



**Pro Forma**  
Advisors LLC

Report for:

# Base Conditions Analysis

## South Bay Cities

Prepared for: SCAG

Prepared by: Pro Forma Advisors LLC **e+r**

July 2012

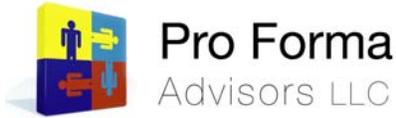
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*This is a project for the South Bay Cities Council of Governments (SBCCOG) with funding provided by the Southern California Association of Governments' (SCAG) Compass Blueprint Program. Compass Blueprint assists Southern California cities and other organizations in evaluating planning options and stimulating development consistent with the region's goals. Compass Blueprint tools support visioning efforts, infill analyses, economic and policy analyses, and marketing and communication programs.*

*The preparation of this report has been financed in part through grant(s) from the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) through the U.S. Department of Transportation (DOT) in accordance with the provisions under the Metropolitan Planning Program as set forth in Section 104 (f) of Title 23 of the U.S. Code.*

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This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions, and considerations.

## Engagement

Pro Forma Advisors LLC (Pro Forma Advisors) was engaged by:

Southern California Association of Governments (SCAG)  
818 West 7<sup>th</sup> Street, 12<sup>th</sup> Floor  
Los Angeles, CA 90017

## Nature of the Assignment

Pro Forma Advisors has been engaged by SCAG to evaluate the potential for developing compact neighborhood centers and conduct related analysis of three opportunity areas in the South Bay region.

Primary Study area:

- The Rosecrans Avenue/Normandie Avenue Intersection

Secondary Study Areas

- Pacific Coast Highway in Hermosa Beach
- Inglewood Avenue in Lenox (Unincorporated County)

Each of the primary and secondary study areas (Collectively referred to herein as the “Study Areas”) is expected to add to the South Bay Cities Council of Governments’ (SBCCOG) understanding of how to change the development pattern in mature suburbs through infill development.

The report also incorporates General Limiting Conditions which govern the usage and limiting conditions of any forecasts and projection within the report.

This report was produced by:

Pro Forma Advisors LLC  
727 2nd Street, Suite 105  
Hermosa Beach, CA 90254  
+1.310.616.5079

## Project Background

The Compass Blueprint identifies that modest change in just two percent of the land area in Southern California can be leveraged to produce significant positive results in terms of efficient mobility, improved air quality, enhanced livability, and sustained prosperity in the region. The key element of the strategy is to encourage the creation of dense, walkable centers where residents can live, work, and shop.

The actual implementation of these strategies, however, has to happen locally, with policy changes that work for local jurisdictions. Realizing that the region's fragmented jurisdictional construct, with each city trying to maintain its own interests and competing for limited fiscal resources, SCAG has engaged its sub-regional council of governments and their member cities to look at specific opportunity areas within the region in a manner that is cognizant of issues related to each community. If development options for these opportunity areas take into account local issues and deliver solutions that also fulfill the Compass Blueprint goals, then it is a true win-win scenario.

In response to Compass Blueprint and SB 375 the SBCCOG has developed a unique mobility and land use strategy that considers both the suburban context of the South Bay region and the limited public transit service infrastructure required to support traditional transit oriented development (TOD) strategies. The research conducted to address these challenges, which has been ongoing since 2004, culminated in the adoption of an alternative mobility and land use strategy known as the Sustainable South Bay Strategy (SSBS). The SSBS is the basis for a sub-regional Sustainable Communities Strategy consistent with SB 375.

The mobility strategy is based on creating policy that supports various alternative forms of transportation that includes encouraging residents to utilize public transportation, walking, bicycling, and local use vehicles (LUV). The land use component is based on promoting a neighborhood oriented development (NOD) strategy. NOD refers to a process of developing a compact, mixed commercial node in the center of each residential neighborhood that will provide a cluster of commercial destinations within walking distance of every residence. Most South Bay cities are organized around a grid street pattern of major arterials at one-mile intervals. Those major intersections are the candidates for NOD.

As such, the existing urban pattern in the South Bay can produce a number of walkable centers in a three (3) mile square, which is also at a distance consistent with LUV use. Past SBCCOG research suggests that these development priority areas should be targeted where the buildings are old with low assessed value compared to the underlying property and where the nearest major intersection contains low density, auto oriented destinations. Using this strategy, these centers should be capable of collectively capturing a significant portion of residents' trips, which supports Compass Blueprint goals without increasing the residential density in the South Bay region.

This study is intended to further the understanding of the economics of compact neighborhood centers and determine how future NOD can be leveraged to achieve the goals set forth in the SSBS as demonstrated by evaluating the Study Areas. This report focuses on documenting and evaluating the existing conditions of the Study Areas. Pro Forma Advisors has reviewed and relied on the following reports (portions of which are summarized in this analysis):

- Neighborhood Electric Vehicles in Mature Suburbs;

- Vision Lennox; and
- The Rosecrans Corridor: Reclaiming It for Gardena.

