well-patronized dental clinic. Public service or commercial uses would be most

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<sup>1</sup>See Los Angeles Off-Street Parking Agency, Request for Proposal to Develop Parking and Commercial Space on City-Owned Land in Westwood, 1981.

appropriate, but funding or demand may limit development feasibility in the near term. However, over the long term, this site offers high potential as a joint development opportunity.

**Site F-22.** Gas stations and a Los Angeles City maintenance yard are the present uses. Housing is not an ideal use but would be somewhat more appropriate for a transit station area than the present uses. Because the area is fully developed with commercial uses, additional retailing probably is not needed. Consequently, this site is judged a low priority for joint development.

**Site F-23.** This site is a prime candidate for high density residential development. Located within several hundred feet of the freeway interchange, it is vacant. Although the plan designation is highway commercial, adjoining sites are two-story apartment buildings so residential development would be compatible. This is a high priority site for joint development. A minor plan amendment and rezoning would be required to increase the allowable density to 45-50 units per acre, the level at which a privately sponsored project could be feasible.

**Site F-31.** Presently the International Harvester Truck maintenance facility, this use is incompatible with its community commercial land use designation in the South Central District Plan and definitely incompatible with a transit commercial designation that would be recommended for the site if a station is located at the Manchester/Harbor Freeway interchange. However, redevelopment should not be a first priority because the present use is relatively new and vacant sites of equal or better promise exist to the east of the freeway.

**Station: Harbor Freeway at Rosecrans**

**Site F-24.** This site, located almost 1,500 feet north of the proposed Rosecrans station, must be considered a low priority site for joint development. Even though it is vacant and advertised as available for industrial use, it probably will be developed for warehousing or small-scale research and development within the next several years, thereby precluding physically or functionally related joint development.

**Station: Harbor Freeway at Artesia Boulevard**

**Site F-25.** This site is a 27-acre parcel owned by Caltrans and the Los Angeles County Flood Control District (Dominguez Channel right-of-way), and the City of Gardena on the north side of Artesia Boulevard between Vermont Avenue and Normandie Avenue. It is considered a prime site for a transportation center, particularly if the selected mode is freeway rail, terminating at Artesia Boulevard. A busway also could terminate at the transportation center. In this instance, site F-25 would contain the "end of the line" station, as well as vehicle storage, parking for commuters, and an area for bus-rail or bus-bus transfers. Sufficient space exists to incorporate some service commercial uses as part of the project; thus the recommended new plan designation would allow a mix of public and commercial use. The site also is suitable for interim use as a park-and-ride lot, as proposed for the Freeway Transit Development Program.



Access and traffic congestion are major problems for this site, as is potential compatibility with residential uses to the north and south. However, with access from both Normandie and Vermont, increased traffic could be accommodated without increasing congestion significantly. Alternatively, an additional through lane could be used to facilitate the flow of traffic through the Artesia/Vermont intersection.

The City of Gardena is planning a resource recovery plant on this site and has hired a consultant to evaluate their land requirements and the compatibility with Caltrans' proposal for a transportation center.

**Site F-26.** Including two parcels connected by a narrow strip adjacent to Artesia Boulevard, these sites are owned by Caltrans. A short-term, RTD park-and-ride lot originally was slated for the site at Normandie Avenue, but current plans call for it to be located on site F-25. The present public use plan designation is appropriate. However, the City of Gardena has plans for senior citizen housing on these sites, designed to screen the existing single-family homes to the south from Artesia Boulevard and the proposed transportation center/resource recovery plant. Such a use would require a change in designation to multi-family residential.

**Sites F-27 and F-28.** Adjacent to the freeway just beyond the ramps in the southwest quadrant, these sites presently are used for low intensity industrial purposes. To enhance the station area environment, the site should be planned as an industrial park, requiring clearance and site grading. Because of traffic volumes on Artesia Boulevard and potential conflict with the freeway ramps, access must be provided from Vermont Avenue or 182nd Street. This site also may be suitable for the resource recovery center if site F-25 is not available for this use. Since industrial use would not generate significant transit ridership at a station this far south, joint development should be considered a low priority.

**Site F-29.** Located on the west side of the freeway just north of Artesia, this site presently is vacant after several single-family homes were demolished. This location could be a potential station site for an on-line station if the transitway continues south toward San Pedro and a station straddling Artesia Boulevard, as proposed by Caltrans, is rejected for cost or engineering reasons. Although access is constrained, a small-scale, higher density (townhouse) housing project could be integrated with a station at this site, with parking for commuters located elsewhere in conjunction with a station shuttle. On balance, though, this is a low priority for joint development because of problems of access and high noise levels (an L10 reading of 78dBA, according to February 1981 Caltrans' measurements).

**Site F-30.** This site is another low priority site that may, in fact, be required for the Harbor/Artesia Freeway interchange; if not, this vacant site is recommended for industrial use.

## **VERMONT AVENUE JOINT DEVELOPMENT OPPORTUNITIES**

### **Station: Figueroa Street and Jefferson Boulevard**

This station area is fully developed and there are no viable joint development opportunities.

**Station: Figueroa Street and Jefferson Boulevard or Exposition Boulevard**

**Site V-1.** The same as site F-1, this site offers opportunities for industrial use.

**Site V-2.** The same as site F-2, this site becomes a more attractive candidate for joint development with a Vermont rail alignment. Located adjacent to the station in the southeast quadrant, this site is across Figueroa Street from the University of Southern California and just north of new office space and the University Hilton Hotel. The site plan designation should be changed from highway commercial to transit commercial, allowing somewhat greater density of development in conjunction with a reduced parking requirement.

**Site V-3.** This site, straddling the Harbor Freeway, is not as attractive for joint development with a transit alignment outside the freeway right-of-way as it is with freeway transit (see site F-3 analyses). Consequently, it would be a low priority development site for a station at Figueroa Street and Jefferson Boulevard or Exposition Boulevard.

**Station: Vermont Avenue and Santa Barbara Avenue**

**Site V-4.** This site is on the northeast quadrant of the Vermont-Santa Barbara intersection. Present land uses include a closed gas station, small restaurant, and small auto repair shop. The parking lot for the Coliseum complex also is adjacent to this site. The present plan designation is highway commercial; the recommended change would be to transit commercial. With frequent, well-patronized bus service on Santa Barbara Avenue, this station would be a major transfer point, and, therefore, limited retail development offering convenience goods possibly could be viable.

**Site V-5.** Located at the southeast corner of the intersection, present uses of this site include a gas station and a surplus store with related parking. Because both appear to be viable businesses at this time, commercial intensification may only be feasible in the long term if a station at this location generates substantial patronage and, as a consequence, pedestrian activity. In such a case, a transit-oriented land use designation would be more appropriate than the present highway commercial district.

**Site V-6.** Located just south of site V-5, present use of this land is commercial manufacturing, an industrial use. While presently viable, this use is incompatible with adjoining residential, commercial, and public (Manual Arts High School) uses. This site may be an excellent location for school expansion, since no residential displacement would occur as a result. In fact, planners for the Los Angeles Unified School District indicated strong interest in a joint development project, since enrollment increases at Manual Arts High School justify need for additional space (3-5 acres would be desirable). However, given the limited funding for educational programs and new school construction with the state's Leroy Greene Lease-Purchase Program, commercial use may be a more feasible reuse of the site although the area is rather depressed.

**Station: Vermont and Slauson**

**Site V-7.** Located diagonally across the intersection from the Vermont-Slauson commercial project presently under construction, this corner presently is occupied by

an auto parts store with a very large parking lot to the west. The plan designation for the site is industrial, presumably because of the railroad line adjacent to Slauson. Pedestrian rather than auto-oriented commercial usage would be recommended for the Vermont frontage if a rail station were located here. With such use, a large portion of the parking lot could be converted to residential use, compatible with the residential uses across 58th Street. However, given the apparent viability of the store and the limited demand for commercial space beyond that being built as part of the new shopping center, any such development of this site must be viewed as a long-term objective, unlikely to be realized rapidly.

**Site V-8.** Rehabilitation of this site directly west of the Vermont-Slauson shopping center would upgrade the intersection. New construction is not required, but facade improvements and new tenants in vacant buildings would improve this corner. Little is likely to occur unless the success of the Vermont-Slauson development dramatically revitalizes the neighborhood. In this case, revenues paid to the Vermont-Slauson Economic Development Corporation could be used to assist in financing needed improvements. The western portion of this site is a 42,000 square foot parcel, which is presently owned by the City of Los Angeles (Vehicle Parking District No. 102). Reuse for commercial or residential uses would depend on the success of the Vermont-Slauson project and the amount of additional parking still required. Depending on the type of commercial use on the remaining portion of V-8, this parking may be required.

**Station: Vermont and Manchester**

**Site V-9.** Approximately one block east of Vermont, this site currently is used for parking. The plan designation is community commercial, but transit-oriented commercial uses would be preferable if a transit station were located one block away. This commercial district is in better economic condition than the Vermont-Slauson district, with several new financial institutions and stores and few apparent vacancies in commercial buildings.

**Site V-10.** Presently designated as community commercial on the general plan, this site, located one block west of Vermont Avenue at Kansas Avenue, is a vacant parking lot. Under the assumption that a rail station at Vermont and Manchester would result in a greater transit orientation of the shopping area, this site may be a good candidate for housing situated to provide transit access. Apartments or higher density town-houses could be compatible with the adjoining residential neighborhood to the north and west.

**Site V-16.** Northeast of the Vermont and Manchester intersection along Manchester, site V-16 presently is a city-owned parking lot (Vehicle Parking District No. 104). If rail transit is extended along Vermont, it would have potential for commercial reuse. However, development on this site might constrain access to the city parking lots to the north, unless the alley between this site and existing buildings at the corner of Manchester and Vermont can accommodate the traffic.

**Station: Vermont Avenue and Rosecrans**

**Site V-11.** This site includes the gas station at the northeast corner of Vermont Avenue and Rosecrans and a vacant lot to the north along Vermont. Presently planned

for highway commercial uses, a transit commercial use designation would be preferred with a rail station at this corner. Specifically, retail commercial uses designed for the pedestrian rather than the auto user would be appropriate. Joint development could provide space for a bus transfer facility within a commercial project.

**Station: Vermont at Artesia**

**Site V-12.** An end of the line rail station might generate significant retail commercial uses to serve the many auto and bus passengers transferring mode at this point. This site is a prime location for a transportation center offering major joint development opportunities (see comments on site F-25).

**Site V-13.** Currently vacant, this site is suitable for elderly housing, as proposed by the City of Gardena (see comments on site F-26).

**Site V-14.** This site, on the southeast corner of Vermont and Artesia, could be an alternative location for a resource recovery plant if the site northwest of the intersection is required for the transportation center and related commercial joint development. If not needed for such use, industrial development is the most likely alternative, compatible with the Gardena land use plan.

**Site V-15.** This drive-in theater, presently designated highway commercial in the Gardena plan, could be redeveloped for a mixed public-commercial use. While acquisition of the drive-in theater would be costly, many local residents probably find the busy evenings and swap meets on weekends a nuisance and might favor redevelopment over the present use.

**EFFECTS OF TRANSIT IMPROVEMENTS ON MARKET DEMAND**

After analyzing each site in terms of development potential with the current general plan designations and zoning and with a transit-oriented land use designation, the market demand for the proposed uses was evaluated and the effect of transit improvements on that demand was assessed. There are three potential ways in which transit improvements in the corridor could possibly affect the demand:

- They could increase the demand for housing at station areas by offering a more attractive location to commuters passing through the station, especially outbound commuters who must transfer because one-seat service from current residential locations is not available;
- They could increase the demand for certain kinds of retail trade by providing increased pedestrian activity near—and, especially, within—the station; and
- They could increase the demand for office space near stations at the northern end of the corridor by offering ready lunchtime access to the retail and food and beverage attractions of downtown Los Angeles.

The first potential effect—on housing demand—depends on the value of the increase in accessibility that would be experienced by commuters who already live in or pass through the corridor on the way to work if they lived instead near the stations at Slauson or Manchester. Without information about the actual origins of these

commuters, it is difficult to estimate either the magnitude of the accessibility change or their typical income and range of effective choice in consuming housing. The patronage estimates, however, indicate that between 2,250 and 3,150 such commuters might board at Manchester and between 2,300 and 2,650 (including one-seat service, 4,000) at Slauson. Some share of this patronage might well find housing located near the station an attractive option; depending on income, some smaller share of that group might find it an economically feasible option.

The second potential effect chiefly concerns convenience food and variety operations within or next to stations. At the high volume stations at Exposition/Santa Barbara, Slauson, or Manchester, the volumes are sufficient to support 5,000 to 6,000 square feet of such retail space if about 15 percent of the station pedestrian traffic spends between \$1.00 and \$1.25 a day. Neither the patterns of use nor the volumes of pedestrian traffic will make a considerable difference for higher retail uses unless most of the station volumes are in- or out-commuters whose residences or work places are within walking distance, rather than persons making transfers.

The third potential effect is perhaps the most important. For Class A office development to work—even at the Exposition Boulevard sites—it must be integrated with the surrounding neighborhood in a mutually reinforcing pattern of pedestrian traffic generation and retail/food and beverage service attractions. Traffic generation—the office buildings—cannot succeed without the supporting context of an attractive neighborhood. Nevertheless, it would be feasible if a major tenant with a "captive" work force (i.e., one who did not have to recruit from an essentially footloose clerical labor pool that would prefer other locations) could depend on lunchtime accessibility to the downtown during the period in which neighborhood retail support developed in the corridor. No information is available on which to base a judgment about whether this scenario is realistically possible, but it seems clear that if the proposal to construct a large office building on site F-2 proceeds on schedule, it will realistically absorb just about all the remaining small tenant demand in the area over the next 5-10 years, so the single large tenant with a captive work force becomes the only real prospect.

Tables 6.1 and 6.2 present the results of this analysis.

In the Harbor Freeway corridor, construction of a transitway could affect the market for development of about half the sites. On 8 sites, the proposed uses—mixed residential/commercial, transit-commercial, and multi-family housing—are transit dependent and demand ranges from low-moderate (3 sites) to moderate (2 sites) and moderate-high (3 sites); while on 3 sites, the proposed use is judged somewhat dependent on transit with a moderate level of demand anticipated. Thus, transit improvements in this corridor could have a pronounced impact on the feasibility of residential and commercial development but not industrial development.

In the Vermont Avenue corridor, a rail extension could play an even greater role in development. Nearly three-quarters of the sites proposed for commercial and residential use are somewhat dependent (4 sites) or largely dependent (8 sites) on transit improvements for the proposed use to be developed within the next 10-15 years.

For housing to be feasible on sites F-16, F-18, F-23, and V-10, densities should be 45-50 units per acre, which is higher than that proposed for the highest residential density classification on the Southeast and South Central district plans (24-40 units

**TABLE 6.1  
JOINT DEVELOPMENT OPPORTUNITIES: HARBOR FREEWAY CORRIDOR**

Site	Site Area (A.P., ACs)	Planned Use	Proposed Use	Probable FAR	Comments on Demand	LEGEND	
						Land Use	Description
<b>Harbor Freeway Sites</b>							
P-1	163	I	—	1	H; unaffected by transit	SPR	Single-Family Residential
P-2	201	HOC	TC	2-3	M; little affected by transit	MPR	Multi-Family Residential
P-3	127	P/HOC	TC	5-6	L-M; transit dependent	HOC	Highway-Oriented Commercial
P-4	369	HOC	MRC	2-2.5	M; somewhat transit depend.	RC	Regional Center
P-5	28	HOC	TC	2	L-M; transit dependent	TC	Transit Commercial
P-6	119	HOC	TC	2	L-M; transit dependent	CC	Community Commercial
P-7	46	I	—	1	L; unaffected by transit	NCO	Neighborhood Commercial and Office
P-8	109	I/P/MPR	I	1	L; unaffected by transit	I	Industrial
P-9	170	CC	MPR/TC/CC	2/25-30 du/acre	M; somewhat transit depend.	OS	Open Space
P-10	134	I	—	.5	L; unaffected by transit	P	Other Public/Quasi-Public
P-11	31	HOC	I	.75	L; unaffected by transit	MPC	Mixed Public/Commercial
P-12	51	P	I	.75	L; unaffected by transit	MRC	Mixed Residential/Commercial
P-13	57	P	I	.75	L; unaffected by transit		<u>Demand</u>
P-14	28	I	—	.75	L; unaffected by transit	H - High	
P-15	30	HOC/SPR	I	.75	L; unaffected by transit	M - Medium	
*P-16	29	MPR/HOC	—	25-30 du/acre	L as MPR; M SPR move-on?	L - Low	
P-17	68	I	—	.50	L; unaffected by transit		
P-18	27	MPR	—	20 du/acre	L as MPR		
P-19	176	CC	TC/MPR	1-1.5 20 du/acre	M-H; transit dependent		
P-20	76	NCO	MPC	1-1.5	M-H; transit dependent		
P-21	65	P	MPC	1	M-H; transit dependent		
P-22	49	HOC/MPR	MPR	20-25 du/acre	L; little affected by transit		
*P-23	31	HOC	MPR	20-25 du/acre	L as MPR; M SPR move-on?		
P-24	374	I	—	.5	M; unaffected by transit		
P-25	1,104	P	MPC/P	1-1.5	M; transit dependent		
P-26	496	P	P/MPR	25-35 du/acre	M; transit dependent		
P-27	400	I/P	—	1	H; unaffected by transit		
P-28	720	I/P	—	1	H; unaffected by transit		
P-29	263	SPR/P	MPR	10-15 du/acre	M; somewhat transit depend.		
P-30	175	I	—	1	L-M; unaffected by transit		
P-31	44	NCO	—	1-1.5	L-M; unaffected by transit		

\*Parcels are generally too small for efficient development of MPR unless densities are increased to 45-50 du/acre.

**TABLE 6.2  
JOINT DEVELOPMENT OPPORTUNITIES: VERMONT CORRIDOR**

<u>Site</u>	<u>Site Area (S.F., 000s)</u>	<u>Planned Use</u>	<u>Proposed Use</u>	<u>Probable FAR</u>	<u>Comments on Demand</u>	<u>LEGEND</u>	
						<u>Land Use</u>	<u>Description</u>
<u>Vermont Sites</u>							
V-1	163	I	—	1	H; unaffected by transit	SFR	Single-Family Residential
V-2	201	HOC	TC	2-3	M; somewhat transit dependent	MFR	Multi-Family Residential
V-3	127	P/HOC	TC	1	L-M; somewhat transit dependent	HOC	Highway-Oriented Commercial
V-4	83	HOC	TC	1	M; transit dependent	RC	Regional Center
V-5	100	HOC	TC	1	M; transit dependent	TC	Transit Commercial
V-6	146	I	P	0.5-0.75	L; unaffected by transit	CC	Community Commercial
V-7	52	I	TC/MFR	1/20-25 du/acre	L-M; transit dependent	NCO	Neighborhood Commercial and Office
V-8	83	CC/SFR	TC/SFR	1/15 du/acre	L-M; transit dependent	I	Industrial
V-9	27	RC	TC	.75	M; somewhat transit dependent	OS	Open Space
*V-10	30	RC	MFR	25-30 du/acre	Low as MFR; M as SFR move-on?	P	Other Public/Quasi-Public
V-11	104	HOC/SFR	TC	0.75	L-M; transit dependent	PC	Mixed Public/Commercial
V-12	1,194	P	—	—	M; transit dependent	MRC	Mixed Residential/Commercial
V-13	496	P	P/MFR	25-30 du/acre	M; transit dependent	<u>Demand</u>	
V-14	1,120	I/P	—	—	H; unaffected by transit	H - High	
V-15	1,082	HOC	P/MPC	—	M; transit dependent	M - Medium	
V-16	16	RC	—	.75	M; somewhat transit dependent	L - Low	

\*Parcels are generally too small for efficient development of MFR unless densities are increased to 45-50 du/acre.

per gross acre). With this in mind, residential developers should be encouraged to apply for the higher density. The City of Los Angeles could approve such requests if prospective developers can demonstrate that community housing needs are being met and their design relates to the proposed transit station and adjacent land use.

