BUILDING
A World Class City
In the early 20th century, Los Angeles began to expand rapidly with an extensive inter-urban electric railway system and a thriving Central Business District at its hub. But as automobiles became an affordable option during post-World War II prosperity, Southern California became synonymous with freeways and suburban sprawl, while downtown Los Angeles quickly devolved into urban decay and blight.

In an effort to revitalize its deteriorating central city, Los Angeles’ City Council adopted the Central Business District (CBD) Redevelopment Plan in 1975. Redevelopment activities initially focused on retaining and expanding key industries including wholesale produce, flowers, jewelry, financial and legal services. To accomplish this, the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) secured federal grants, acquired property, provided seed money for public improvements, and enabled development of new office towers.
These initial steps helped attract private investment, causing property values to increase and thus generating tax increment funds to implement the overall CBD Work Program. Key initiatives included the rehabilitation of Skid Row hotels and the expansion of social services in Central City East. Other projects included the revitalization of the Broadway and Spring Street historic districts, the preservation and restoration of landmarks such as the Central Library and the Bradbury Building and the creation of a residential urban village in South Park. In addition, the Work Program included parks, public improvements and the expansion of public art and open spaces.

In addition to addressing the deterioration that existed in 1975, the CBD Work Program had to continually evolve to deal with new challenges that arose over time. For example, the City lost revenue due to Proposition 13 and there was a dramatic reduction in State and Federal spending on urban problems, including rising homelessness. The city was also negatively affected by corporate downsizing in the defense, manufacturing, banking, finance and oil industries, the 1992 civil disturbances, the 1994 Northridge earthquake and today’s economic downturn.
The CBD Redevelopment Plan was adopted on July 18, 1975, encompassing 1,549 acres in the heart of Downtown Los Angeles. Under powers granted by California’s Community Redevelopment Law, CRA/LA developed a work program to address the area’s pervasive conditions of blight and deterioration. These powers include tax increment financing and the issuance of tax allocation bonds, the primary sources of funding for redevelopment activities. Tax allocation bonds provide upfront money to fund redevelopment activities. The bond is repaid by the tax increment revenue generated from the increased assessed value of property within the project area because of the redevelopment activities.

Legal challenges to the validity of the CBD Redevelopment Plan were filed soon after its adoption, delaying implementation for two years. In 1977, a stipulated judgment validated the plan but put a $750 million cap on the amount of tax increment revenues the project area could receive.

The tax increment cap was reached in November 2000. By then, more than 20 million square feet of office, retail, industrial and institutional space had been developed, primarily in the Financial District, Civic Center and Convention Center areas. However, significant blight still existed in major portions of the CBD Project Area, notably South Park, Historic Downtown, Central City East and the industrial/wholesale markets located east of Main Street and south of 7th Street.

In 2002, the City Council amended the CBD Redevelopment Plan to remove the portions that still had significant blight and adopted the City Center and Central Industrial Redevelopment Plans. These new plans incorporated those portions removed from the CBD Plan along with other areas in need of redevelopment.
Ralphs Fresh Fare

Staples Center
In the 1970s, the area west of Hill Street between 5th and 8th Streets still lacked the growing economic vitality and development activity of the neighboring Bunker Hill Redevelopment Project. As businesses moved elsewhere, office space and storefronts were often left vacant. In addition, several key buildings of architectural merit were demolished, with surface parking lots taking their place.

The primary redevelopment tool in this area was the transfer of floor area rights (TFAR) through which density could be increased on specific parcels, enabling developers to build office towers at a floor area to land ratio up to 13:1, rather than the standard 6:1. The project originally known as Citicorp Plaza, which included the 53-story 777 Tower, 42-story Ernst & Young Tower and 7+Fig Shopping Center, used TFAR and CRA/LA financial assistance for the parking structure that helped keep the Bullock’s and May Company stores downtown.

CRA/LA also granted increased density for the 24-story Biltmore Place Tower by requiring the owner to restore the historic Biltmore Hotel. The 24-story Figueroa (originally Home Savings) Tower was granted increased density in exchange for integrating a Metro Station portal and other public benefits. Other TFAR projects included the 53-story Figueroa at Wilshire (originally Mitsui Fudosan) Tower, the 37-story TCW (originally Manulife) Tower, the 24-story 801 Figueroa Tower, the 23-story 888 International Tower, the 22-story 1000 Wilshire building, the 22-story Chase Plaza (now Sky Lofts) and the 16-story International Jewelry Center.