## Existing Conditions Analysis

NOD potential in the Study Areas will be affected by their respective location and market context. This report provides an overview of the existing conditions in which each study area will operate within. The focus of this report is to identify and characterize the current status of each of the Study Areas within the broader context of the South Bay, focusing on each study area's connectivity, circulation, access to transit, identity and perception, land use, and regulatory environment as it relates to NOD potential.

For certain elements, Pro Forma Advisors used Los Angeles County Assessor's Information to understand the land use, built inventory, and value characteristics of the Study Areas. This analysis uses the latest available data, the 2011 Local Roll, to evaluate (1) the half-mile focus area<sup>1</sup>, and (2) the properties immediately fronting the study corridors. For the Rosecrans and Normandie Study Area we also closely examined the properties immediately surrounding the Rosecrans and Normandie intersection. The primary focus of this analysis is to better understand the attributes of the properties immediately fronting the Study Areas, which could be leverage NOD to further the goals of the SSBS.

## Regional Context

The South Bay region covers about 140 square miles and is located in the southwest quadrant of Los Angeles County. Its northern boundary is roughly Interstate 105, but it also includes Inglewood and the Los Angeles International Airport (LAX). On the east, it is bounded by the City of Los Angeles and to the west and south it is bounded by the Pacific Ocean. The South Bay region includes 15 incorporated cities including parts of the City of Los Angeles and some unincorporated areas within Los Angeles County.

There are four freeways that serve the South Bay, which are the 405, 105, 91 and 110. The Green Line of the Los Angeles Metro (Metro) light rail system runs along the median of 105 into Redondo Beach, providing light rail access to the area. This also intersects with the Metro Blue Line that runs north-south from downtown Los Angeles to the City of Long Beach.

The 17 jurisdictions that form the SBCCOG were predominantly built-out during the post-war expansion of the Los Angeles urban core. Initially developed as streetcar suburbs, and later adapted to vehicular traffic, these areas are faced with the challenge of growing sustainably without the benefit of major planned transit infrastructure. The following generally identify some of the key attributes that shape the planning context within the South Bay:

- Transit Poor;

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<sup>1</sup> Defined as a half-mile radius from the Rosecrans/Normandie Intersection and the PCH and Inglewood Avenue Corridors. The broader study area was chosen to better understand the general conditions within near proximity of the properties immediately fronting the study area corridors. The half-mile area is used in the Base Conditions Analysis for comparison purposes only and does not reflect the assumed market area for future development within the study areas. Thus, to a certain extent the boundary is arbitrary. However, a half-mile radius is widely accepted as the maximum walkable market shed. In other words, any potential NOD candidate sites within the Study Areas will be informed by the broader land use conditions as presented herein.

- Highly Congested Streets;
- Dominant Street Grid;
- Dense, Low Rise Residential Housing;
- Aging Corridor Commercial Uses; and
- Abundant Single Function Centers.

Furthermore, as noted, the area follows a typical suburban model of development that includes many of the following attributes:

- Auto Centric Development Pattern;
- Dominated by Single Family Housing Tracts and Retail/Commercial Uses Located Along Corridors; and
- Surface Parking in Large Concentrations at Street Edge.

These general existing conditions will need to be repositioned and/or leveraged within the NOD context for successful implementation of the SSBS.