Even though demand for industrial space may be largely uninfluenced by transit improvements, industrial development could play an important part in making the overall joint development program work. New investment can trigger additional investment; increased employment opportunities can support local retailing and possibly justify tenant improvements. Further, sensitive site planning can have major industrial projects relate to transit stations, which can have a beneficial effect on labor force accessibility. Consequently, although the initial decision to invest in an industrial development project may ignore the accessibility provided by a Vermont or Harbor Freeway transitway, overall station area development prospects can be enhanced by industrial development. In turn, this could lend greater support for specific joint development projects tied to stations themselves.

### **CANDIDATES FOR PHYSICALLY INTEGRATED DEVELOPMENT**

At three station locations—Exposition, Manchester, and Artesia—a physically integrated joint development project might be implemented in conjunction with the Harbor Freeway transitway. Development opportunities on sites adjacent to proposed stations exist at Jefferson, Santa Barbara, 39th, and Slauson.

In the Vermont Avenue corridor, sites with joint development potential are located adjacent to each of the proposed station locations. Here, direct, below-grade connections between the mezzanine and commercial development could be constructed where the rail line would be in the subway. This might be justified with large-scale commercial projects. Stations plazas also could be designed to enhance pedestrian amenities that should benefit retailers.

Table 6.3 summarizes the sites that are candidates for physically integrated or adjacent development; their relationships with each proposed station are illustrated on the station area schematic maps in Chapter 7.



**TABLE 6.3**  
**CANDIDATES FOR PHYSICALLY INTEGRATED OR LINKED JOINT**  
**DEVELOPMENT IN THE HARBOR FREEWAY AND VERMONT CORRIDORS**

<u>Site/Alignment</u>	<u>Type of Joint Development</u>	<u>Comments</u>
<u>Harbor Freeway</u>		
F-1	adjacent	Development possibly could be linked to the station if the site is used as a major employment center, but industrial use probably would not justify such added costs.
F-2	adjacent	Prime candidate for a pedestrian link serving the corridor between USC campus, major commercial development, and the station. A bridge across Flower and possibly Figueroa should be considered.
F-3	physically integrated	A mid- to high-rise office building could be built in conjunction with an Exposition Boulevard bus station. The curve in the freeway precludes a rail station at Exposition if a "heavy" rail system is required. <sup>a</sup>
F-4	adjacent	Development could be linked by a pedestrian bridge across Flower to a station at Exposition Boulevard.
F-5	adjacent	A 39th Street station could be linked with a pedestrian bridge across Flower, through development on the site, and across Figueroa to the Coliseum/Sports Arena.
F-6	adjacent	Development could be linked to station north of Santa Barbara, but this would require housing relocation (a Caltrans proposal).
F-12 F-13 F-14	adjacent	Cost of physical integration probably is too high for Slauson area given poor market conditions. A physical linkage could be provided more easily to F-12 and F-13 on the south side of Slauson.
F-19	adjacent	Development could be linked to the station with a pedestrian bridge over ramps if the station is at or south of Manchester.

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<sup>a</sup>An intermediate capacity rail transit system using technology such as that proposed for the Downtown People Mover could work with a station at this location.

**TABLE 6.3**  
(Continued)

<u>Site/Alignment</u>	<u>Type of Joint Development</u>	<u>Comments</u>
<u>Harbor Freeway (continued)</u>		
F-20	integrated or linked	Market demand for space probably is not strong enough to justify integrated development over freeway; a link with a pedestrian bridge probably is more feasible.
F-25 F-27 F-28	physically integrated	Large, basically vacant sites offer good potential for integrated joint development. Market demand for commercial use will affect financial feasibility.
<u>Vermont Avenue</u>		
V-2	physically integrated	Excellent site for new commercial development integrated with station mezzanine.
V-4 V-5	physically integrated	Station entrances could be integrated with new commercial structures on these corners.
V-7 V-8	physically integrated	Station entrances could be integrated with new commercial structures on these corners.
V-11	physically integrated	Station entrances could be integrated with new commercial structures on these corners.
V-12 V-13 V-14	physically integrated	Large, basically vacant sites offer good potential for integrated joint development. Market demand for commercial use will affect financial feasibility. These are alternative locations for station joint development projects. Other sites have little potential for physical linkage with exception of V-13 to V-12.

Source: Blayney-Dyett.

## **7. STATION AREA JOINT DEVELOPMENT CONCEPTS**

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### **INTRODUCTION**

This chapter presents a station area joint development concept and recommendations for siting individual stations associated with the Harbor Freeway and Vermont alignments to maximize transit-oriented development and walk-in patronage. Changes in station area land use plans and parking requirements are proposed to ensure that development will support transit and compatible uses will be built within station areas, consistent with the recommended concept. The proposals are intended to respond to community needs by increasing housing and employment opportunities within walking distance of transit stations, and reflect the findings of the market studies and site analysis presented in Chapters 5 and 6. The chapter closes with a summary of the principal differences in joint development potential between the Harbor Freeway and Vermont alignments and the changes in adopted general plans required to implement the recommended concept.

### **HARBOR FREEWAY TRANSITWAY**

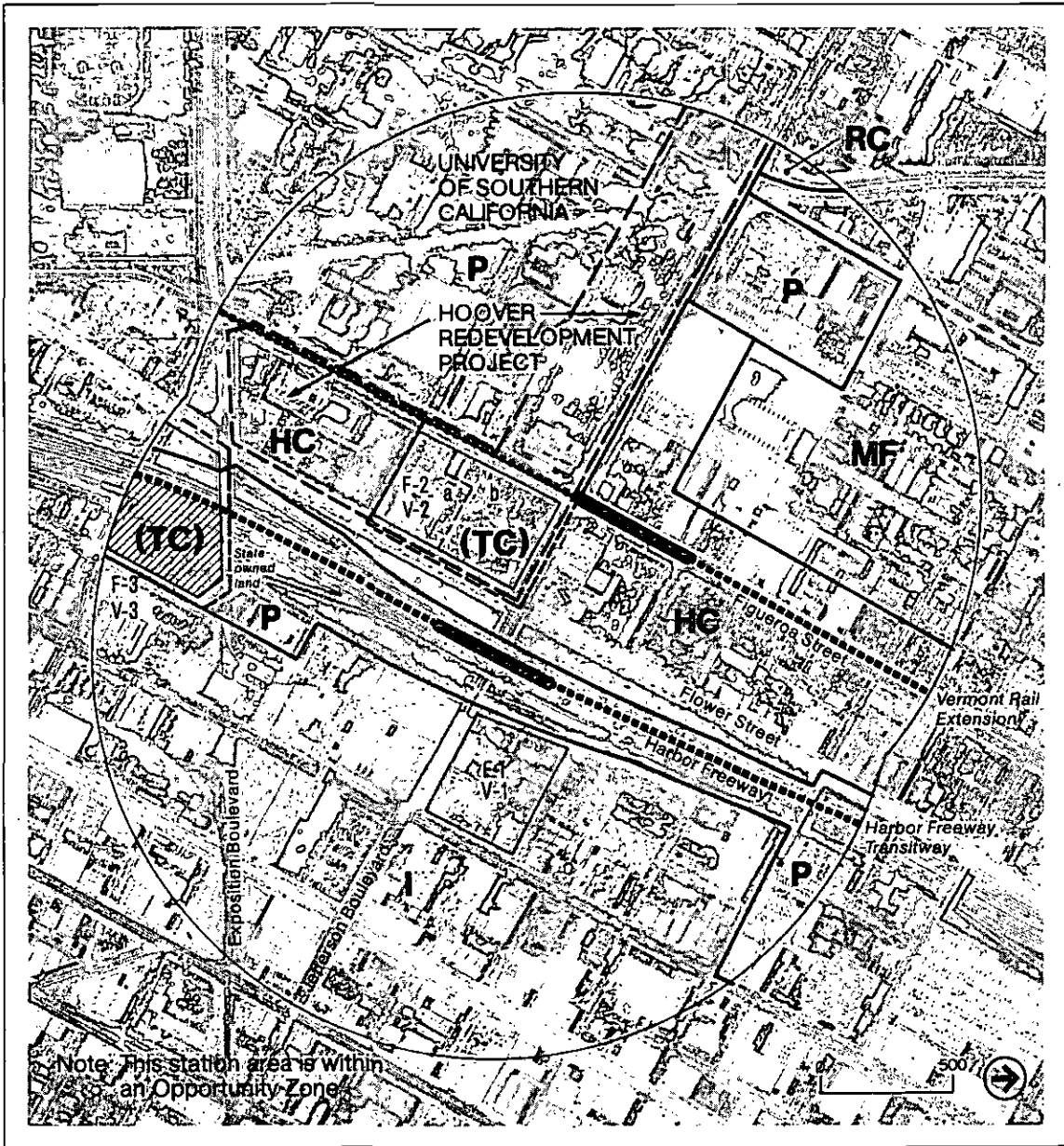
#### **Station #1: Jefferson-Santa Barbara**

Joint development opportunities exist around all four alternative station locations—Jefferson, Exposition, 39th, or Santa Barbara—with a station located at Exposition Boulevard offering the greatest potential for joint development with a bus/HOV or intermediate capacity rail transitway. Up to 1 million square feet of commercial and office space could be built on sites physically adjacent to the station or straddling the station (an integrated joint development project). A station access plan would have to be formulated to accommodate the traffic associated with the station and the proposed development and east-west bus service would have to be improved to avoid limiting patronage potential. The proposed joint development concept is illustrated in Figures 7.1, 7.2, and 7.3.

**Joint Development Opportunities.** Tributary to each of the proposed station locations are developable sites. However, the greatest long-range potential exists for a station at Exposition Boulevard, with sites F-3 and F-4 (see Figure 7.2) available for office space and mixed commercial/residential use respectively. Development of site F-3 would involve construction of office space in conjunction with the station adjacent to and above the freeway itself. Since half of this site already is owned by the state, a joint development agreement could be negotiated between Caltrans and the General Services Administration. The larger site (F-4), incorporating the entire area east of Figueroa Street between Exposition Boulevard and 38th Street, is presently occupied by low-use office buildings and retail and residential uses, and must be considered a prime candidate for redevelopment and intensification of use, which could increase transit patronage and reduce automobile commuting for those living within transit service areas. Development potential at both of these sites is dependent, to some degree, on improved transit access.

Site F-2, at the intersection of Figueroa and Jefferson (see Figure 7.1), has the highest short-term potential for joint development in the freeway corridor, but the market for space on this site is not likely to be affected by the proposed transit improvements.

**Figure 7.1  
JEFFERSON/HARBOR  
JEFFERSON/FIGUEROA  
STATION AREA  
JOINT DEVELOPMENT  
OPPORTUNITIES**



- Transitway
- Station
- [ HC ] Land Use Plan designation
- [ (HC) ] Proposed Land Use
- [ A-1 ] Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential
- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial

**POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS**

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
F-1, V-1	163,000	1	1/750
F-2, V-2a+b	201,000	2-3	1/1000
F-3, V-3	127,000	5-6 (V-3:1)	1/1000

**Jefferson/Harbor Freeway, Jefferson/Figueroa Tributary Area**

1995 Population: 15,790  
1995 Employment: 18,920

**Estimated Daily Station Patronage**

1995 Work trips by Harbor Freeway bus: 7,300  
1995 Work trips by Harbor Freeway rail: not available  
1995 Work trips by Vermont rail: 3,700

Source: Blayney-Dyett, Los Angeles City Planning Department

Essentially vacant with a plan designation for highway commercial use, these parcels are owned by people anxious to develop them. The site also is the only opportunity site within the freeway corridor located within a CRA-designated redevelopment area (the Hoover Redevelopment Project).

Site F-5, adjacent to a potential 39th Street station, is a small site partially vacant and partially occupied by a small motel with commercial development potential.

Site F-6, consisting of the majority of the Figueroa frontage across from the Sports Arena between Santa Barbara and 39th Street, is a candidate either for short-term infill retail commercial development or long-term redevelopment into a larger office and retail commercial project.

Sites in the Santa Barbara station area adjacent to the freeway (see Figure 7.3) are limited to F-7 and F-8; both have potential for industrial development, although this is somewhat constrained by the small size of the sites and heavy traffic congestion. A large site (F-9), presently designated for commercial use, lies on Santa Barbara west of Figueroa and has good long-term potential as a location for new housing, possibly integrating it with Coliseum-related commercial uses.

With the exception of site F-9 and a small portion of F-8, all sites in the station areas are compatible for joint development in their present plan designation. However, a designation of transit-oriented commercial would be more appropriate than the existing highway commercial designation. Feasibility or marketability of sites is moderate-high in comparison with other corridor station areas. However, public involvement in land assembly and clearance may be required to make specific projects feasible, given present market conditions.

Because of the relatively high land values, shortages of parking, and relatively good transit access from downtown transfer points as well as the south along the corridor, access with freeway transit is very good to this area, suggesting that a significant portion of trips to commercial or industrial station area joint development projects would be made on transit.

**Potential Conflicts or Incompatibility.** Although most of the area is proposed for highway commercial uses, housing has been built along Flower Street between 38th Street and Santa Barbara Avenue. Any large-scale joint development project on sites F-5 or F-6 might not be compatible with existing housing unless designed to provide separation of access and circulation; screening and setbacks for privacy and sunlight; and similar measures to avoid conflicts between residents, employees, and others. Likewise, industrial development of sites F-7 and F-8 would be incompatible with housing units on or adjacent to those sites. Finally, office development on site F-3 is not necessarily responsive to community needs unless it would provide benefits in terms of amenity, convenience retail, or employment to local residents or to people who would still be using transit without the office building.

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Exposition/Harbor, Exposition/Figueroa Tributary Areas

1995 Population: 15,790  
1995 Employment: 18,920

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Estimated Daily Station Patronage

1995 Work trips by bus, rail: not available

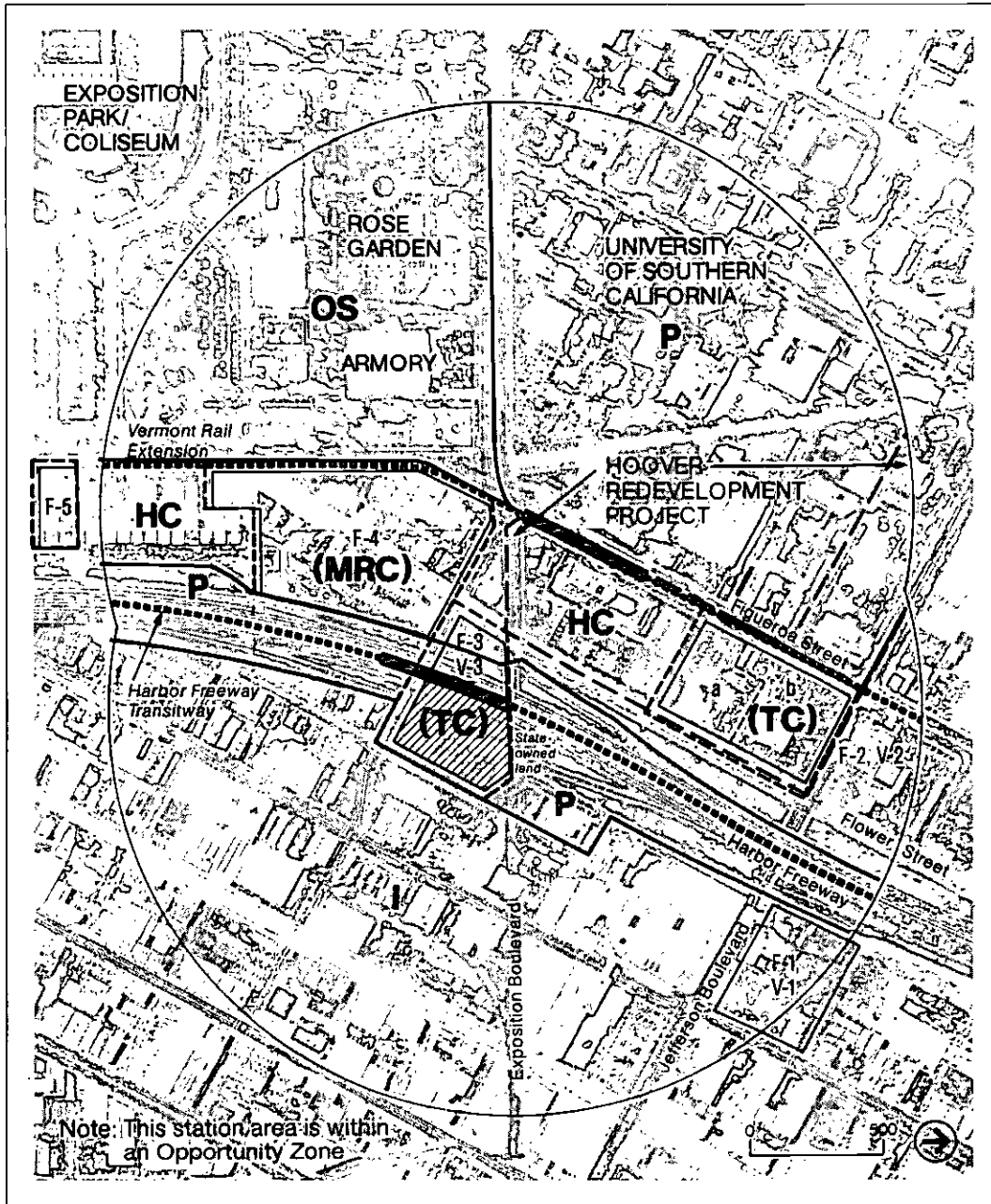


Figure 7.2  
 EXPOSITION/HARBOR  
 EXPOSITION/FIGUEROA  
 STATION AREA  
 JOINT DEVELOPMENT  
 OPPORTUNITIES

- Transitway
- ==== Station
- HC Land Use Plan designation
- (HC) Proposed Land Use
- A-1 Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential
- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial

POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
F-1, V-1	163,000	1	1/750
F-2, V-2a+b	201,000	2-3	1/1000
F-3, V-3	127,000	5-5 (V-3:1)	1/1000
F-4	369,000	2-2.5	variable
F-5	28,000	2	1/1000

Source: Blayney-Dyett, Los Angeles City Planning Department

**Recommendations to Maximize Joint Development**

The proposed joint development program for each station location is summarized in Table 7.1.