Several buildings were converted to residential or hotel uses under the 1999 Adaptive Reuse Ordinance, which resulted in 946 market-rate housing units and the 207-room Standard Hotel. CRA/LA also helped facilitate the renovation and reuse of historic Engine Company No. 28 for restaurant, special event and office uses.
Completed in 1926, the Goodhue Building housing the Los Angeles Central Library had already become outdated and overcrowded by the 1950s. Over the next 25 years, various solutions were considered but ultimately rejected. For example, demolition was strongly opposed by preservationists, restoration alone would not resolve the lack of space, and expansion seemed too expensive for the City to undertake.

In 1982 the Los Angeles City Council asked CRA/LA to devise a program to finance the restoration and expansion of the Central Library with minimum fiscal impact on the City’s general fund. In 1986, the Library suffered two arson fires, creating a new sense of urgency and a willingness to embrace bold solutions. In response, CRA/LA proposed an innovative program with a variety of funding sources, including the sale of TFAR and a portion of the Library property, proceeds of tax allocation bond issues secured by tax increment from the development of three new office towers nearby, and historic tax credits.

Library Square became one of the City’s largest, most complex redevelopment
projects. CRA/LA invested $179 million in the restoration and expansion of the Central Library, 80 percent of the project’s $225 million total cost. The expansion featured an 8-story atrium, state-of-the-art library systems serving all branch locations, and a substantial increase in usable space. Subterranean parking on the west side of the Library was capped by the 1.5-acre Maguire Gardens.

The Downtown Los Angeles skyline was dramatically changed by the 73-story U.S. Bank Tower and 52-story Gas Company Tower, currently the tallest and 6th tallest buildings in California. Other components of the Library Square project included the 28-story 550 South Hope Street Tower, the Bunker Hill Steps that link the Financial District with Bunker Hill (designed by internationally-renowned landscape architect Lawrence Halprin), rehabilitation of historic One Bunker Hill, and construction of a Los Angeles Department of Water and Power substation replacement facility.
In the 1970s, the Broadway commercial corridor had begun to experience the loss of department stores and other national retailers, the Spring Street financial corridor was losing tenants to new office towers in Bunker Hill and elsewhere, and the Main Street corridor was in decline from physical neglect and the expansion of Skid Row influences, including a proliferation of bars, X-rated theaters and poorly-maintained Single Room Occupancy (SRO) hotels. Building obsolescence, lack of parking and deteriorated public facilities contributed to the area’s blighted condition.

Development of the Broadway Spring Center parking structure on CRA/LA-owned land enabled the State of California, through a joint-powers State Building Authority comprised of the State Department of General Services and CRA/LA, to develop two new office buildings. CRA/LA invested $10 million in Broadway Spring Center, which included Biddy Mason Park, Broadway-Spring Paseo and a Wells Fargo Bank branch.

CRA/LA invested $11 million and arranged for $15 million from TFAR and bonds for the Grand Central Square project, which included rehabilitation of the Grand Central Market and Million Dollar Theater, reuse of upper floors as mixed-income housing, and a new parking facility. Other CRA/LA-assisted projects included restoration of the 1893 Bradbury Building, sidewalk reconstruction, seismic upgrade and façade loan programs, theater and market studies, and Miracle on Broadway, a merchant-based group that launched Fiesta Broadway.

CRA/LA invested $20 million and arranged for $7 million in bonds and grants for the Los Angeles Theatre Center (LATC) project. CRA/LA invested $10 million in the Eastside Parking Garage at Main and 6th Streets, and funded the relocation of Union Rescue Mission and streetscape improvements throughout the Historic Core.

In 1999, CRA/LA helped draft the Adaptive Reuse Ordinance and forgave delinquent property taxes for the Continental Building, which became a cornerstone of the Old Bank District, the city’s first large-scale loft conversion project.
CENTRAL CITY EAST

In the 1970s, the area to the east of Main Street between 3rd and 7th Streets had nearly 10,000 residents in substandard SRO hotels (providing small, relatively cheap rooms for about 7,500 very low income tenants), faith-based missions (providing approximately 1,000 short-term shelter beds), and makeshift homeless camps for an estimated 1,000 indigents each night. The area also included small markets primarily selling liquor, bars, day labor contractors, soup kitchens, social service providers and alcoholic detox centers, which together collectively formed the ‘Skid Row’ community. The area also had industrial and warehouse structures in varying stages of occupancy and condition.