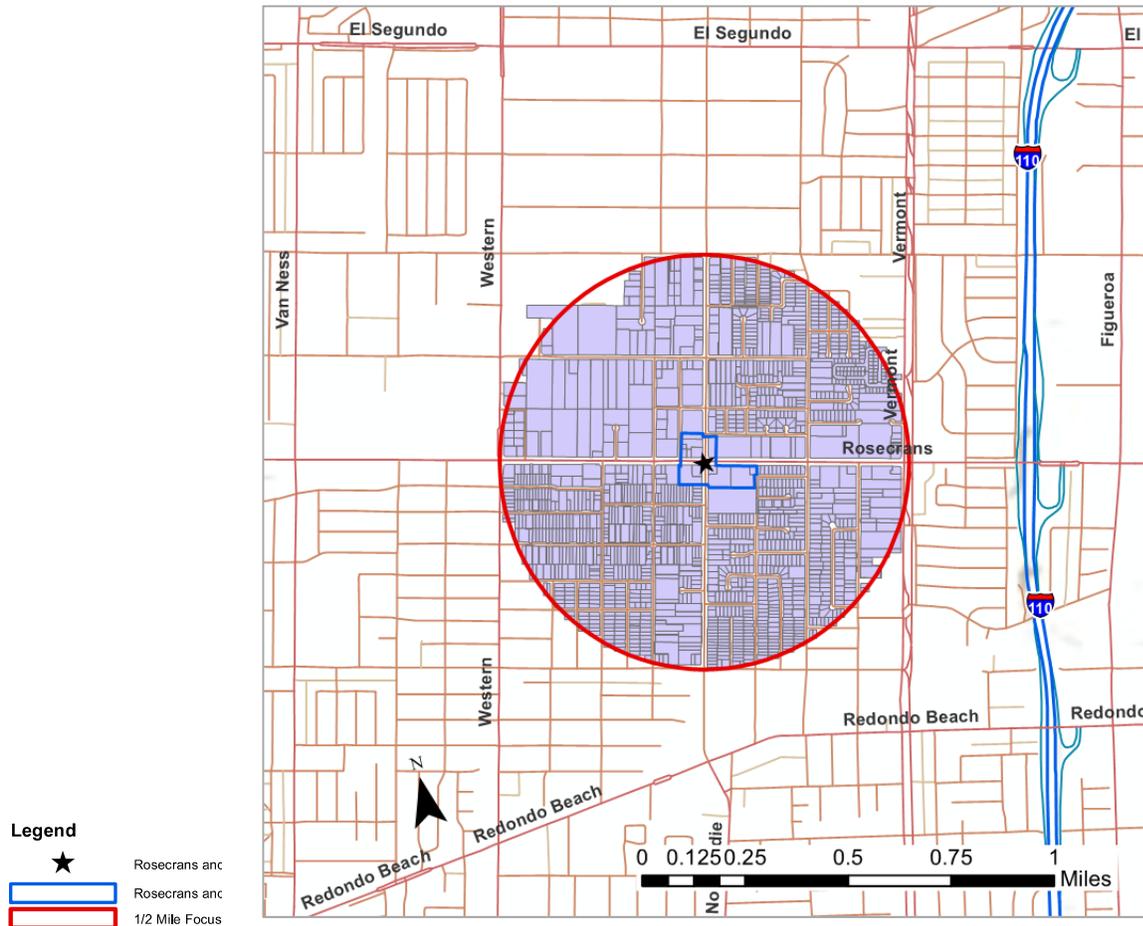
### **Rosecrans/Normandie Intersection**

Located at Rosecrans Avenue and Normandie Avenue in the City of Gardena, the intersection (Rosecrans/Normandie Intersection) has been designated as the primary focus of the study because the adjacent parcels appear to have the greatest potential for NOD. The Rosecrans/Normandie Intersection is also representative of other “major-major” arterials located throughout the South Bay with auto oriented development patterns that could be redeveloped to accommodate the goals of the SSBS.

### **Regional Connectivity**

Located in the Northeast quadrant of the City of Gardena, the Rosecrans/Normandie Intersection has a strategic location in the greater South Bay and Los Angeles region. Rosecrans Avenue is an important east-west arterial that connects residential communities and employment centers in the South Bay. Furthermore, the location’s proximity to the 405, 105, 91 and 110 gives both residents and businesses access to the greater Los Angeles region.

**Figure 1: Rosecrans Avenue and Normandie Avenue Regional Map**



Source: ESRI, Los Angeles County Assessor's Office Local Roll, and Pro Forma Advisors

### Circulation System

One of the challenges to NOD implementation is re-purposing major arterials like Rosecrans Avenue and Normandie Avenue to maintain their corridor function for through-traffic while also providing neighborhood circulation to development sites available at or near the major arterial intersections throughout the South Bay.

On Rosecrans Avenue there are six through lanes plus a left turn pocket at the Rosecrans/Normandie Intersection. On Normandie Avenue there are four through lanes and a left turn pocket at the Rosecrans/Normandie Intersection. On both streets, near the Rosecrans/Normandie Intersection, there is a small median.

In general, the current intersection configuration does not readily accommodate other non-auto oriented transportation modes, such as pedestrians and bikes. However, this is not to suggest one could not use those or other forms of non-auto transportation. Rather, the scale of the avenues and intersections do not current invite that interface.

There are a number of streets near the Rosecrans/Normandie Intersection that are bicycle friendly<sup>2</sup>. Some examples include 139<sup>th</sup> Street between Budlong Avenue and Van Ness Avenue. Both Budlong and Van Ness, to the south, are also bicycle friendly roads. Other bicycle friendly roads in proximity to the study area include 146<sup>th</sup>, 147<sup>th</sup>, and 148<sup>th</sup> Streets that run east-west between Van Ness and Budlong Avenues.