**TABLE 7.1  
PROPOSED JOINT DEVELOPMENT PROGRAM:  
JEFFERSON-SANTA BARBARA STATION ALTERNATIVES  
Harbor Freeway Transitway**

<u>Station and Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
<u>Exposition Boulevard</u>			
Mixed Use: Residential/Commercial	F-4	200-250 units 250-350,000 sq. ft.	High: long-term
Transit-Oriented Commercial	F-3	500-700,000 sq. ft.	High: long-term
<u>Jefferson Boulevard</u>			
Transit-Oriented Commercial	F-2	400-500,000 sq. ft.	High: short-term
Industrial	F-1	3.7 acres	Med-high: long-term
<u>39th Street</u>			
Transit-Oriented Commercial	F-5, 6	275-300,000 sq. ft.	High: short-term infill; long-term redevelopment
<u>Santa Barbara Avenue</u>			
Residential	F-9	60-70 units	High: long-term
Transit-Oriented Commercial	F-6, 9	275-300,000 sq. ft.	High: short-term infill; long-term redevelopment
Community Commercial	F-9	70,000 sq. ft.	
Industrial	F-7, 8	3.6 acres	Low
<u>Potential Employment:</u>			
Commercial: @ 200 sq. ft./empl.		Exposition -2,900-4,000	
Transit-Commercial: @ 300 sq. ft./empl.		Jefferson - 1,700-2,200	
Community Commercial: @ 500 sq. ft./empl.		39th Street - 900-1,000	
Industry: 100 empl./acre		Santa Barbara- 1,400-1,500	

**Station Location:** The Exposition Boulevard station site is recommended because it has the greatest potential for joint development and offers convenient service to two major activity centers. First, there are several high potential sites, and second, its intermediate location allows it to serve effectively both the University of Southern California and Exposition Park, leading to increased patronage, which in turn could increase demand for local services and support transit-oriented retail on the ground floor of adjacent or integrated office development. Negative factors associated with an Exposition station location are lack of RTD service and the freeway curve, which may create engineering problems for conversion to rail.

The Jefferson station area has the second highest in joint development potential, with the large industrial (F-1) and commercial sites (F-2) adjacent to the station. However, few vacant sites exist around this station, and redevelopment would displace residents. Also this station does not offer convenient service to USC, a major daily trip generator.

Proximity to the Coliseum and the Sports Arena is maximized with the 39th Street station, but lack of connecting bus service and residential displacement required for large-scale joint development are negative factors, reducing the attractiveness of this location. Finally, Santa Barbara has the highest level of east-west connecting transit service, making it a good transfer point.

**Plan Changes:** The highway commercial district, which includes the area between Figueroa and the freeway from Jefferson to Santa Barbara, should be changed to a transit commercial district for land within 500-750 feet of the selected station site. Characteristics of such a district could include a reduction in the parking requirement from one space per 500 square feet of commercial space to one space per 750 square feet, and density bonus (increase in allowable floor area ratio, FAR) for development physically related to or adjacent to a transit station. Criteria for determining the size of the bonus should include provision of station security, development of bus shelters within the building envelope, or provision of services for transit users (ticket or change machines, toilets, etc.).

For the mixed residential/commercial district, parking requirements should be reviewed on a case-by-case basis, rather than the present requirement for the addition of requirements of all the specific uses.

**Station Access and Parking:** Additional off-street parking should not be provided for new development within 500 feet of the future stations. High parking demand for USC or the Coliseum could make it difficult to exclude non-transit users from the parking. Potential weekday daytime use of Coliseum parking facilities for transit users should be explored with the Coliseum Commission to determine whether joint usage would be acceptable.

Street widenings and potential need for limited property acquisition for adequate transfer space from bus or auto (kiss-and-ride) to freeway transit must be considered in preparing a station area operations plan.



## **Station #2: Slauson**

The proposed station area joint development concept is illustrated in Figure 7.4; opportunities and constraints are described below.

**Joint Development Opportunities:** Although there are several sites available for adjacent or associated joint development, present market conditions do not make this station area ripe for short-term, joint development projects. Further, this demand is unlikely to be affected appreciably by the proposed transitway and the accessibility it would provide.

Several sites, including F-10, F-14, and F-17 on the north side of Slauson, are presently occupied by older housing but are designated for industrial use. In addition, they have rail frontage with industrial uses adjoining the housing, making them appropriate for industrial development. Other sites, presently occupied by service stations, which are incompatible with a transit station, may provide sites for additional industrial development; the adverse characteristics of the interchange area combined with the Vermont-Slauson development to the west limit potential for commercial intensification.

Vacant sites adjacent to the freeway include F-12 and F-13, located between the freeway and ramps on the southeast and southwest quadrants of the interchange respectively. Small size and access limited by the freeway ramps constrain development, and a redesignation to industrial use should be considered in order to combine these sites with adjoining underutilized properties.

Site F-13, on the west side of the freeway, would be an appropriate site for a public service facility if funding is available or for a station-related parking structure if the concept of station parking is approved as recommended by the Los Angeles Department of Transportation. Sites F-16 and F-18 on Figueroa Street, both vacant, are potential sites for multi-family housing, offering replacement housing for units that could be lost to industrial development on other station area sites.

In terms of the site evaluation criteria, major plan changes are required to allow for the degree of industrial development recommended. Most of the land is designated for highway commercial uses, although portions have a single-family housing designation.

In the short term, feasibility of development is low as a result of several factors, including weak market conditions, small parcel sizes, access constrained by railroad right-of-way, and the heavy traffic volumes on Slauson, which carried over 33,000 vehicles per day in 1979.

**Potential Conflicts or Incompatibility:** Industrial development of the sites recommended for associated joint development could affect those living in homes located across 58th Street to the north, particularly because access must be provided from this street to avoid the railroad tracks along Slauson Avenue.

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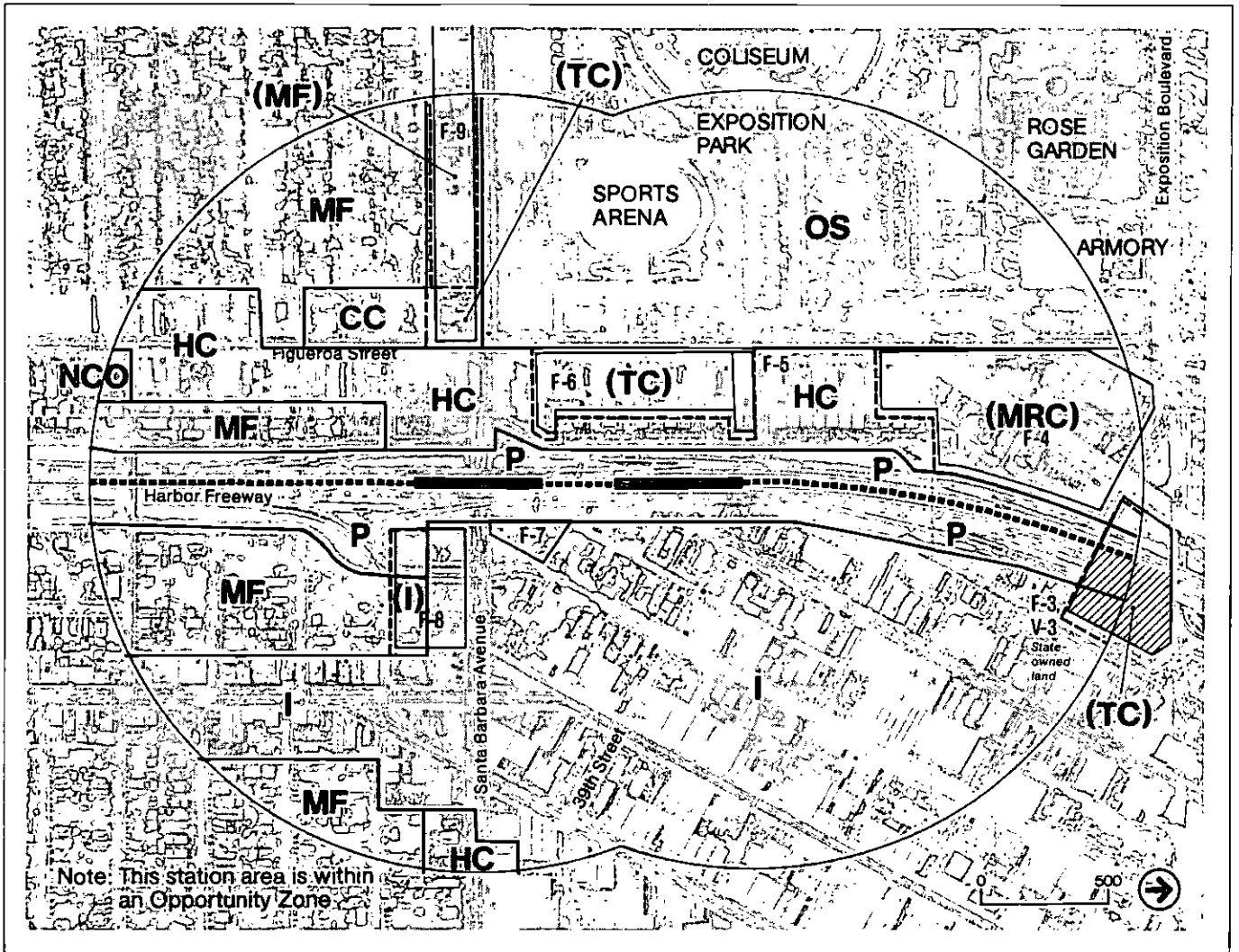
Santa Barbara/Harbor, Coliseum (39th St.)/Harbor Tributary Areas

1995 Population: 15,790  
1995 Employment: 18,920

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Estimated Daily Station Patronage

1995 Work trips by bus: 12,700  
1995 Work trips by rail: 16,600



**Figure 7.3**  
**SANTA BARBARA/**  
**HARBOR**  
**COLISEUM (39th St)/**  
**HARBOR**  
**STATION AREA**  
**JOINT DEVELOPMENT**  
**OPPORTUNITIES**

----- Transitway  
 Station

- HC Land Use Plan designation
- (HC) Proposed Land Use
- A-1 Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential

- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial

**POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS**

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
F-3	127,000	5-6	1/1000
F-4	369,000	2-2.5	variable
F-5	28,000	2	1/1000
F-6	119,000	2	1/750
F-7	46,000	1	1/750
F-8	109,000	1	1/750
F-9	170,000	2	variable

## Recommendations to Maximize Joint Development

The proposed station area development program is summarized in Table 7.2.

**TABLE 7.2**  
**PROPOSED JOINT DEVELOPMENT PROGRAM:**  
**SLAUSON STATION ALTERNATIVES**  
**Harbor Freeway Transitway**

<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Residential	F-16, 18	25-35 units	Low
Industrial	F-10- 15, 17	6.1 acres	Low

### Potential Employment:

**Industrial:**  
@ 75 empl./acre                                      450-500

**Station Location:** A station directly over Slauson Avenue or just to the south of the overpass would be the most beneficial in terms of compatibility with present uses and maximizing the limited opportunities for joint development. This would allow for adjacent development of industrial space or a public service facility. Alternatively, a portion of the presently vacant land could be used for a small transfer station or as a stop for feeder buses, with some supporting retail use with the station area itself. The drawback to a station location at the intersection is that it would concentrate on local traffic, ramp traffic, feeder bus service, and "kiss-and-ride" traffic on a single arterial, creating potential problems that would have to be resolved in a station operational plan.

**Plan Changes:** Redesignation of highway commercial and residential areas to commercial manufacturing or limited industrial use is recommended to encourage development creating a continuous industrial strip along Slauson Avenue, rather than the mix of industrial and residential uses that exist at present.

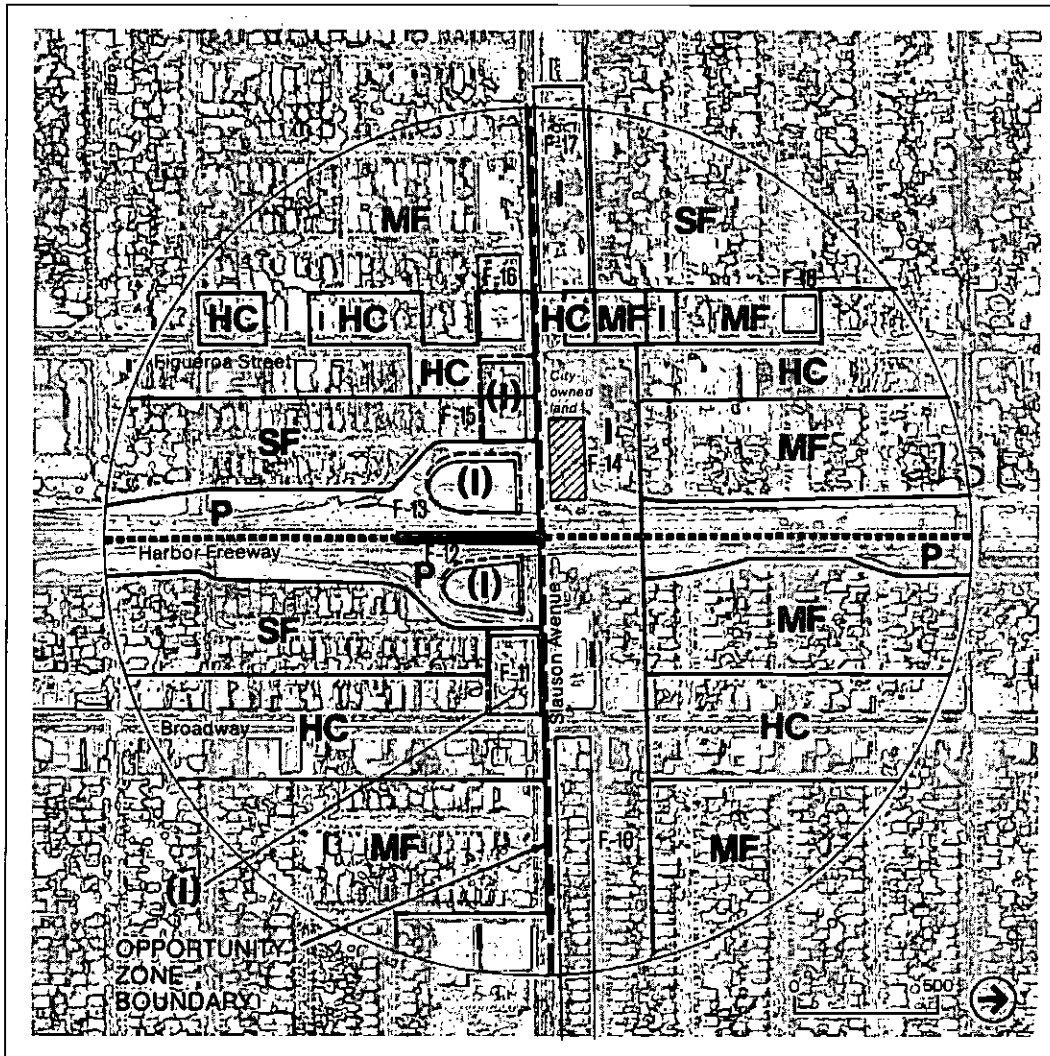
**Station Access and Parking:** Under the assumption that the majority of freeway transit users would come from the west rather than the east, access to the transitway should be on the west side of the freeway. This location, just beyond the southbound entry and exit ramps, also will result in fewer vehicular conflicts than would an access point east of the freeway just before the northbound ramps, both of which experience use when most freeway transit patrons will arrive at the station.

### **Station #3: Manchester**

The proposed joint development concept is shown in Figure 7.5; specific opportunities and development priorities are described below.

**Joint Development Opportunities:** Five joint development opportunity sites were identified around the proposed Manchester Avenue station. These parcels are large enough and sufficiently close to make joint development feasible despite the generally weak

Figure 7.4  
SLAUSON/HARBOR  
STATION AREA  
JOINT DEVELOPMENT  
OPPORTUNITIES



- Transitway
- Station
- HC Land Use Plan designation
- (HC) Proposed Land Use
- A-1 Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential
- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial

POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
F-10	134,000	.5	1/750
F-11/12	82,000	.75	1/1000
F-13/15	87,000	.75	1/1000
F-14	28,000	.75	1/1000
F-16	29,000	25-30 du/acre	1/unit
F-17	68,000	.50	1/500
F-18	27,000	20 du/acre	1/unit

Slauson/Harbor Freeway Tributary Area

1995 Population: 15,830  
1995 Employment: 4,500

Estimated Daily Station Patronage

1995 Work trips by bus: 4,600  
1995 Work trips by rail: 7,500

real estate market. With the exception of one site containing a gas station and Los Angeles Department of Public Works maintenance yard (F-22), and one site containing the International Harvester truck terminal, the other three sites are vacant: a Caltrans impound lot (F-20) in the southeast quadrant of the freeway interchange, an unused one-story former hospital (F-21) in the northeast quadrant of the interchange, and a large vacant parcel along Figueroa just south of Manchester (F-23).

The large parcels between the freeway ramps and stores on the west side of Broadway (F-19) are designated for community commercial uses. To maximize joint development potential, the block between Manchester and 87th Street should be redesignated for transit commercial uses, reducing the parking requirement, and the portion between 87th and 88th Streets should be redesignated for multi-family residential use to increase potential walk-in ridership. The Caltrans parcel, surrounded by the freeway and ramps on three sides, is suitable mainly for transit-related uses, such as a station with pedestrian-oriented retail services or possibly a commuter parking structure. However, continuous auto-oriented use of the site throughout the day would not be feasible because of the high traffic volumes on Manchester and the need for access to the freeway ramps adjoining the site.

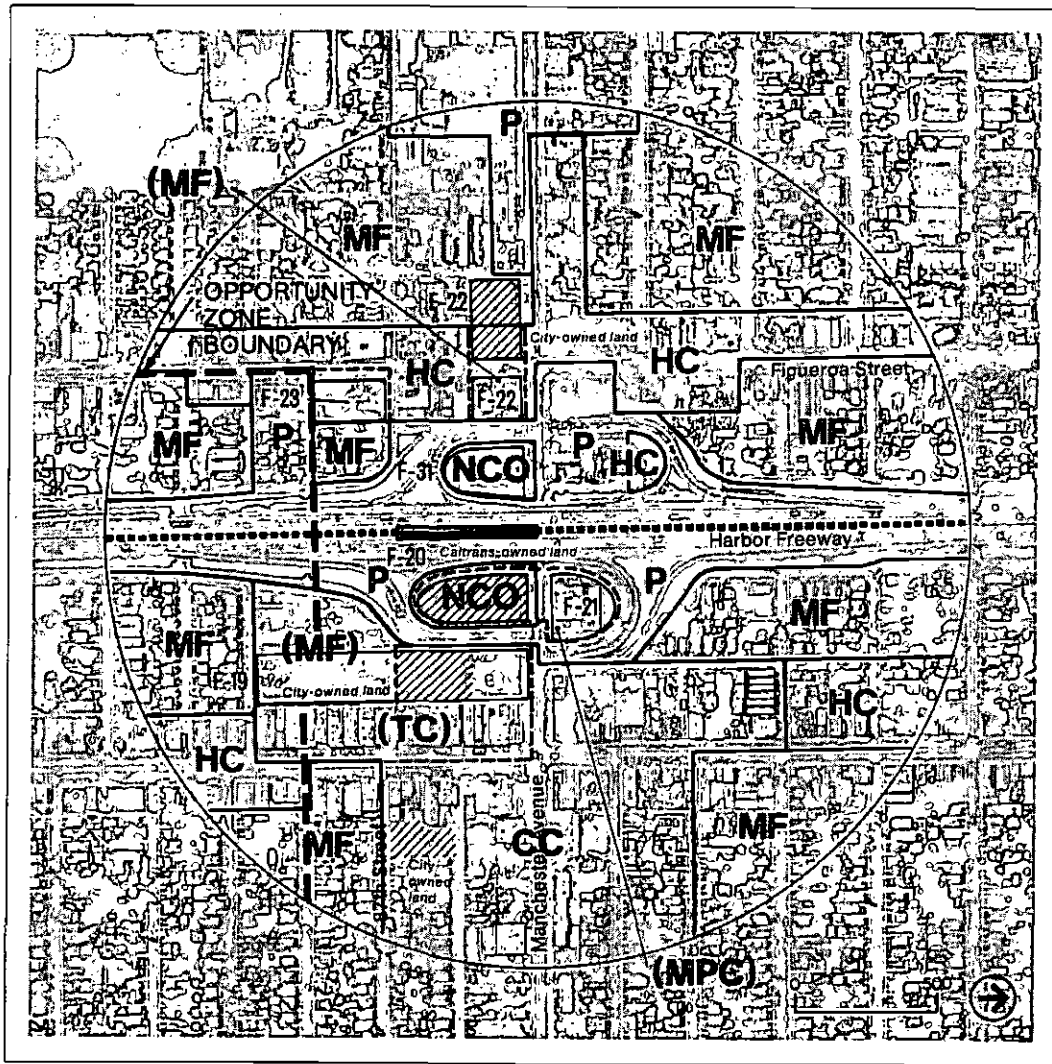
A large-scale project could be developed combining the two above mentioned sites but at the cost of bridging the freeway ramp. Alternatively, the ramps in the southeast quadrant could be closed and the ramps in the northeast quadrant and lanes on Manchester Avenue restructured to allow left turns at a signalized intersection, but Caltrans and city traffic engineers do not believe that this could work efficiently given projected traffic on Manchester Avenue.