CRA/LA’s top redevelopment priorities were to create employment opportunities for local residents and to preserve and upgrade the existing SRO housing units. In 1978, CRA/LA formed Skid Row Development Corporation to stimulate economic opportunities and, in 1984, formed SRO Housing Corporation as a nonprofit developer and operator of...
affordable housing. Conditions continued to worsen during the 1980s and 1990s due to rising homelessness along with drug-related addiction and criminal activities.

In response, CRA/LA provided more than $35 million in financial assistance to support social service providers and develop new facilities, including Union Rescue Mission’s move to San Pedro Street, construction and operation of two new parks, expansion of 9th Street Elementary School, and relocation and expansion of Inner City Arts, which provides art programs and instruction to more than 30,000 at-risk youth from Los Angeles public schools each year.

CRA/LA has also provided $88 million in financial support for affordable housing projects in Central City East, enabling nonprofit organizations to acquire and rehabilitate 36 SRO hotels with 2,003 units, and to construct seven new affordable housing structures with 698 units.
In the 1970s, the area south of 9th Street and west of Main Street was characterized by an aging building stock, and many historic structures had been demolished to make room for commercial parking lots. The existing housing stock, occupied by low-income households, was substandard and seismically deficient, while the absence of youth-oriented facilities contributed to street crime. The Convention Center opened in 1971 but was underperforming due to the close proximity of seedy motels and hostess dance clubs.

CRA/LA invested $136 million to expand the Convention Center, including acquisition, relocation, replacement housing and clearance of the 32-acre site that doubled the overall exhibition space. CRA/LA also invested $12.6 million in Staples Center, assembling 20 acres for parking initially, and then master-planned as the LA Sports and Entertainment District (LASED), including LA LIVE.

Land was assembled by CRA/LA and master-planned to develop Grand Hope Park, the Fashion Institute of Design and Merchandising (FIDM) 4,000-student campus, and Renaissance Tower apartments. CRA/LA provided $5.3 million to develop the 2.5-acre park and $1 million to improve Hope Street.

CRA/LA invested $56 million in the rehabilitation of eight older low-income apartments and SRO hotels, new construction of seven well-designed affordable housing projects for families and seniors, and new construction of three mixed-income housing projects, which also received $40 million in CRA/LA-sponsored tax-exempt bonds. These projects resulted in 574 rehabilitated affordable units, 606 new affordable units and 561 new market-rate units.

The July 2007 grand opening of Ralphs was a seminal event, as Downtown Los Angeles had been without a supermarket since 1950. CRA/LA invested nearly $16 million in the Ralphs/Market Lofts project through land assembly, public improvements and gap financing for 53 affordable units, located in the Gas Company Lofts. The Ralphs project created 180 new permanent jobs, with 100 young adults hired from the YWCA/Job Corps training program.
The creative mix of art, design, entertainment and cultural tourism is at the core of the Los Angeles economy. In 1985, CRA/LA adopted an art policy for downtown project areas that requires every developer receiving CRA/LA financial assistance to contribute at least one percent of development costs to an art plan. These funds are used to support onsite public art, cultural facilities and other artistic enhancements throughout the project area.

The goals of CRA/LA’s Art Program are to encourage artistic excellence, preserve cultural assets, and engender community participation in the development of key public spaces.

Development in Downtown Los Angeles provided funding for the Inner City Arts campus, the Museum of Neon Art, the Grammy Museum, public art at Biddy Mason Park, Pershing Square and Grand Hope Park, and the restoration of neon signs at the Los Angeles and Palace Theatres, Rosslyn Hotel and Arcade Building’s KRKD tower.

Public spaces were created with artist participation in many new developments in the Financial District. Art projects in the area included Andrew Leicester’s Zanja Madre at 801 Tower, Corporate Head by artist Terry Allen and poet Philip Levine within Poet’s Walk at Ernst & Young Plaza, and Terry Schoonhoven’s City Above at the Metro Center portal within Figueroa Tower.