The vacant, one-story Oak Park Hospital building, in the northeast quadrant of the interchange, must be considered a prime long-term site for joint development. Some public service or limited commercial use of the building might be a feasible interim use.

Two candidates for residential development are located to the west of the freeway. Site F-23, a vacant parcel on Figueroa at 87th Street with a highway commercial plan designation, has two-story apartment buildings as adjoining uses. It is a prime candidate for associated joint development. The other site, F-22, includes several gas stations and the city maintenance lot. The site is located at the intersection of Figueroa and Manchester, a less desirable residential environment, but housing would represent a more transit-related use than present site uses. Reuse, however, would be a lower priority joint development project.

In summary, each of the potential joint development sites at the Manchester area requires some plan changes to accommodate anticipated uses. The proposed station area plan could produce a land use pattern compatible with surrounding uses. However, because of market conditions and concerns about security and safety, a large-scale project will require government involvement in terms of planning, possibly site acquisition, and use of mortgage subsidies to lower costs, particularly for the housing elements. Market support for a 320-360,000 square foot retail center exists, making it the most attractive development opportunity in the station area.

**Figure 7.5  
MANCHESTER/HARBOR  
STATION AREA  
JOINT DEVELOPMENT  
OPPORTUNITIES**



- Transitway
- Station
- [ HC ] Land Use Plan designation
- [ (HC) ] Proposed Land Use
- [ A-1 ] Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential
- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial

**POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS**

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
F-19	176,000	1-1.5 20 du/acre	1/1000 1/unit
F-20	76,000	1-1.5	1/1000
F-21	65,000	1-1.5	1/1000
F-22	49,000	20-25 du/acre	1/1.2 units
F-23	31,000	20-25 du/acre	1/1 unit
F-31	44,000	1-1.5	1/1000

**Manchester/Harbor Freeway Tributary Area**

1995 Population: 41,630  
1995 Employment: 7,660

**Estimated Daily Station Patronage**

1995 Work trips by bus: 13,600  
1995 Work trips by rail: 18,000

**Potential Conflicts or Incompatibility:** Additional retail commercial development on sites east of the freeway could be adverse to the existing business district at Broadway and Manchester. Any new development on site F-19 should integrate modifications to the existing stores to create access from the former parking lot presently to the rear of these stores. No other potential conflicts would be anticipated with the exception of additional traffic flow on Manchester that could increase congestion in the area.

**Recommendations to Maximize Joint Development**

Table 7.3 summarizes the joint development program, which is illustrated on the map on the following page.

**TABLE 7.3  
PROPOSED JOINT DEVELOPMENT PROGRAM:  
MANCHESTER STATION ALTERNATIVES  
Harbor Freeway Transitway**

<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Residential	F-19, 22, 23	80-90 units	High except F-22 (Low)
Mixed Use: Public Service/ Commercial	F-20, 21	145,000 sq. ft. 80,000 sq. ft.	High High
Neighborhood Commercial/Office	F-31	45,000 sq. ft.	Low
Transit Commercial	F-19	12,000 sq. ft.	

Potential Employment:

@ 250-300 sq. ft./empl.                      900-1,000

Station Location: A location directly above Manchester or directly south of the over-pass would be most compatible with present uses and joint development potential, assuming anticipated traffic demand be accommodated. A station to the north would increase the bulk of the freeway above the existing residential properties in the

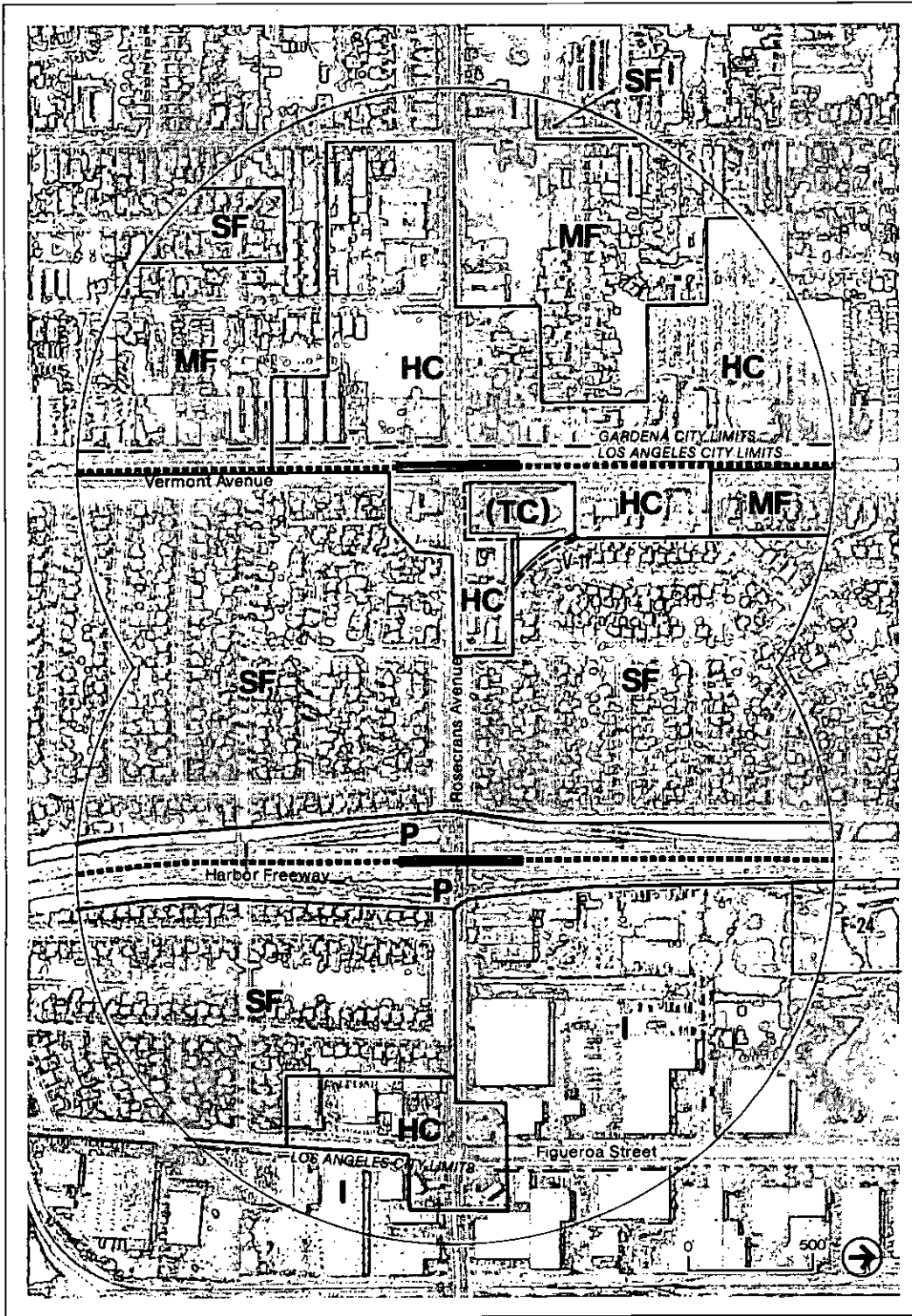
Rosecrans/Harbor, Rosecrans/Vermont Tributary Areas

1995 Population: 12,990  
1995 Employment: 4,270

Estimated Daily Station Patronage

1995 Work trips by Harbor Freeway bus: 4,100  
1995 Work trips by Harbor Freeway rail: 3,100  
1995 Work trips by Vermont Avenue rail: 4,700

**Figure 7.6  
ROSECRANS/HARBOR  
ROSECRANS/VERMONT  
STATION AREA  
JOINT DEVELOPMENT  
OPPORTUNITIES**



- Transitway
- Station
- HC Land Use Plan designation
- (HC) Proposed Land Use
- A-1 Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential
- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial

Source: Blayney-Dyett,  
Los Angeles City Planning Department

**POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS**

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
V-11	104,000	.75	1/1000
F-24	374,000	0.5	1/750



northwest quadrant of the Harbor Freeway interchange. No station compatibility problems would occur with the vacant site to the southeast or with the truck maintenance facility in the southwest quadrant.

**Plan Changes:** As indicated previously, the community commercial plan designation for much of the area east of the freeway should be modified to transit commercial, multi-family residential, and quasi-public commercial mixed use. Parking standards should be reduced, particularly for sites reflecting mixed use. The highway commercial designation for the portion of Figueroa south of Manchester should be modified to multi-family residential to reflect surrounding uses and the most feasible use of the available parcel.

**Station Access and Parking:** Because of the existing uses west of the freeway and potential for joint development of both adjacent parcels east of the freeway, primary station pedestrian access should be designed to the east of the freeway. Station parking was not considered necessary by the Regional Transportation Development Program (RTDP), but was recommended by the City Department of Transportation. A station parking structure could be integrated with commercial or other uses to generate a steady pedestrian flow or otherwise provide a degree of security not present in unguarded parking structures. If a parking structure is constructed, it should include some ground-level retail space on the Manchester frontage.

#### **Station #4: Rosecrans**

The proposed joint development concept, illustrated in Figure 7.6, shows development opportunities within the Harbor Freeway and Vermont Avenue station alternatives located at Rosecrans Boulevard.

**Joint Development Opportunities:** There is only one joint development site within 1,500 feet of the proposed Rosecrans station on the Harbor Freeway transitway. It is a vacant industrial parcel (F-24) presently on the market. Because of the distance from the station, the nature of the surrounding land uses—industrial warehousing and storage—and its current availability, any joint development opportunities seem remote. The majority of land near this station site is developed either in single-family homes (to the west) or industrial uses (to the east). Therefore, this station is not a high priority for joint development.

Table 7.4 summarizes the space that could be built on the one site.

**TABLE 7.4  
PROPOSED JOINT DEVELOPMENT PROGRAM:  
ROSECRANS STATION ALTERNATIVES  
Harbor Freeway Transitway**

<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Industrial	F-24	8.6 acres	Low
<b>Potential Employment:</b>			
@ 50-75 empl./acre		430-650	

## **Station #5: Artesia**

There are several potential station locations based on assumptions about the length and type of transitway developed (see Figure 7.7). The primary assumption for this analysis is that the Artesia Boulevard station will be an off-line rather than an on-line station in contrast to other stations. This is based on the expectation that Artesia Boulevard will be the southernmost extension of a rail alternative or exclusive bus/HOV right-of-way. Thus there is considerably more flexibility in station location than other areas where the station must be in the freeway right-of-way. Alternative locations for a station site that would permit joint development are discussed in the following section.

**Joint Development Opportunities:** Given its likely status as the "end of the line" station, a transportation center is planned in conjunction with the station, incorporating a transfer facility, a park-and-ride lot, and possibly supporting service commercial uses. Some capacity for transit vehicle storage would also be required, mandating a relatively large site (6-8 acres) in comparison to other stations.

Site F-25, just to the north of Artesia between Vermont and Normandie, fits most of the necessary criteria for such a station. The land is presently owned by Caltrans and is vacant, having been cleared for a potential extension of the Artesia Freeway, which has since been deleted from the proposed freeway network.

The site, in the City of Gardena, is designated for public use, with the exception of a general commercial designation for the northeast corner of Normandie and Artesia. Adjoining uses to the north include a park, small creek, and a neighborhood of single-family homes.

Constraints on use of this site include heavy traffic volumes on Artesia, Vermont, and Normandie that will be exacerbated by station-related activity, and a potential conflicting utilization of the site as a major resource recovery plant, a concept favored by the City of Gardena.

Several other vacant or underutilized sites exist in this same vicinity, but the magnitude of the actual station joint development site and amount of parking required may diminish the potential for associated joint development on nearby parcels. These sites include F-26, two Caltrans parcels on the south side of Artesia directly across from F-25. Adjoining single-family housing to the south and the existing traffic flow are constraints to the use of this site. Gardena favors a land use that would generate minimal traffic, such as a senior citizen housing project. Such a use would be compatible with the transportation center, but would not offer much ridership potential for freeway transit although proximity to transit would be a benefit for such residents.

Sites F-27/F-28, located in the southwest quadrant of the Harbor Freeway-Artesia Boulevard interchange just beyond the ramps, are presently substantially vacant with portions devoted to extractive usage and storage of industrial materials. Designated for industrial use, this area could be developed as a modern industrial park, requiring site clearance and grading; the market for such space could support a project at this location. However, since industrial use would not generate significant transit use at a station this far south of the CBD, development of this site should be considered a low priority issue for joint development.

Two other low priority joint development sites are F-29, located adjacent to the freeway just to the north of Artesia, and F-20, located on the south side of Artesia just east of the Harbor Freeway. Site F-29, also Caltrans owned, is a vacant excess parcel in a single-family residential area. Access is poor, and any use would probably be limited to limited scale residential development in conjunction with an on-line station if the transitway continues to the south rather than ending at Artesia. Site F-30, a vacant industrial parcel, may be adversely affected by the proposed reconstruction of the Artesia Freeway-Harbor Freeway interchange.

**Potential Conflicts or Incompatibility:** While potential certainly exists for a large-scale station-transportation center-retail commercial complex in this station area, the scale of the project itself may create an incompatibility with the surrounding residential areas. According to Gardena city officials, the neighborhood just to the south of Artesia between Vermont and Normandie is highly organized and vocal in their opposition to significant projects. The potential competition for the prime site between Caltrans and Gardena also needs resolution. Unless the entire concept for the development of the area is modified, which may not be economically justifiable, there does not seem to be high potential for joint development activity that would substantially generate ridership to support the transit station.

### Recommendations to Maximize Joint Development

A potential joint development program is summarized in Table 7.5.

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#### POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
F-25, V-12	1,194,000	0.75-1	1/500
F-26, V-13	496,000	25-353 du/acre	1/1.2 units
F-27/28, V-14	1,120,000	0.75-1	1/500
V-15	1,082,000	0.75-1	1/500
F-29	263,000	10-15 du/acre	1.5 unit
F-30	175,000	0.75-1	1/500

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#### Artesia/Harbor, Artesia/Vermont Tributary Areas

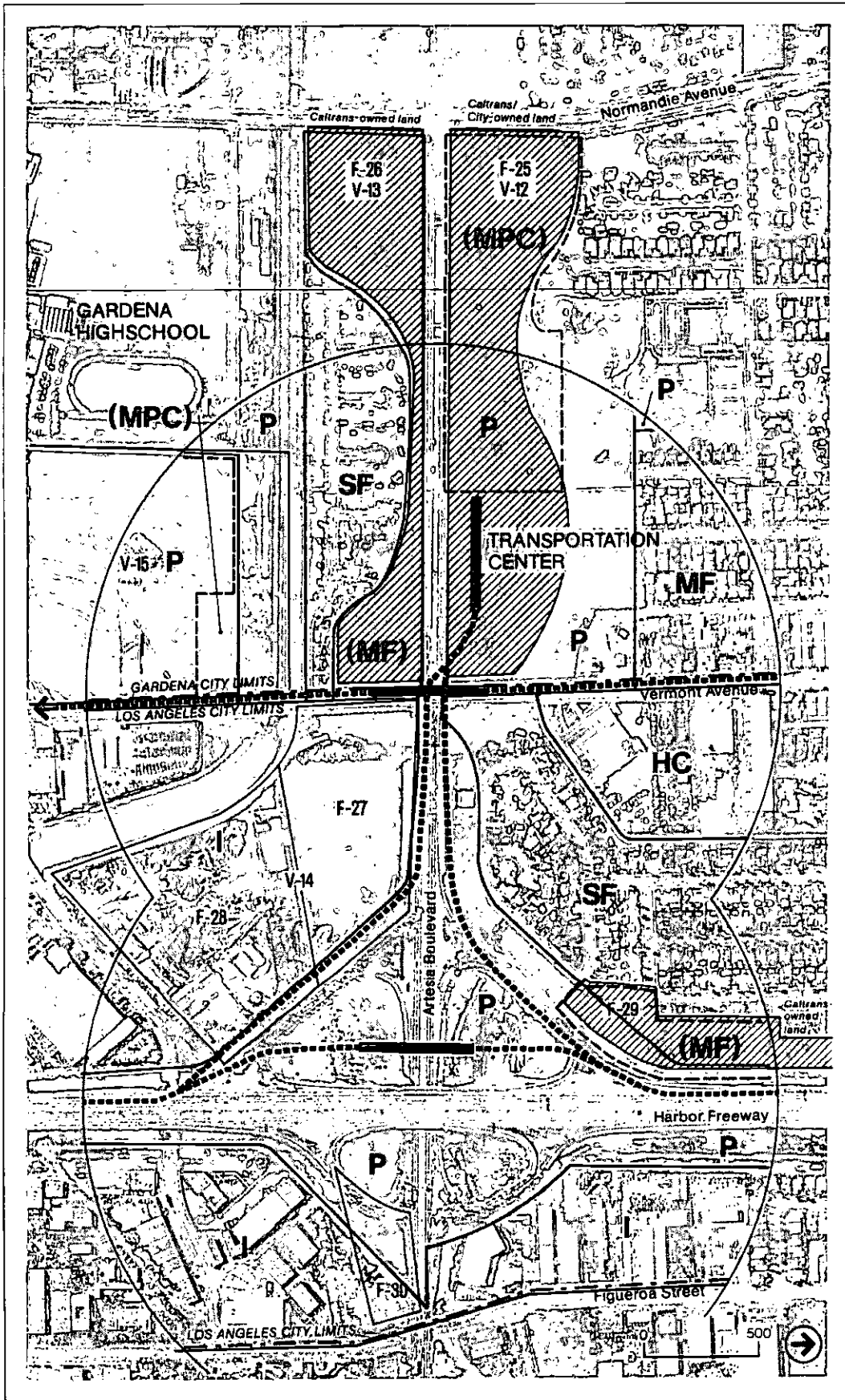
1995 Population: 18,000  
1995 Employment: 10,580

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#### Estimated Daily Station Patronage

1995 Work trips by Harbor Freeway bus: 4,200  
1995 Work trips by Harbor Freeway rail: 4,600  
1995 Work trips by Vermont Avenue rail: 4,700

**Figure 7.7**  
**ARTESIA/HARBOR,**  
**ARTESIA/VERMONT**  
**STATION AREA**  
**JOINT DEVELOPMENT**  
**OPPORTUNITIES**



- Transitway
- Station
- HC Land Use Plan designation
- (HC) Proposed Land Use
- A-1 Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential
- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial

Source: Blayney-Dyett,  
 Los Angeles City Planning Department

**TABLE 7.5**  
**PROPOSED JOINT DEVELOPMENT PROGRAM:**  
**ARTESIA STATION ALTERNATIVES**  
**Harbor Freeway Transitway**

<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Residential	F-26, 29	310 units	High
Mixed Use: Public/Commercial	F-25	8 acres	High: long-term
Industrial	F-27, 28	12-24 acres	High: long-term
Transportation Center	F-25	8 acres	High: long-term
Resource Recovery Center	F-25, (F-27, 28)	12 acres	(Undetermined)

Potential Employment: @ 50-75 empl./acre 2,200-3,300

Station Location: Because it is the largest single site and therefore allows the most opportunity, site F-25 is the best location for the station. Actual site usage and layout require further analysis. Compatibility with housing to the north and techniques to alleviate traffic congestion on Artesia Boulevard are major issues that will determine the best site plan.