Public art was also an integral part of the Central Library expansion and Maguire Gardens, with the addition of artwork by prominent Los Angeles artists Jud Fine, Renee Petropoulos and Laddie John Dill & Mineo Mizuno.
INVERTED CLOCKTOWER, 3RD ST. AND HILL

BICYCLE RACKS, VARIOUS LOCATIONS

PAINTING WITH MULTIPLE CENTERS, CENTRAL LIBRARY

BIDDY MASON: TIME AND PLACE, BROADWAY SPRING CENTER

HEY DAY, PERSHING SQUARE

CORPORATE HEAD, ERNST & YOUNG PLAZA
CRA/LA has initiated many other projects and programs throughout Downtown Los Angeles. For example, CRA/LA supported the Produce Market reconstruction program and provided financial assistance to develop modern facilities, such as the $90 million Los Angeles Wholesale Produce Market expansion, which resulted in 5,000 permanent jobs and $20 million in related private investment.

CRA/LA also assisted in the rehabilitation and new construction of the Flower Market, and played a vital role in facilitating the $250 million California Market Center expansion.
project. CRA/LA also supported the $250 million Cathedral of Our Lady of the Angels.

CRA/LA provided seed money, start-up loans and technical assistance to help launch several Business Improvement Districts (BIDs), including the Downtown Center, Fashion District, Historic Downtown, and Downtown Industrial BIDs. These BIDs provide supplemental maintenance and safety services as well as marketing and business retention/attraction programs.

In addition, CRA/LA provided funding and technical assistance for numerous economic development and cultural tourism efforts.

Various transportation planning and improvement projects have received CRA/LA support. CRA/LA worked with property owners and developers to create portals for Metro Rail stations and played a leading role in the proposed Downtown Streetcar project, providing seed money for workshops and matching funds for grants.

CRA/LA has also provided funding for DASH routes, several parking and transportation studies, Downtown LA Walks wayfinding signage program, Angel’s Walk stanchions, Cartifact’s Downtown map and the Fashion District Markers public art.
Although the Central Business District (Amended) Redevelopment Plan will officially expire on July 18, 2010, the City Center and Central Industrial Redevelopment Plans will continue through 2032.
There are several previously-approved CBD development projects in the pipeline, including Metropolis adjacent to the 110 Freeway in South Park, the Civic Park between City Hall and the DWP Building, Phase 3 of Citicorp Plaza, and the Los Angeles Sports and Entertainment District (LASED) master plan buildout. In addition, several major projects are in various stages of pre-development, such as the Metro Regional Connector, Downtown Streetcar, a possible NFL stadium on the Convention Center campus, Park 101 freeway cap park, and a High-Speed Rail terminal at Union Station.

CRA/LA’s redevelopment activities over the past 35 years have provided a solid foundation for future growth in Downtown Los Angeles. CRA/LA’s projects and programs have successfully improved the quality of life and increased economic opportunity for residents and businesses throughout Los Angeles.

As the 35-year term of the CBD Redevelopment Project comes to a close, Downtown Los Angeles is again becoming a symbol of pride and the vital core of a vibrant metropolitan region. This renaissance is a work-in-progress. Many challenges remain and new issues continue to emerge. But conditions are far better today than they were in 1975, and for that reason there is genuine optimism for the future.
The Community Redevelopment Agency of the City of Los Angeles (CRA/LA)

Founded in 1948, the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) serves as a catalyst for community growth and prosperity and lays the groundwork for private investors to revitalize neglected communities. We make strategic investments to create economic opportunity and improve the quality of life for the people who live and work in our neighborhoods. We continue to develop innovative responses to changing economic conditions, with the goal of creating a better quality of life today and for future generations.

Our redevelopment projects include building affordable housing, creating living wage jobs, developing commercial and industrial sites, making public improvements and open space, and helping neighborhoods become greener and more pedestrian friendly. We work in 32 communities throughout Los Angeles designated by the City Council as Redevelopment Project Areas. These communities are organized into seven regions:

- Downtown
- Eastside
- East Valley
- West Valley
- Hollywood & Central
- Los Angeles Harbor
- South Los Angeles