Plan Changes: No substantial plan changes are required to develop a joint use station on site F-25, although a new designation of quasi-public/commercial mixed use on the site rather than the current separation of the two categories would allow greater program flexibility. Site F-26 should be designated for multi-family use.

Station Access and Parking: A major park-and-ride lot is anticipated for this station area. Details of station access and compatibility with existing traffic flow need traffic engineering analysis.

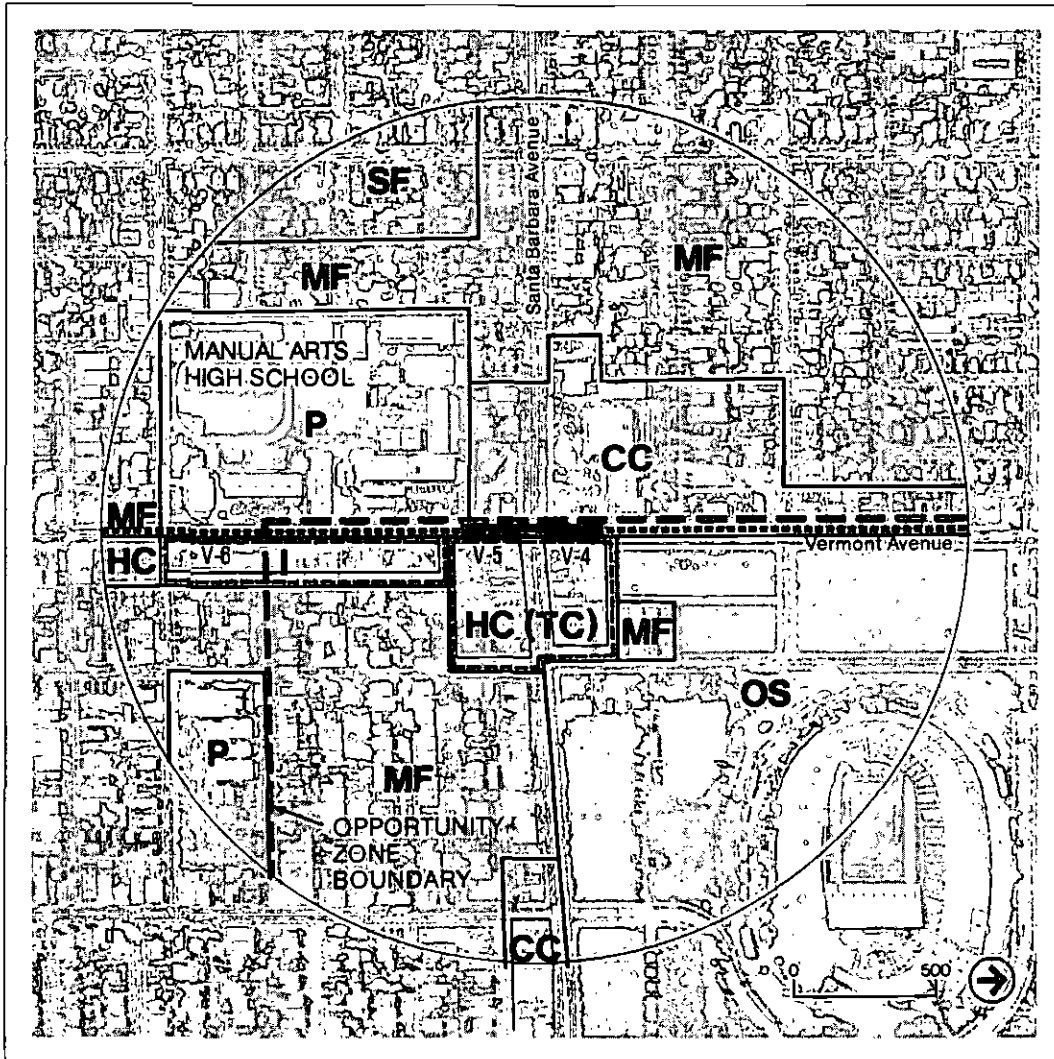
## **VERMONT TRANSITWAY**

### **Station #1: Jefferson and Figueroa**

The primary opportunity sites are the same as for the Jefferson-Harbor Freeway station (see Figure 7.1). Site V-2, the large underutilized parcel at Jefferson and Figueroa, would now be at a station rather than 100-200 feet from the station as it would for freeway transit. Therefore, potential for joint development of that site would be substantially enhanced. Site V-3, straddling the freeway, would diminish in value as a development site, joint development of that requiring the physical relationship with the actual station.

Site V-1, the industrial parcel on the east side of the freeway, would be slightly farther from transit than with freeway transit, but would still have excellent station accessibility.

**Figure 7.8**  
**SANTA BARBARA/VERMONT**  
**STATION AREA**  
**JOINT DEVELOPMENT**  
**OPPORTUNITIES**



- Transitway
- Station
- HC Land Use Plan designation
- (HC) Proposed Land Use
- A-1 Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential
- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial

**POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS**

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
V-4	83,000	1	1/1000
V-5	100,000	1	1/1000
V-6	146,000	0.5	1/1000

**Santa Barbara/Vermont Tributary Area**

1995 Population: 18,830  
 1995 Employment: 13,690

**Estimated Daily Station Patronage**

1995 Work trips by rail: 7,700

Because of the large available site and generally better market conditions than areas farther south, this station area probably has the greatest joint development potential with the Vermont rail alternative. This is apparent from the statistics in Table 7.6, which summarize the proposed station area joint development program.

Revisions to plan designation are suggested for site V-2. A transit commercial zone is recommended in place of the highway commercial designation (see Figure 7.1). As was the case for freeway transit, the differences would be fundamentally in parking requirements, although other bonuses could be provided for station amenities incorporated in a development project.

**Station #2: Santa Barbara at Vermont**

Sites V-4 and V-5 are potential transit commercial development sites on the northeast and southeast quadrants of the intersection, respectively (see Figure 7.8). Present uses include gas stations, auto repair shops, a small restaurant, and a surplus store. Opportunities intensification would definitely exist if this location had a major rail station. Because of the large east-west transit flow on Santa Barbara, this station would be a major transfer station, increasing the potential viability of station area retail development. The proposed joint development program is shown in Table 7.7.

**TABLE 7.6  
PROPOSED JOINT DEVELOPMENT PROGRAM:  
JEFFERSON AT FIGUEROA STATION ALTERNATIVES  
Vermont Rail Extension**

<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Transit-Oriented Commercial	V-2, 3	500-600,000 sq. ft.	High
Industrial	V-1	3.7 acres	Med-high: long-term
<u>Potential Employment:</u>			
Commercial: @ 300 sq. ft./empl.		2,000-2,300	
Industrial: @ 100 empl./acre			

**TABLE 7.7  
PROPOSED JOINT DEVELOPMENT PROGRAM:  
SANTA BARBARA STATION ALTERNATIVES  
Vermont Rail Extension**

<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Transit-Oriented Commercial	V-4, 5	180,000 sq. ft.	Med-high
Educational	V-6	3.4 acres	High
<u>Potential Employment:</u>			
Commercial: @ 300 sq. ft./empl.		600-750	
Educational: @ 500-1,500 sq. ft./empl.			

A transit commercial designation is recommended in place of the existing community commercial district (see Figure 7.9). The presence of Manual Arts High School may be a constraint on the development of the area, but the proximity of the station to the Coliseum-Sports Arena complex could promote additional retail activity.

Site V-6 is to the south of V-5 along Vermont and is across from the high school. Presently in industrial use (commercial manufacturing) in an area zoned for commercial use, reuse could be either additional space for the school or commercial use, for which there is little demand at present.

**Station #3: Slauson and Vermont**

With the station located adjacent to the new Vermont-Slauson commercial center, this environment has somewhat greater potential for development than the Slauson-Freeway station, which is in a more depressed area. Present use of site V-7 is an auto parts store with very large parking lot to the rear. Recommended reuse of this major intersection quadrant site would be a more transit-oriented commercial use (see Figure 7.9). Dependence on a large parking lot would be diminished both by a change of use and availability of rail transit. Thus, a portion of the parking lot could be utilized for a small-scale, multi-family residential project. Such use would be compatible with housing on the north side of 58th Street. The rail line separating the site from Slauson provides some constraint on residential use, but only two trains run daily.

The other potential site in this station area is V-8. Also a commercially designated area, it contains a drugstore on the corner, a large vacant two- to three-story building, and a group of small neighborhood shops. If the Vermont-Slauson center is successful in attracting new clientele to the area, there is likely to be a general upgrading that would include this site. Priority for joint development for this site is low in the short term; its long-term viability is totally dependent on the financial success of the Vermont-Slauson project. The potential space that could be constructed on the sites identified for joint development is summarized in Table 7.8.

**TABLE 7.8  
PROPOSED JOINT DEVELOPMENT PROGRAM:  
SLAUSON STATION ALTERNATIVES  
Vermont Rail Extension**

<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Residential	V-7, 8	25 units	Med-high
Transit-Oriented Commercial	V-7, 8	75,000 sq. ft.	Low
<u>Potential Employment:</u>			
@ 300 sq. ft./empl.		250	



#### Station #4: Manchester and Vermont

The commercial viability of this area is considerably better than the Slauson-Vermont intersection. Major financial institutions exist and have built new buildings along Manchester nearby. There are three potential joint development sites that may have short- to medium-range potential (see Figure 7.10). Both are unused parking lots in commercially designated areas. Sites V-9 and V-16, along Manchester several hundred feet east of Vermont, have potential for commercial use and possibly should be reclassified to transit-oriented commercial use. They are too far from the intersection, however, to offer opportunities for an integrated development; their best use may be as sites for financial institutions.

Site V-10, at the intersection of 85th and Kansas, is one block northwest of the Vermont-Manchester intersection. Also a vacant and closed parking lot, residential reuse of the site may be most feasible and compatible with uses to the north and west. A two- to three-story, multi-family structure should be feasible, either in a senior citizen housing project or possibly a relatively high density townhouse project.

The proposed station area joint development program is summarized in Table 7.9.

**TABLE 7.9**  
**PROPOSED JOINT DEVELOPMENT PROGRAM:**  
**MANCHESTER STATION ALTERNATIVES**  
**Vermont Rail Extension**

<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Residential	V-10	20-25 units	High
Transit-Oriented Commercial	V-9, 16	32,000 sq. ft.	Med-high

Potential Employment:

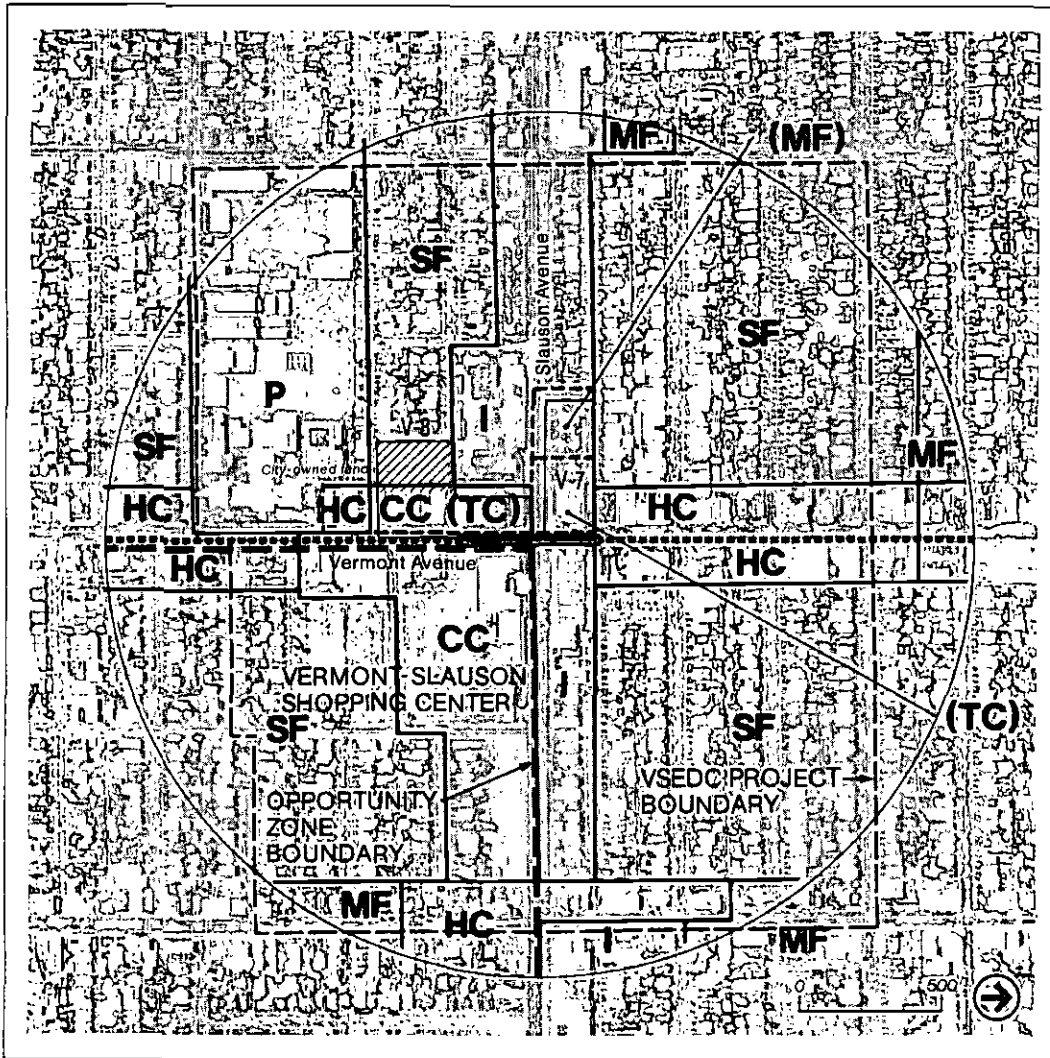
@ 500 sq. ft./empl.                      60-75

#### Station #5: Vermont and Rosecrans

Only one joint development site exists in this station area (see Figure 7.6). Site V-11 is largely vacant with the exception of a gas station in the northeast corner of the intersection. While gas stations exist in two of the other three quadrants of the intersection, they do not have large vacant parcels adjoining. The fourth quadrant has a poker club.

A transit-oriented commercial use would be appropriate for this site, although some parking would certainly be required. While offering a short-range development opportunity, the lack of multiple sites makes this area a low priority area for joint development over the long term. The development potential of this site is summarized in Table 7.10.

**Figure 7.9  
SLAUSON/VERMONT  
STATION AREA  
JOINT DEVELOPMENT  
OPPORTUNITIES**



- ..... Transitway
- Station
- HC Land Use Plan designation
- (HC) Proposed Land Use
- A-1 Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential
- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial

**POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS**

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
V-7	52,000	15-20 du/acre	1/unit
V-8	83,000	10-15 du/acre	1/unit

**Slauson/Vermont Tributary Area**

1995 Population: 16,360  
1995 Employment: 3,950

**Estimated Daily Station Patronage**

1995 Work trips by rail: 6,700

**TABLE 7.10  
PROPOSED JOINT DEVELOPMENT PROGRAM:  
ROSECRANS STATION ALTERNATIVES  
Vermont Rail Extension**

<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Transit-Oriented Commercial	V-11	75,000 sq. ft.	Low

Potential Employment:

@ 500 sq. ft./empl                      150

**Station #6: Vermont and Artesia**

Major problems with this area remain the disposition of sites V-12 and V-13, whether to be the long-term transportation center-station and short-term park-and-ride lot respectively favored by Caltrans and RTD, or the resource recovery plant and senior citizen housing projects favored by the City of Gardena.

Site V-14 offers an opportunity for coordinating an industrial development with a station in the median of Vermont if the rail line is extended south. Site V-15, presently a group of drive-in theaters, is unlikely to be utilized for an intensive commercial project because of neighborhood concerns about traffic generation, but might be an appropriate location for a mixed public-commercial use (see Figure 7.7).

The proposed station area joint development program is presented in Table 7.11.

**TABLE 7.11  
PROPOSED JOINT DEVELOPMENT PROGRAM:  
ARTESIA STATION ALTERNATIVES  
Vermont Rail Extension**

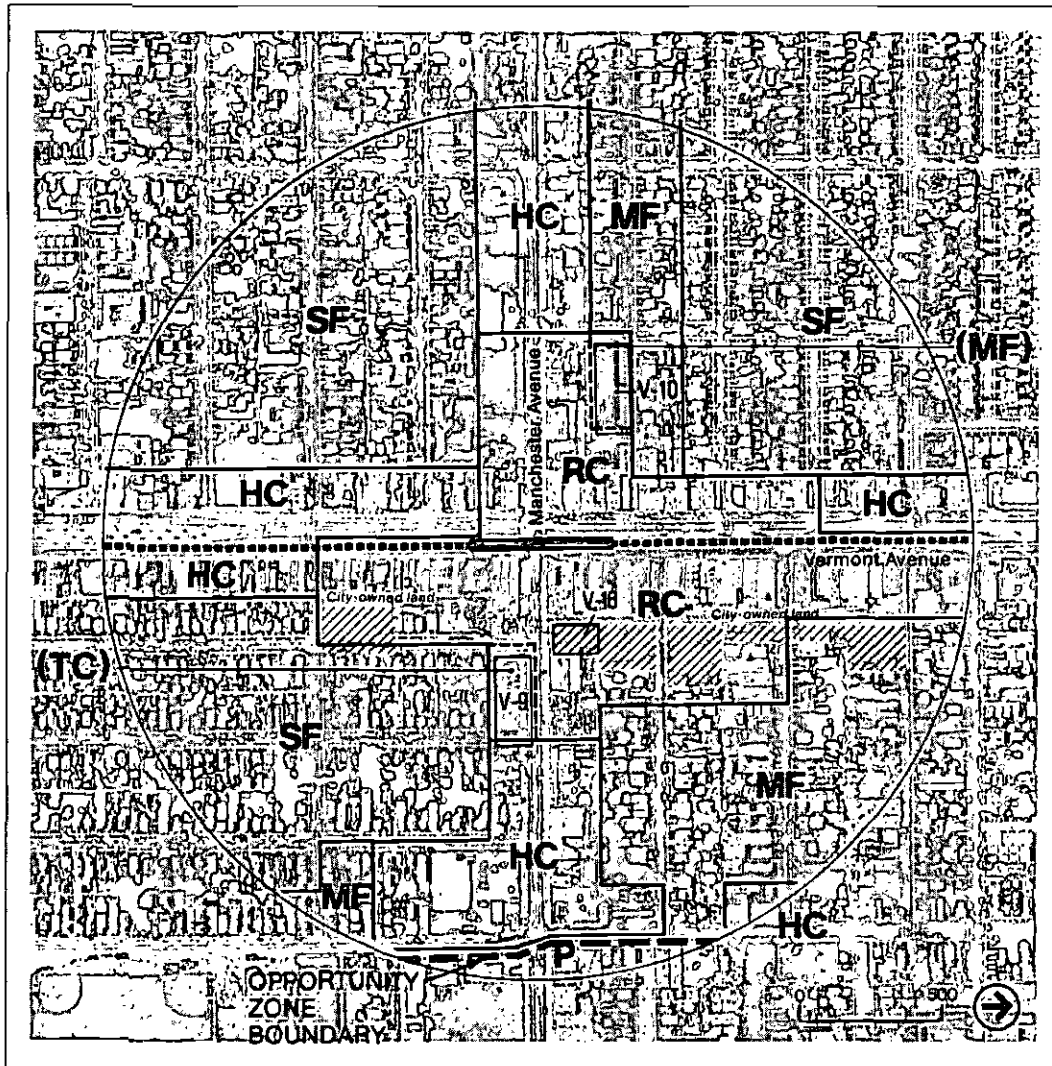
<u>Use</u>	<u>Sites</u>	<u>Space</u>	<u>Priority</u>
Residential	V-13	250 units	High
Mixed Use: Public/Commercial	V-12	8 acres	Med
Industrial	V-14, 15	40-50 acres	Med-low
Resource Recovery Center	V-14 (V-12)	12 acres	

Potential Employment:

@ 50-75/acre                              3,500-5,200

Figure 7.10  
**MANCHESTER/VERMONT  
 STATION AREA  
 JOINT DEVELOPMENT  
 OPPORTUNITIES**

- ..... Transitway
- Station
- HC Land Use Plan designation
- (HC) Proposed Land Use
- A-1 Opportunity Site
- SF Single-Family Residential
- MF Multi-Family Residential
- HC Highway-Oriented Commercial
- CC Community Commercial
- RC Regional Commercial
- NCO Neighborhood Commercial and Office
- I Industrial
- OS Open Space
- P Other Public/Quasi-Public
- MPC Mixed Public/Commercial
- MRC Mixed Residential/Commercial
- TC Transit-Oriented Commercial



**POTENTIAL SITE DEVELOPMENT DENSITIES AND PARKING REQUIREMENTS**

Site	Area (Square Feet)	Density (FAR)	Parking Standard (Square Feet of Floor Area Required)
V-9	27,000	.75	1/1000
V-10	30,000	30-40 du/acre	1/1 unit
V-16	16,000	.75	1/1000

**Manchester/Vermont Tributary Area**

1995 Population: 43,590  
 1995 Employment: 7,840

**Estimated Daily Station Patronage**

1995 Work trips by rail: 9,300

## **Other Stations**

In the Figueroa/Adams and I-105/Vermont station areas, no joint development opportunities are apparent. Consequently, a specific joint development program has not been proposed for these stations.

## **COMPARISON OF JOINT DEVELOPMENT OPPORTUNITIES**

Overall, the Harbor Freeway corridor offers more opportunities for development on vacant or underutilized sites adjacent to the proposed stations than the Vermont Avenue corridor. If these all could be realized, 6,900-9,500 jobs and 475-500 housing units would be located within walking distance of stations or within buildings physically integrated with the station. To a large extent, this would increase the corridor's employment base, although some of this employment might have occurred in the corridor without construction of the transitway. However, station area housing probably would not be built without public assistance.

In the Vermont corridor, opportunities for adjacent or physically integrated joint development could not add as many people within walking distance of proposed stations. Assuming development at the densities proposed, which are only somewhat greater than those prevailing in the corridor, 6,500-8,700 jobs and 295 households would be located with convenient access to a Vermont rail extension.

Table 7.12 summarizes the joint development potential in each corridor.

Implementation of these proposals would require general plan amendments and rezoning where adopted land use designations are not consistent with a transit-oriented development strategy. These changes should not compromise the integrity of existing district plans because only about 84 acres would be involved, representing 0.4 percent of the land in the corridor. Specifically, new land use classifications are proposed for 19-40 acres of the City of Los Angeles' district plans for the Southeast, South Central, and Torrance-Gardena corridors, 12.1 acres of the Gardena General Plan, and 2.5 acres of the Los Angeles County General Plan. These are summarized in Table 7.13.

**TABLE 7.12  
SUMMARY OF JOINT DEVELOPMENT OPPORTUNITIES IN  
THE HARBOR FREEWAY AND VERMONT CORRIDORS<sup>a</sup>**

<u>Use</u>	<u>Harbor Freeway Transitway</u>	<u>Vermont Rail Extension</u>
Residential (units)	475-500	295
Mixed Use:		
Residential (units)	250	—
Commercial (sq. ft.)	700,000	—
Transit-Oriented		
Commercial, Office (sq. ft.)	1,170,000	980,000
Community Commercial (sq. ft.)	70,000	—
Neighborhood		
Commercial/Office (sq. ft.)	45,000	—
Mixed Use:		
Public/Commercial (acres)	11	8
Industrial (acres)	46	53.7
Educational (acres)	—	3.4
Transportation Center (acres)	8	—
Resource Recovery Plant (acres)	10-12	10-12
Potential Increase in Employment Within Walking Distance of Stations	6,900-9,500	5,500-7,100

a. Assuming the program proposed for the Exposition station as representative of the Jefferson-Santa Barbara station area development opportunities.

Source: Blayney-Dyett.

**TABLE 7.13**  
**PROPOSED CHANGES TO ADOPTED LAND USE**  
**PLANS TO IMPLEMENT A HARBOR FREEWAY OR**  
**VERMONT CORRIDOR JOINT DEVELOPMENT PROGRAM**  
**(Acres)**

<u>Land Use</u>	<u>Adopted Plans:</u> <u>Southeast,</u> <u>South Central,</u> <u>and Torrance-</u> <u>Gardena Corridor</u>	<u>City of Los Angeles</u> <u>Proposed Changes<sup>a</sup></u>		<u>Los Angeles County</u> <u>General Plan</u> <u>Proposed Changes</u>		<u>City of Gardena</u> <u>General Plan</u> <u>Proposed Changes</u>	
		<u>Harbor</u> <u>Freeway</u>	<u>Vermont</u>	<u>Harbor</u> <u>Freeway</u>	<u>Vermont</u>	<u>Harbor</u> <u>Freeway</u>	<u>Vermont</u>
Single-Family Residential	6,590	-4.3	-4	—	—	—	—
Multi-Family Residential	8,125	+11.4	+1.3	—	—	—	—
Highway-Oriented Commercial	1,205	-19.3	-11.2	—	-24.8	—	—
Transit-Commercial	—	+13.1	+16.5	—	—	—	—
Neighborhood Commercial	281	-1.7	—	—	—	—	—
Community Commercial	449	-7.2	-1.2	—	—	—	—
Regional Center	53	—	-1.3	—	—	—	—
Industry	3,429	+4.0	-4.6	—	—	—	—
Mixed Use:							
Public/Commercial	—	+3.2	—	—	+2.5	+12.1	+12.1
Residential/Commercial	—	+8.5	—	—	—	—	—
Open Space	1,087	—	—	—	—	—	—
Other Public/Quasi-Public	<u>1,467</u>	<u>-7.7</u>	<u>+0.9</u>	<u>—</u>	<u>+22.3</u>	<u>-12.1</u>	<u>-12.1</u>
<b>TOTAL</b>	<b>22,686</b>	<b>40.2</b>	<b>18.7</b>	<b>—</b>	<b>24.8</b>	<b>12.1</b>	<b>12.1</b>

<sup>a</sup>Some areas designated as open space on Los Angeles City plan maps which are within or adjacent to the freeway right-of-way are designated as "public, quasi-public" for this analysis.

Source: Blayney-Dyett.

## **8. IMPLEMENTATION**

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### **INTRODUCTION**

This chapter presents an analysis of implementation issues and development priorities and recommends an implementation strategy designed to carry out the station area joint development/value capture concept. In this context, value capture represents a coordinated effort to enhance the value and development potential of land adjacent to the proposed stations and to apportion the benefits of such development and the accessibility that improved transit will offer among public and private sector participants. For the Harbor Freeway corridor, value capture techniques could include special development regulations, setting standards, and streamlining processing requirements; assistance in land assembly for financing; and use of special benefit assessment districts to provide infrastructure, as provided by state law.

A number of questions are not addressed because they are analyzed in detail in a separate report just completed for the Southern California Rapid Transit District.<sup>1</sup> SCRTD's consultant evaluated alternatives for capturing value around stations and procedures for forming value capture districts. The objective was to determine whether revenues obtained from such districts could meet the needs of developing future stations and pay for the capital costs of line extensions and/or meet the costs of annual maintenance of existing stations.

Organizational alternatives for implementation of a value capture program were evaluated in detail, including using SCRTD staff, contracting with the Community Redevelopment Agency or city departments, hiring consultants, creating a non-profit joint development corporation, or selecting a master developer at each station. The pros and cons of a joint powers arrangement also were investigated. The conclusion of SCRTD's consultants was that a non-profit development corporation model would be most appropriate. To implement this proposal, the report includes recommendations for the structure of a joint private development corporation: duties and responsibilities are defined, financial and operating considerations addressed, and a budget proposal outlined.

In this report, a broader perspective is offered because in the Harbor Freeway corridor a coordinated, transit-oriented development strategy is essential to attract investor interest and realize the potentials that exist around proposed stations. The model of a non-profit development corporation is not endorsed since alternative organizational arrangements may be just as effective and, possibly, more appropriate for the corridor. The proposed strategy will respond to community needs by providing maximum opportunities for residents and businessmen to participate in the process from initial review of proposed station area plans through to development of adjacent sites.

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<sup>1</sup>Economics Research Associates, Identification of Joint Development and Value Capture Opportunities Relative to Implementation of the Metropolitan Mass Transportation System in Los Angeles, Draft, September 1980.



## **ISSUES**

For a joint development/value capture program to be successful in the Harbor Freeway corridor, it must be sensitive to community needs, interagency and institutional issues, and financing realities. During the course of the study, the following issues have emerged as important, and the implementation program presented in this chapter has been crafted to respond to them.

**Issue: Need to reserve sites with joint development potential for transit-related uses and establish station area development standards.**

Currently, Los Angeles Southeast, South-Central, and Torrance-Gardena corridor district plans and the Gardena General Plan make no specific provision for medium-high density uses around proposed transit stations where such development would be appropriate. In fact, in many station areas highway-oriented, commercial land use designations encourage auto-oriented development. Once a decision is made on transit improvements in the corridor and specific station sites are selected, local governments should amend plans and development regulations to avoid having development opportunities preempted by incompatible uses that are not consistent with the recommended station area development concept. This should be done at one time and not in a piecemeal fashion.

Options for station area development policies could include:

- Required minimum development densities to encourage high intensity uses with transit ridership potential.
- Off-street parking requirements for residential and commercial development, including an upper limit on the spaces to be built within walking distance of stations.
- Pedestrian access standards including limitations on curb-cuts and truck loading along major pedestrian streets serving stations.

State law and the Los Angeles City Charter authorize preparation of specific area plans to facilitate implementation of general plans. These could refine the proposed development concepts and establish a specific implementation and financing program. Other options include adoption of station area "overlay" districts as part of local zoning regulations or changes in existing zoning districts' designations to be consistent with the proposed concept. Station area development proposals also could be subject to design review to allow for innovative alternatives to the proposed uses.

**Issue: Need to develop publicly owned land within station areas for transit-related uses.**

Publicly owned land that is vacant or used for parking should be developed for more intensive uses with transit ridership potential, either by selling or leasing the land to a private developer or entering into a joint development agreement. Alternatively, the land could be donated to a local economic development corporation, which would assume responsibility for joint development, following the precedent established for

the Vermont-Slauson Shopping Center Project. For city-owned land currently used for parking, state divestiture procedures must be followed if the land is to be sold or transferred to another agency.

Transit-oriented uses include medium to high density housing; retail, commercial, and office development; and, to a lesser extent, industrial projects catering to labor intensive, not capital intensive, operations. Warehousing and distribution operations and energy facilities, such as Gardena's proposed resource recovery center, are not land uses compatible with the proposed station area development concept.

From a value capture perspective, private development of publicly owned land is important because it contributes to the property tax base. Only the land or leasehold value probably represents a net gain because the improvements probably would have been constructed elsewhere in the region if these sites were not available. Such marginal additions to the supply of developable land will not create new markets or increase demand for economic activity, which, in turn, would justify greater investments in new plants, stores, and offices. The public benefit will come mainly from increasing the efficiency of land use, not from major increases in fiscal revenues.

**Issue: Need to provide assistance for station area development.**

Improved transit is not a sufficient incentive to cause development to occur within station areas where market demand is weak, and fragmented ownership and small parcel sizes limit opportunities for major projects. Where market potential justifies private development, assistance in development review and approval, land assembly, and financing may be required to attract qualified and interested developers. To ensure that at least some of the profits of developments benefiting from public assistance and the proposed transit improvements are reinvested in the community, or to defray some of the public costs incurred, value capture techniques should be used. These include use of special benefit assessment districts, economic development corporations, and joint development agreements.

To ensure that transit users benefit from station area development providing waiting time amenities and the convenience of nearby retail business, joint development agreements also should include guarantees from tenant businesses for certain hours of operation, staffing at peak hours, and similar requirements.

If the Reagan administration's proposed reductions in federal assistance for transit and community development are enacted, state and local initiatives will be necessary to make marginal joint development projects viable and to provide financing for needed infrastructure improvements.

**Issue: Need to provide opportunities for local residents and businesses to participate in joint development.**

Community leaders are committed to maintaining and increasing opportunities for minority participation in joint development projects. Residents should be given right of first refusal in assisted housing projects. With commercial and industrial development, a portion of the new space should be reserved for local businesses and rents set at affordable levels at least for the initial years following completion. Such policies

have been established for the Vermont-Slauson Shopping Center Project, which is a good model for similar efforts in the corridor. A program for minority business participation and employment of local residents could be modeled on the approach used by the Community Redevelopment Agency for the Bunker Hill Project, which includes a \$6 million performance bond posted by the developer to ensure that the goals are met.

A community participation program also could be established for each station area to promote joint development opportunities involving residents and local businessmen. This was done quite successfully in Boston's Southwest Corridor Development Program. Interim use of publicly owned land for farmer's markets or urban gardens also might be considered.

**Issue: Need to minimize residential displacement with station area development.**

The corridor contains a valuable stock of older housing, which cannot be replaced at costs affordable by local residents without significant subsidies. Recognizing this, the Southeast and South Central district plans proposed "downzoning" to conserve this housing stock. Where station areas include housing slated to be retained by the district plans, the proposed development concept does not propose a change in policy. Because speculation could increase pressure for plan changes, it will be important for local governments to take a strong position against modification or amendment of plans or policies that directly or indirectly would undermine a commitment to minimizing residential displacement, unless an adequate relocation plan acceptable to local residents is proposed.

## **DEVELOPMENT PRIORITIES**

Priorities for joint development have been selected by choosing sites and proposed uses that meet the following objectives:

- Maximize use of public land for joint development.
- Minimize displacement of residents' businesses.
- Maximize employment or housing opportunities.
- Be compatible with general plans.
- Be located within a designated "opportunity zone" (City of Los Angeles sites only).
- Meet moderate or high market demand somewhat or largely dependent on transit improvements.
- Offer opportunities for physically integrated development, grade-separated pedestrian linkages, or convenient access for transit patrons.

Appendix B includes summary tables showing the degree to which each site conforms to these objectives.

If a Harbor Freeway alignment with an off-line station at Artesia is chosen, priorities for physically adjacent or integrated joint development would include:

- Exposition station area: sites F-3 and F-4 (1/2 state-owned)
- Manchester station area: sites F-19 (20 percent city-owned), 20 (Caltrans-owned), and 21
- Artesia station area: Sites F-25 and F-26 (Caltrans-owned)

In addition, private development on opportunity sites within walking distance also should be encouraged.

If Caltrans and SCRTD opt for the Vermont Avenue alignment, sites in the following station areas offer the highest potential for joint development:

- Jefferson station area: site V-2
- Santa Barbara station area: sites V-4, V-5, and V-6 (in association with the Los Angeles Unified School District)
- Slauson station area: sites V-7 and V-8 (1/3 city-owned)
- Manchester station area: sites V-9 and V-16 (city-owned)

Incentives for development of other opportunity sites in these station areas also should be offered, consistent with implementation of the proposed development concept.

With either of these programs, development on high priority sites will cause minimal displacement. In the Harbor Freeway corridor, some displacement would occur with a project at site F-3, but with a mixed use project, opportunities for housing those now living on the site could be offered. In the Vermont Avenue corridor, businesses in the Santa Barbara and Slauson station areas would be displaced by development on the designated opportunity sites. Again, a relocation program and options for space in new developments could minimize the difficulties and financial hardships associated with a move.

## **IMPLEMENTATION OPTIONS AND VALUE CAPTURE CONCEPTS**

The theory of value capture is straightforward: freeway transit in the Harbor Freeway corridor, either along Vermont or in the freeway median, may enhance the value and development potential of adjacent and privately owned land because of the accessibility improvement it will provide. Although developers' intentions are not greatly influenced by the types of transit improvements proposed for this corridor, because of the locational disadvantages and poor "image" from which the corridor suffers, a coordinated set of development strategies, including assistance in land assembly and financing, can increase development potential over what it would be if transit improvements are not provided. However, many of the "gains" may simply be transfers from one area to another in response to changes in market preferences without a net increase in overall economic activity, and, as a consequence, fiscal revenues may be no greater in the aggregate. The proposed joint development concept could enhance land values in the corridor, and land values elsewhere may not decline, assuming that the overall level of investment in improvements—new construction of residential, commercial, or industrial space—is not affected by freeway transit or a rail transit extension along Vermont Avenue.

Four general techniques of value capture may be appropriate: special development regulations, public participation and development, taxation, and incentives to increase transit ridership. Each of these have the advantages and disadvantages that will

affect their suitability for implementation. These will become clear as the techniques themselves are described in detail.

### **Special Development Regulations**

Incentive or Special District Zoning. To implement the recommended development program for each station area, which includes changes in general plan land use designations for specific opportunity parcels, zoning consistent with these plan policies will be required. In Los Angeles, two options exist for incentive of special district zoning: the "Q" qualified zoning classification (Section 12.32(j)) which can be applied with any rezoning necessary to implement the proposed concept, or the specific plan district (Section 13.00). With a "Q" qualified classification, specified development standards can be established to assure that any proposed project is compatible with surrounding uses that meet a transit-oriented joint development objective of the district plans. A "Q" classification is appropriate to prevent or mitigate potential environmental effects and to achieve harmony with general plan policies. Standards that could be established with a "Q" classification include:

- Required minimum densities, such as floor area to site area (FAR) ratios of 1:1 and housing densities of 40-50 per net acre. Maximum densities, of course, also would be established consistent with the height districts, which already apply to land use designations.
- Parking requirements setting a "lid" on the number of parking spaces provided, as recommended in the station area development program.
- In commercial districts within station areas, mandatory ground floor retail frontage (25-50 percent of total ground floor space).

This policy also could apply to station area parking structures and to any transportation terminal.

The specific plan regulations are intended to establish special regulations that apply to a particular area or supplemental use districts "whose requirements are difficult to anticipate and which cannot be provided for in the 'comprehensive zoning plan.'" Districts established to date include an oil drilling district, animal slaughtering district, rock and gravel district, residential plan development district, horse-keeping district, and commercial and art craft district. The city could add a transit commercial district to this list, prescribing in greater detail requirements for development within transit station areas, or it could adopt specific plans for each station area, setting development standards. The first option would be preferable if coordinated with joint development studies associated with other elements of the regional transportation program, particularly the proposed Wilshire rail line. The advantage of a special use district is that it would encourage coordinated specific area planning focused on guidelines and standards. However, existing planning and zoning procedures also can be used to establish development standards that are consistent with a designation of transit commercial uses for station areas as proposed in the recommended concept.

Opportunity Zones. In the Harbor Freeway corridor, two opportunity zones have been designated in Los Angeles district plans and proposals to expand these zones are

currently being studied by the City Planning Department. However, implementing ordinances have not yet been enacted. Two options are being considered. One would involve creation of a overlay district, specifying standards and procedures for development within designated opportunity areas. The other would be to amend regulations for conditional uses in the MR-2 and more restrictive zones within opportunity areas in order to "encourage and accommodate new development in housing, commerce, and industry and to provide for social and cultural services and amenities within areas of the city presently characterized by significant underdevelopment, blight, physical deterioration, or abandonment." The objective in either case is to permit uses in these zones other than those allowed by the base or underlying zone classification. Either of these ordinances could facilitate transit-oriented development in many of the station areas, particularly at Jefferson-Santa Barbara, Slauson (south of Slauson Avenue), and Manchester, in the Harbor Freeway corridor. Many of the development opportunities in the Vermont Avenue corridor lie outside designated opportunity zones, so opportunity zones will not be as attractive an incentive for development should a rail extension be the selected mode, unless of course the zone boundaries were adjusted.

The drawback to relying solely on opportunity zones to achieve proposed joint development is that no standards are established. Rather, the intent is to indicate that the city is willing to negotiate with qualified developers, relaxing use requirements and standards as required for project viability. To ensure that projects within opportunity zones are consistent with the proposed station area development concept, the city could adopt enabling legislation, allowing for execution of development agreements, as provided by State legislation enacted in 1979 (Sections 65864-65869.5 of the Government Code). This could streamline the review and approval process while maintaining development standards.

If the proposed federal legislation on inner city "enterprise zones" is enacted, the city might establish such zones within the Harbor Freeway corridor to create further incentives for development within the opportunity zones. These would include a reduction in Social Security taxes and capital gains taxes and accelerated depreciation allowances.

### **Public Participation in Development**

**Sale or Lease of Excess Public Land.** When public land has potential for joint development, it either can be offered for sale at auction or through a negotiated bid process or the public agency can execute a development agreement providing for a long-term lease. It could include arrangements whereby the agency participates in the profits of development with percentage clauses providing for sharing of net profits or escalation and reappraisal clauses. Caltrans' procedures for leasing air rights govern development within a freeway right-of-way.

**Economic Development Corporation.** Outside the freeway right-of-way, station area economic development corporations could be created using the Vermont-Slauson Economic Development Corporation as a model. Within a designated geographic area, such as the 1,500-foot perimeter illustrated on the plan maps, the corporation could enter into an agreement for joint development of publicly owned land and acquire private land that may be included within a joint development project. Under the VSEDC model, a board of directors, initially appointed by the mayor and then appointed

jointly by the mayor and local councilmember, serves members, which include local residents and businessmen and "managing" employees in local businesses. Revenues from a successful joint development project can be reinvested in the community within the project area, thereby fueling further revitalization efforts and reaping the benefits of joint development. In the VSEDC's case, the partnership agreement provides for a 40 percent/60 percent split of profits between the developer and the VSEDC, respectively, after the developer obtains a 20 percent "cash on cash" return on his initial investment.

In contrast to either public agency sale or leasing or redevelopment, the EDC model provides a clear, locally based mechanism for focusing development within a station area where public land can be donated to the local development corporation. The key is to obtain assets for the corporation with which it can negotiate with a qualified and interested developer. In the case of the VSEDC, the Sears building, which was donated to the city, and the city-owned parking lot were valuable assets, made even more attractive by federal UDAG and EDA grants and CDBG Block Grant funds for purchase of private property. Without at least some of these elements, an economic development corporation has little to offer the developers; it does not have the power of eminent domain, which is available with redevelopment.

Community Redevelopment. Redevelopment, initiated by local residents or the local councilmember, can work most effectively where small parcels and widely dispersed owners effectively preclude assembly of sufficient sites for large-scale projects. Under state law, a redevelopment project can be initiated in an area characterized by building obsolescence or poor layout and open portions "requiring replanning and land assembly for reclamation or development in the interest of the general welfare. . . ." Because the best site plans for some station areas might disregard existing ownership boundaries, redevelopment might be appropriate. Although a need for large-scale acquisition is not anticipated, only an agency with the power and money to acquire realistically can hope to optimize joint development opportunities. Further revenues from property taxes collected on increases in assessed valuation after a redevelopment area is established may be used to defray redevelopment costs, although the amounts received are not large under tax rate limitations imposed by Proposition 13.

In the Harbor Freeway corridor, redevelopment could be used to implement the proposed development concept at the Exposition and Santa Barbara station areas. Either expansion of the Hoover Redevelopment Project or initiation of a survey of conditions to create a new redevelopment project could enable redevelopment to occur. Redevelopment also may be appropriate in the Manchester station area, where scattered ownerships make site assembly for a major commercial project difficult, and in the Santa Barbara/Vermont station area.

Industrial Development. Industrial development financing can be provided by the city for independent Industrial Development Financing Authority established pursuant to A.B. 74. The California Industrial Development Financing Act (Government Code Sections 91500-91564) allows local governments to create a bond issuing authority that can offer tax exempt financing for qualified, usually small-scale (\$2-10 million) industrial development. Bonds so issued would be paid solely from payments made by private companies; no public funds would be involved. A maximum interest rate of 10 percent is established, which will limit the marketability of such bonds during periods of high interest rates. (Legislation to increase the limit to 12 percent, we understand, is being considered.) Interestingly, projects for energy development

including resource recovery and co-generation also are included—a provision that could be used to facilitate development of Gardena's proposed resource recovery center. Commercial development projects cannot be financed under the Industrial Development Financing Act.

To promote industrial development in the Harbor Freeway corridor, the city's Industrial Development Authority might seek to target some borrowing capacity for projects located adjacent to major transportation facilities, both existing and proposed, rather than provide financing on a first-come, first-served basis up to the statutory borrowing limit.

**Special Benefit Assessment Districts.** Special benefit assessment districts have long been a vehicle for financing infrastructure improvements, dating from the initial passage of the 1911 Improvement Act. Under state law, special benefit assessment districts now can be created for many special purposes to provide specific public facilities. One section of the Public Utilities Code focuses specifically on infrastructure needs related to public transit and provides for transit station area special benefit districts with bonding authority, which can be created either by a Board of Directors of a local transit district or by the governing body of a city or county, subject to a vote approval by two-thirds of the voters within the proposed district(s). At this point, the main constraint on establishing transit station area special benefit assessment districts probably is the six percent interest rate limitation established by Section 99010 of the Government Code. Until this is removed, it is highly unlikely that bonds for special districts established under this legislation could be sold. Bonds pursuant to the 1911 Improvement Act, however, can be sold with interest rates up to 10 percent.

Transit station area special benefit assessment districts could be established to fund "acquisition, construction, completion, or repair of any or all improvements, works, property, or facilities otherwise offered by law for local transit districts or local general purpose governments or convenient or necessary to carry out the powers of the local transit district or local general purpose government, to provide for such bonded indebtedness to be payable from a special assessment tax levied upon less than all the real property district (or local general purpose government)." These might include streets, sidewalks, and above-grade or below-grade pedestrianways linking adjacent development to a proposed transit station. These costs might be excluded from the overall financial program for the transit improvement if they were designed to serve primarily adjacent joint development or joint development. However, property owners not directly served by such pedestrian amenities may object to bearing costs, so the apportionment of assessments has to be carefully formulated.

As an alternative to special benefit assessments, a fare "surcharge" might be levied under a "user pays" principle, which would increase fare box recovery of operating costs and station area maintenance costs, but probably not contribute to capital costs.

Neither special benefits assessment districts nor tax increment financing are recommended as major revenue sources.



## **Assistance Related to the Century Freeway Project**

As part of the Century Freeway Project, the State Department of Economic and Business Development is working closely with the Century Freeway Economic Development Task Force to prepare a strategy for coordination of public and private investments in a three-mile-wide corridor centered on the proposed I-105 alignment. The objective is to maximize potential benefits associated with the proposed freeway/transitway consistent with local policies and needs. Because this corridor includes the Rosecrans/Harbor Rosecrans/Vermont station areas, a review of the specific assistance envisioned by the state is in order. Some of this might be available to facilitate joint development in these station areas and possibly the Manchester station areas, for they lie within the Century Freeway Housing Replacement Program corridor.

As currently formulated, the economic development program includes three components:

- A \$1.2 million loan guarantee program for small businesses administered by Pacific Coast Regional Urban Development Corporation. This could include lease guarantees as well as guarantees of loans for construction expansion renovation or working capital purposes.
- A \$1.75 million economic development loan program administered by the State Office of Small Business Development under funds from the Economic Development Administration's Section 304 Program. Projects in the South Central Los Angeles Special Impact Area that meet eligibility criteria can qualify for \$100,000-\$350,000 loans for new construction, equipment purchase, or working capital for new or expanded operations.
- A proposed land banking program administered in cooperation with the California Department of Transportation to make optimum use of surplus land. This is still in the planning stage.

The focus of the Century Freeway economic development strategy is on job creation, primarily for local residents including those displaced by freeway construction or living within the primary impact area. Specific policies and program strategies will be refined over the next six months by a consultant working with the task force, with final recommendations expected in October 1981.

In the Manchester station areas, joint development opportunities might be enhanced if direct loans and loan guarantees were offered as part of the development package because these could reduce the risk of private investment. With lease guarantees, for example, a shopping center developer might be more willing to invest in a community center at Broadway and Manchester because cash flow could be assured. This should make it a more "bankable" project.

At Rosecrans, although demand for industrial development is not likely to be influenced significantly by any of the transit options under study, assistance for industrial development could increase the intensity of employment within the station area. If this site is developed with public assistance from the Century Freeway Project, one condition of development should be that pedestrian access to the proposed station will be provided. (This may require purchase of an easement from adjacent property owners, but all employers within the Rosecrans station area would benefit if

pedestrian access to the station along the eastern edge of the freeway or in the utility right-of-way were provided.)

## **PROPOSED ACTION PROGRAM**

A five-step action program is proposed to implement the proposed station area development plan, emphasizing joint development and value capture opportunities. This program should be initiated once a decision has been made on mode (bus/HOV vs. rail) and alignment (Harbor Freeway vs. Vermont Avenue). The principal components of the action program are:

- Phase I. Policy, Regulatory, Financial, and Institutional Framework**
- Phase II. Marketing Joint Development Opportunities**
- Phase III. Project Design, Environmental Review, and Permit Approvals**
- Phase IV. Acquisition, Displacement, Relocation, and Construction**
- Phase V. Project Marketing and Coordination with Opening of Transit Service**

Phase I involves general plan amendments, zoning changes, formulation of financing and market strategies, and creation of local economic development corporations, where appropriate, or designation of redevelopment projects. In Phase II, prime publicly owned sites would be marketed as the concept of joint development is "sold" to qualified and interested developers. Private development consistent with the proposed concept also would be encouraged at this time. In Phase III, following execution of a development agreement, the project would be designed and necessary permits obtained. Close coordination with those responsible for detailed engineering of the transitway is essential throughout the implementation process so options for coordinated joint development are not foreclosed by design decisions. Likewise, a streamlined development review and approval process in Phase III is necessary in order to avoid costly delays that could jeopardize project viability. Phases IV and V are the final steps in implementation: construction and marketing.

In the following section, each phase of the proposed implementation program is described more fully. A division of responsibilities among public agencies also is proposed.

### **Phase I. Policy, Regulatory, Financial, and Institutional Framework**

The policy basis for a Harbor Freeway joint development/value capture program should be established by formal action of the public agencies involved, including SCRTD, Caltrans, and the Cities of Los Angeles and Gardena. This is necessary to create incentives for developers to prepare joint development proposals and for agencies to negotiate sale or lease of public land. A firm commitment to joint development by local governments also can ensure that opportunities are not foreclosed by design or engineering decisions made by Caltrans. Specific actions that should be undertaken in this phase include the following:

The Southern California Rapid Transit District should:

- Adopt the proposed station area joint development concepts as a basis for planning and negotiation with qualified and interested developers.

- Recommend that elected state representatives introduce legislation to increase the interest rate limitation from 6 percent to 12 percent on bonds issued for transit station area improvements to be paid by special benefit assessment districts.
- Initiate action to establish special benefit assessment districts, where appropriate and required, to finance infrastructure improvements needed for proposed joint development projects, unless such special benefit assessment districts will be established by local general purpose governments (City of Los Angeles, City of Gardena).
- Evaluate the feasibility of joint security arrangements in transit station and adjacent development projects.
- Cooperate with Caltrans and the City of Los Angeles in establishing a community participation program focusing on joint development and value capture opportunities.

**The City of Los Angeles should:**

- Amend the Southeast, South Central, and Torrance-Gardena corridor district plans to reflect the proposed station area development concept.
- Identify station area boundaries and amend the zoning to be consistent with the proposed concept. If rezoning is required, a "Q" qualified zoning classification should be used to specify development standards; otherwise station area specific plans should be prepared, presenting:
  - (a) Regulations limiting the location of buildings and other improvements with respect to existing and proposed rights-of-way and station access requirements.
  - (b) Regulations of the use of land and buildings, the height and bulk of buildings, and the open space around buildings, including minimum density requirements.
  - (c) Parking requirements establishing maximum spaces permitted for uses within walking distance of proposed stations.
  - (d) Design guidelines to encourage development compatible with transit.
  - (e) Standards for public facilities and services and a financing plan for any required improvements.
  - (f) A master environmental assessment to facilitate environmental review.
- Initiate a study of conditions in areas proposed for redevelopment, subject to approval of the City Council; establish redevelopment project areas if justified by the local conditions survey; and prepare a proposed redevelopment plan in consultation with local residents and property owners.

- Cooperate with SCRTD and Caltrans in establishing a community participation programs.
- Establish station area economic development corporations, where appropriate, to facilitate implementation of the proposed station area development concept.
- Adopt enabling legislation to permit use of development agreements within opportunity zones to facilitate implementation of the proposed station area development concept.
- Endorse legislative efforts to increase the allowable interest rate on special benefit district and industrial development financing authority bonds to 12 percent interest.
- Determine under what conditions city-owned land with joint development potential can be classified as "surplus" and be sold or leased for such purposes, pursuant to procedures established by law for vehicle parking districts and for other publicly-owned land.
- Establish policies and criteria for location of public buildings within transit corridors, with preference for sites adjacent to proposed stations, if appropriate.
- Establish transit station area special benefit assessment districts, if required to provide needed infrastructure and SCRTD does not create them.
- Solicit federal assistance for implementation of an "enterprise zone" program in the corridor, including subsidies for any foregone local tax revenues.

**Caltrans should:**

- Designate a Harbor Freeway joint development specialist to serve as a point of contact for potential developers interested in information on design, engineering, or cost information related to physically or functionally related projects, including air rights development.
- Adopt the proposed station area joint development concepts as a point of reference for detailed station design and engineering and cost estimating.
- Use rights of excess condemnation whenever faced with high severance costs and the land to be acquired has joint development potential, consistent with a station area development concept adopted or endorsed by local jurisdictions and SCRTD.
- Ensure that the public awareness program addresses joint development and value capture opportunities and cooperate with SCRTD and the City of Los Angeles in establishing a community participation program.

To facilitate development in the Artesia station area, the City of Gardena should amend its general plan and development regulations that now reserve Caltrans-owned land for public uses only to be consistent with the proposed concept.

## **Phase II. Marketing Joint Development Opportunities**

After the policy framework for joint development has been defined and organizational responsibilities delineated, RTD, the City of Los Angeles, and Caltrans should begin marketing joint development concepts and priority sites to local and national developers. If a station area redevelopment project has been created, the Community Redevelopment Agency also will play an important role in site marketing, building on their development experience and staff expertise. If a station area economic development corporation is formed, the City of Los Angeles Economic Development Office, working with the local councilmember's office, will be able to provide assistance in marketing and negotiations with potential developers.

To "sell" joint development opportunities effectively, developers need to know what is being offered and how the financial feasibility of the proposed use(s) will be enhanced by transit improvements and a joint development program. What is important at this point is to assure developers that local agencies are willing to negotiate the details of participation and to help them obtain necessary financial assistance, including loans and loan guarantees. Within the Century Freeway impact area, the State Department of Economic and Business Development and the Pacific Coast Regional Urban Development Corporation also play a role in this phase of the joint development process.

Developers also need assurances that any required plan amendments and rezoning have been approved and that potential traffic issues have been resolved with neighborhood organizations, at least in general terms. Early resolution of such concerns makes a joint development opportunity much more attractive.

Corridor profiles and marketing information should be prepared, summarizing specific opportunities and constraints, development policy, lease provisions, rights retained by offering agencies, minority business participation requirements, and review requirements and identifying key individuals who can supply further information.<sup>2</sup> An interagency joint development task force could be formed to oversee the marketing phase and serve as a forum for resolving technical issues that may arise. This task force could be responsible for presentations and exhibits at appropriate national conferences or could participate in soliciting and reviewing requests for qualifications from potential developers.

One attractive vehicle for selling joint development opportunities in the Harbor Freeway corridor is the Joint Development Marketplace, a cooperative venture sponsored by the Urban Consortium for Technology Initiatives (of which Los Angeles is a member), the Urban Land Institute, and Public Technology, Inc., financed by the U.S. Department of Transportation. At the 1980 marketplace, 29 jurisdictions offered 100 sites as candidates for joint development.<sup>3</sup> Developer interest, while not overwhelming, was stronger than at the 1978 marketplace. In 1982, regional marketplaces may

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<sup>2</sup>As an example, see Washington Metropolitan Area Transportation Authority, Metro Site Joint Development Prospectus: WMATA Parcel MA-254, June 1980.

<sup>3</sup>Public Technology, Inc., Exhibiting Jurisdictions: Community Profiles and Site Marketing Information, Washington, D.C., June 1980.

be held that could increase exposure to potential developers. If the city is interested in such activity, early initiatives are highly recommended.

Turning to the practical aspects of marketing joint development, some guidelines should be kept in mind. Often, in negotiating with private participants in a joint development project, public participants promise specific actions by government that require exceptions to or waivers of normal standards and practices. The timely performance of these promised actions is of great importance. Many can be performed through bureaucratic procedures for variances or exceptions, with the cost (in time and processing fees) borne by the private parties. Some can be effected by special legislation. The negotiations should include realistic specification of the time by which public parties can perform and a clear statement of who will bear the costs (especially fees and user charges). No general rule is possible about how quickly action is required or who ought to bear the associated costs, but it is important for public participants not to over-promise and then create unexpected delays or levy unanticipated charges on private participants.

### **Phase III. Project Design, Environmental Review, and Permit Approvals**

The third phase begins with execution of a joint development agreement with a qualified and interested developer. At this point, it is critical for participating agencies to meet their commitments in a timely fashion. Delays in securing permit approvals can affect a project's financial feasibility dramatically, increasing costs for the purchasers or tenants of finished space in the project. The "lead agency" designated under environmental review procedures should expect to work closely with Caltrans and RTD to ensure close coordination between design, engineering, and construction of the transitway and stations and the joint development project.

To facilitate environmental review, the City of Los Angeles could prepare a master environmental assessment (MEA) or "focused" environmental assessment for station area specific plans. Environmental review of projects consistent with the proposed station concept and the specific plans then need only be reviewed for site-specific impacts; analysis of cumulative effects, areawide impacts, and mitigation measures contained in the station area MEA could simply be cited by reference, thereby reducing the time and cost of obtaining environmental clearance. If publicly owned land is offered with an approved development program and final EIR/EIS, its market value can be two to three times greater than if it is sold "as is."

### **Phase IV. Acquisition, Displacement, Relocation, and Construction**

After a decision is made to proceed, any delay in construction of the transitway obviously will affect the viability of a joint development project. For this reason, every effort should be made to remain on schedule, and financial guarantees will have to be specified in the joint venture agreement, setting out the responsibilities of each party in the event a major milestone is not met.

To minimize construction impacts, SCRTD and Caltrans should make a special effort to meet with local residents and businesses to discuss construction plans and any required street closures, possibly as part of a continuing community participation program. Disruption of access to stores should be avoided wherever possible; cooperative

advertising sometimes can help. RTD could offer local merchant associations reduced rates for bus advertising.

A relocation plan and phased development is essential to reduce the hardship of forced moves, and funding for such a program should be ensured before any private sites are acquired by eminent domain. The City of Los Angeles also might require one-for-one replacement of housing units lost because of joint development. This is particularly important for residential hotel space offering single-room occupancy (SRO) for low income persons because SRO units are not eligible for assistance under the federal Section 8 Program.

#### **Phase V. Project Marketing and Coordination With Opening of Transit Service**

The last phase of the joint development process involves selling or leasing space to the ultimate users—retail or office tenants, industrial firms, and residents. With physically and functionally related joint development, the RTD might assist in marketing by providing some discount on advertising space. This could be coordinated with other RTD marketing efforts designed to increase ridership.

#### **Schedule**

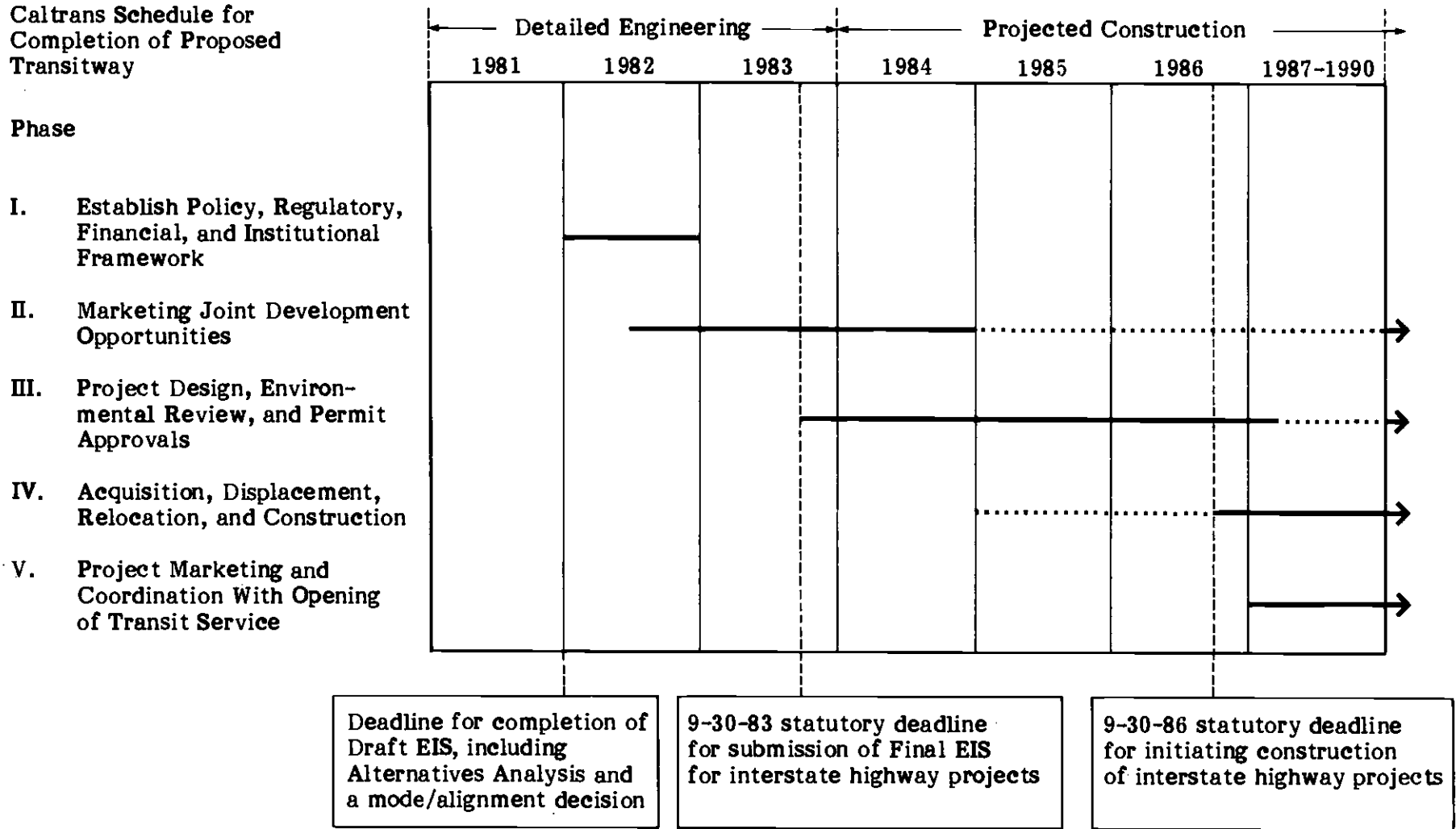
The schedule on the following page shows the sequence of implementation in relation to the proposed timing of detailed engineering and construction of the Harbor Freeway transitway. Obviously, funding limitations may affect Caltrans' ability to begin construction in 1984. September 30, 1986 is the statutory deadline for initiating construction of interstate highway projects under the requirements for completion set in the 1978 Surface Transportation Assistance Act.

Since it would make sense to execute joint development agreements before detailed engineering is completed, it is important for local agencies to move as quickly as possible from Phase I to Phase II. Many developers, though, may adopt a "wait and see" attitude, preferring to see construction initiated before committing to a specific joint development proposal. In this way, they will be assured that the planned transit improvements will be built.

Figure 8.1

**IMPLEMENTATION SCHEDULE FOR THE HARBOR FREEWAY CORRIDOR  
JOINT DEVELOPMENT AND VALUE CAPTURE PROGRAM**

Caltrans Schedule for  
Completion of Proposed  
Transitway





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## **APPENDIX A. ASSESSOR'S PARCEL REFERENCES**

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Tables A.1 and A.2 present Assessor's parcel information for each joint development site included in the analysis of opportunities in the Harbor Freeway and Vermont Avenue corridors. These were obtained from the Land Use Planning and Management System (LUPAMS) maintained by the City of Los Angeles Department of City Planning.

**APPENDIX TABLE A-1  
ASSESSOR'S REFERENCES FOR JOINT  
DEVELOPMENT SITES IN HARBOR FREEWAY CORRIDOR**

<u>Site Number</u>	<u>Map Book</u>	<u>Page</u>	<u>Legal or Other Description (Lot #, Name)*</u>
F-1	5122	20	Mason Tract, Block 2: lots 18-34.
F-2	5123	22	Clark & Bryan's Figueroa St. Tract: lots (1), 2-7, (39-46); northern approx. 1/2 lot 2 of Tract No. 25133.
F-3	5122	24	Rindge Tract: lots (67), 68-83, (84); and that area bounded by the railroad R.O.W., Flower Drive (R.O.W.), 37th St., and Flower St.
F-4	5037	29,30	University Addition: - Lots 1-7, (8), 9-14, (26), (27), (28), 29-35, (36), (37). - P.M. L.A. No. 2123 A Bk. 42-17. - Part of N.E. 1/4, Sec. 7, T.2S., R.13W. - Zobelein's Grand Ave. & Figueroa St. Tract Block 14: lots 12, 13, 14.
F-5	5037	32	Zobelein's Grand Ave. & Figueroa St. Tract, Block 15: lots 1, 2, 20, 21.
F-6	5037	32	Zobelein's Grand Ave. and Figueroa St. Tract, Block 15: lots 22-36, 16, 17.
F-7	5122	46	Zobelein's Main St. Tract, Block 11: lots 11-14, (15), (16), (27), (28).
F-8	5111	3	Bowen & Chamberlin's Main & Figueroa St. Tract No. 2: lots 17-27, 45-55.
F-9	5019	25	Figueroa Square: lots 1-23 and Tract No. 2411.
F-10	5101	23, 24	Tract No. 583: lots 32-59.
F-11	6005	7	Tract No. 1828: lots (1), (2), 3, (4), & Burke Bros. Moneta Park Tract: lot B.
F-12			See Caltrans R.O.W. maps.
F-13			See Caltrans R.O.W. maps.
F-14	5001	37	The McCarthy Company's subdivision of the Moneta Ave. & Figueroa St. Tract, A: lots 5-10.

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\*Lot number in ( ) parentheses indicates fraction of or partial lot only within site boundaries.

**APPENDIX TABLE A-1**  
(Continued)

<u>Site Number</u>	<u>Map Book</u>	<u>Page</u>	<u>Legal or Other Description (Lot #, Name)</u>
F-15	6004	36	Tract No. 236: lots (1), 2, (3), (4), 5, (6).
F-16	6004	35	Burke Bros. Figueroa-Slauson Subdivision, A: lots (1), 2, 3, (28-30).
F-17	5001	16	The McCarthy Co.'s Subdivison of Broderson Place, A: lots 6-19.  Wiesendanger's Addition to the Figueroa Park Tract: lot 16.
F-18	5001	21	Wiesendanger's Figueroa Park Tract: lots (81). Part of S.W. Sec. 18, T.2S., R.13W.
F-19	6040	14, 19	Scovill's Moneta Ave. Tract: lots 10-13, (24-27).
F-20			See Caltrans R.O.W. maps.
F-21	6040	4	Tract No. 1976: lots (117-130, 156-159).
F-22	6038	1, 10	Vogt's Figueroa Street Tract: lots (1-6). H. M. Whitacker's Figueroa St. Tract: lots (1), 2, 3.
F-23	6038	2	E. W. Lee's Seventy-Fifth St. Tract: lots 7, 8, 9, 11, 12, 13.
F-24	6132	5	Parcel map L.A. No. 1927: parcel (B)
F-25	6111	-	Caltrans R.O.W. for Hwy. 91.
F-26	6111	-	See Caltrans R.O.W. map 07-LA-110-98; 07-LA-91-64).
F-27	6121	-	Part of San Pedro Rancho (Assessor's map book No. 6121: "see index map II").
F-28	6121	-	Part of San Pedro Rancho (Assessor's map book No. 6121: "see index map II").
F-29	6121	10, 11	Tract No. 23029: lots 62-65, 74-77. 2 parcels "state" Ord. 6058-764; 6091-921. Tract No. 222322: lots 5-10, 15-20, 25-30. Tract No. 25307: lots 1, 2, 3, 4.
F-30	7339	7	Caltrans R.O.W. map No. F1348-6, 4; So. Cal. Edison lot 6.

APPENDIX TABLE A-1  
(Continued)

<u>Site Number</u>	<u>Map Book</u>	<u>Page</u>	<u>Legal or Other Description (Lot #, Name)</u>
F-31	6038	1	E. M. Whitaker's Figueroa St. Tract: lots (8-12); and Seventy-Fifth St. Tract: lots (3, 4, 5).

**APPENDIX TABLE A-2  
ASSESSOR'S REFERENCES FOR JOINT  
DEVELOPMENT SITES IN VERMONT AVENUE CORRIDOR**

<u>Site Number</u>	<u>Map Book</u>	<u>Page</u>	<u>Legal or Other Description (Lot #, Name)*</u>
V-1	5122	20	Mason Tract, Block 2: lots 18-34.
V-2	5123	22	Clark & Bryan's Figueroa St. Tract: lots (1), 2-7, (39-46); northern approx. 1/2 lot 2 of Tract No. 25133.
V-3	5122	24	Rindge Tract: lots (67), 68-83, (84); and that area bounded by the railroad R.O.W., Flower Drive (R.O.W.), 37th St., and Flower St.
V-4	5037	29,30	N.A.
V-5	5020	30	N.A.
V-6	5027	31,32, 33	N.A.
V-7	5002	16	Tract No. 12478: lot (1); and Westerly Tract, Sheet 2: lots 224-229.
V-8	6003	5	Tract No. 1506: lots (27), 28-32, 82-93.
V-9	6038	22	Tract No. 3354: lots (55-64)
V-10	N.A.	N.A.	Tract No. 4438: lots 139-144.
V-11	6119	14,15	P.M. L.A. No. 1340: lots A & B; and western approx. 1/2 of area described as "part of S.W. 1/4 Sec. 18, T.3S., R.13W."
V-12	6111		Caltrans R.O.W. for Hwy. 91.
V-13	6111		See Caltrans R.O.W. map 07-LA-110-98; 07-LA-91-64.
V-14	6121		Part of San Pedro Rancho (Assessor's map book No. 6121: "see index map II").
V-15	N.A.	N.A.	Tract No. 1909: lots (1-3).
V-16	6032	13	Sunnyside Park: lots (130, 131).

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\*Lot number in ( ) parentheses indicates fraction of or partial lot only within site boundaries.

## **APPENDIX B. DETAILED SITE EVALUATION**

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Tables B.1 and B.2 show the degree to which station area development opportunities on individual sites meet planning objectives proposed for purposes of setting priorities for implementation. Sites were assigned a rating, on a scale of 0-3, with the higher numbers indicating greater conformance with the objective. The basis for this scoring is summarized below:

<b><u>Objective</u></b>	<b><u>Rating</u></b>
Maximum Use of Public Land	3 Completely owned by a public agency
	2 For partially owned
	0 All other sites
Minimize Displacement	3 Vacant or underutilized parking
	2 Parking car lots, gas stations, and vacant buildings
	1 Some displacement of businesses and/or residents
	0 Major displacement
Maximize Housing/Job Opportunities	3 Major development (100+ units or 100,000 sq. ft. of space)
	2 Mid-size development (50-100 units or 50-100,000 sq. ft.)
	1 Small development
Compatibility With General Plan	3 No amendments required
	2 Change in standards but not use
	1 Change in use
Moderate to High Market Demand Dependent on Transit	3 Moderate or moderate-high demand dependent on transit
	2 Moderate demand somewhat dependent on transit; low-moderate demand dependent on transit
	1 High demand unaffected by transit; low demand little affected by transit
	0 All other sites
Opportunity for Physically Integrated Development	3 Potential for physically integrated project
	2 Adjacent development potentially linked to the station
	0 All other sites
Location in an "Opportunity Zone"	3 In a designated zone
	0 All other sites

The total shown in the tables assumes that each objective has relatively equal weight in the overall assessment. If some factors are judged more important than others, weights can be used to compute a new composite score. The purpose of the evaluation methodology is to focus discussion on trade-offs between sites and the relative priorities for development that might be assigned as part of an overall station area revitalization strategy.

**TABLE B-1  
SITE EVALUATION: HARBOR FREEWAY CORRIDOR**

<b>Site</b>	<b>Use of Public Land</b>	<b>Minimal Displacement</b>	<b>Maximum Housing/ Job Opportunities</b>	<b>Compatibility With General Plan</b>	<b>Moderate/High Market Demand Dependent on Transit</b>	<b>Opportunity for Physically Integrated or Adjacent Joint Development</b>	<b>Location in Opportunity Zone</b>	<b>Total</b>
F-1	0	1	3	3	1	2	3	13
F-2	0	2	3	2	2	2	3	14
F-3	2	3	3	2	2	3	3	18
F-4	0	0	3	1	2	2	3	11
F-5	0	1	1	2	2	2	3	11
F-6	0	1	3	2	2	2	3	13
F-7	0	3	2	3	0	0	3	11
F-8	0	1	3	2	0	0	3	9
F-9	0	0	2	2	2	0	3	9
F-10	0	1	3	3	0	0	0	7
F-11	0	2	1	1	0	0	3	7
F-12	2	3	2	1	0	2	3	13
F-13	2	3	2	1	0	2	3	13
F-14	3	1	1	3	0	2	3	13
F-15	0	2	1	1	0	0	3	7
F-16	0	3	1	3	1	0	0	8
F-17	0	1	1	1	0	0	0	3
F-18	0	3	1	3	1	0	0	8
F-19	2	3	3	2	3	2	0	15
F-20	3	3	3	2	3	3	3	20
F-21	0	3	2	1	3	0	3	12
F-22	2	2	2	3	1	0	3	13
F-23	0	3	1	2	1	0	3	10
F-24	0	3	3	3	0	0	0	9
F-25	3	3	2	2	3	3	0	16
F-26	3	3	3	3	3	2	0	17
F-27	0	2	3	3	1	2	0	11
F-28	0	2	3	3	1	2	0	11
F-29	3	3	3	2	2	0	0	13
F-30	0	3	3	3	0	0	0	9
F-31	0	1	1	3	0	2	3	10



**TABLE B-2  
SITE EVALUATION: VERMONT AVENUE CORRIDOR**

<b>Site</b>	<b>Use of Public Land</b>	<b>Minimal Displacement</b>	<b>Maximum Housing/ Job Opportunities</b>	<b>Compatibility With General Plan</b>	<b>Moderate/High Market Demand Dependent on Transit</b>	<b>Opportunity for Physically Integrated or Adjacent Joint Development</b>	<b>Location in Opportunity Zone</b>	<b>Total</b>
V-1	0	1	3	3	1	2	3	13
V-2	0	2	3	2	2	3	3	15
V-3	2	2	3	2	2	0	3	14
V-4	0	1	2	2	3	3	3	14
V-5	0	1	2	2	3	3	3	14
V-6	0	1	1	1	0	2	3	8
V-7	0	2	2	2	2	3	0	11
V-8	2	2	2	2	2	3	0	13
V-9	0	3	1	2	2	0	0	8
V-10	0	3	1	1	1	0	0	6
V-11	0	2	2	1	2	3	0	10
V-12	3	3	2	3	3	3	0	17
V-13	3	3	3	3	3	2	0	17
V-14	0	3	3	3	1	2	0	12
V-15	0	2	3	2	3	0	0	10
V-16	3	3	1	3	2	0	0	12

## **APPENDIX C. INDIVIDUALS INTERVIEWED**

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Glen Arbogaust, Arbogaust-Jones-Theiss Associates  
Samuel Bachner, La Mancha Development Corporation  
Cecil E. Byrd, Bank of America Urban Affairs Department  
Alonzo Carmichael, Los Angeles County Parks and Recreation Department  
Ron Carrigan, Southeast Economic Research and Development Association  
Honorable Robert Farrell, Member, City Council  
Eva Flemming, Los Angeles County Public Social Service Department  
Howard Fong, Community Development Director, City of Gardena  
Marvin Greer, California Department of Economic and Business Development  
Herman Hendricks, Bank of France  
Channing Johnson, Economic Resources Corporation  
Eugene Johnson, Alexander Haagen Development Co.  
Walter King, Coordinator, Off-Street Parking, Department of Transportation  
Donald Koch, Overton, Moore & Associates  
Honorable Gilbert Lindsay, Member, City Council  
John McPhillips, Cadillac-Fairview of California  
Henry Montgomery, Economic Resources Corporation  
Andy Natker, Office of Economic Development  
J. D. Padilla, Bank of America Slauson-Vermont Branch  
Mick Parker, Watt Industries  
Gary Peterson, Los Angeles Downtown People Mover Authority  
Joe Prather, Los Angeles County Parks and Recreation Department  
Michael Preston, University of Southern California  
Robert Reeves, County Supervisor Hahn's Representative to the Los Angeles County  
Transportation Commission  
Norman Richards, United California Mortgage Co.  
Marsha Rood, Community Redevelopment Agency  
John Sheehan, Administrative Officer, City of Gardena  
Robert Timms, School Facilities Planner, Los Angeles Unified School District  
David Waters, National Association for the Advancement of Colored People  
Transportation Committee  
Ted Watkins, Watts Labor Community Action Coalition  
Henry Wright, Vermont-Slauson Economic Development Corporation  
Mary Wulffing, Los Angeles County Health Planning and Development Agency

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