### Traffic Volume, Usage, Speed Issues

Based on traffic counts from 2009, Rosecrans Avenue handles approximately 35,000 car trips on a daily basis. This is reported on an average annual daily trips (AADT) basis. The vehicular traffic moving north-south on Normandie Avenue handles roughly half as much traffic with approximately 15,000 AADT. As previously noted, traffic moving east-west on the arterial includes significant through-traffic providing access to both the 405 and 110 as well as numerous retailers located at or near the Rosecrans/Normandie Intersection. While Normandie Avenue is a major arterial, the north-south has significantly less traffic with residential neighborhoods (primarily to the south) and industrial uses (primarily to the north) that are adjacent to it.

**Figure 2: Rosecrans/Normandie Traffic Counts**

Traffic Counts (2009)	AADT
Rosecrans & Western	34,200
Rosecrans & Normandie	35,200
Rosecrans & Vermont	36,900
Normandie & 135 <sup>th</sup>	14,900
Normandie & Marine	15,200

Source: City of Gardena (Department of Public Works)

The speed limit for both Rosecrans and Normandie Avenues is 40 miles per hour (MPH). As such, both Rosecrans and Normandie Avenues would not be suitable for LUV use. However, the rest of the street network within the general area can be accessed by LUV with the exception of the following major locations<sup>3</sup>:

<sup>2</sup> Google maps identifies roads with dedicated bike routes (e.g. no cars), roads with bike lanes, and other roadways recommended for cyclists (based on traffic volume, street, topography, etc.).

<sup>3</sup> Please see the Appendix for a detailed map of the study areas and their respective connectivity within the LUV road network [to come].

- El Segundo Boulevard (East of Crenshaw);
- 135 Street (Between Van Ness and Normandie);
- Redondo Beach Boulevard;
- Crenshaw Boulevard (South of Marine); and
- Vermont Avenue.

### Access to Transit

The Rosecrans/Normandie Intersection is immediately serviced by Metro Bus Line 125, which runs east-west along Rosecrans Avenue. Within near proximity of the study area, the Gardena Municipal Bus also provides local access and to the broader public transportation network through transfer points such as the Artesia Transit Center. The site has some connectivity, through limited transfers, to the Green and Blue Metro Rail Lines.

### Identity and Perception

The larger city area has produced a strong economic base, providing over 20,000 jobs to those living outside the City of Gardena<sup>4</sup>. There is a large amount of industrial development, much of which is older and some of which has been neglected. In 2005, a land use study of the exterior physical characteristics of commercial and industrial buildings on Rosecrans Avenue indicated that the majority of the parcels exhibited one or more of the following attributes:

- Physical Deterioration;
- Deferred Maintenance;
- Inadequate Parking;
- Functional Obsolescence;
- Incompatible Uses;
- Lack of Site Amenities (e.g. Landscaping); and
- No Design Guidelines for Signage.

Another characteristic that is prevalent in the area are overhead power lines, particularly the transmission lines. The existing conditions of the corridor are not out of character with other major arterials located throughout the South Bay. As such, Rosecrans Avenue is symbolic typical auto-oriented corridors throughout the region.

Focusing on the Rosecrans/Normandie Intersection, the intersection is the nexus of four corners site areas where NOD could occur. The following provides a general overview of the identity and perception of each opportunity area within the study area. On the northeast site, there is an aging neighborhood strip retail development anchored by a liquor store that fronts Rosecrans Avenue. Along Normandie the neighborhood strip retail has many smaller tenants including a donut store and nail salon. Adjacent to the site there is multi-family rental housing development. The northwest site is occupied by Lube n'Tune, which is an auto repair and maintenance service provider. Behind the Lube n' Tube the site has been cleared for future development.

On the southwest site, there is a Valero gas station that also includes a car wash and convenience food and beverage retail. Along with the Valero there is an industrial development that occupies the larger site area. On the southeast corner, there is

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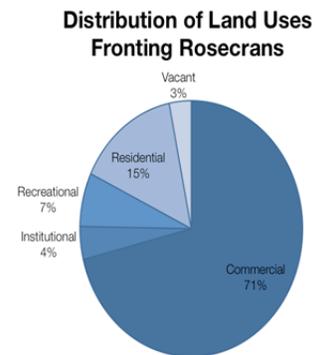
<sup>4</sup> US Census OnTheMap (2010)

a large parking lot for a closed super market and a neighborhood strip retail development with a smaller parking lot. The neighborhood strip center is anchored by a Pizza Hut. Along with the chain food tenant, there are local food offerings (soul food, pupuseria, fried chicken) with other tenants that include personal services (nails, laundry, auto insurance) and general merchandise (KL 99 cent store, T-shirt wholesale, car alarm).

In general, the sidewalks are narrow and there is minimal vegetation and streetscaping. The opportunity sites are currently accessed primarily by car. The auto-oriented services to the west of the Normandie/Rosecrans Intersection have minimal parking, while the retail services primarily to the east of the intersection side have parking fronting the street with the developments set back on the site.

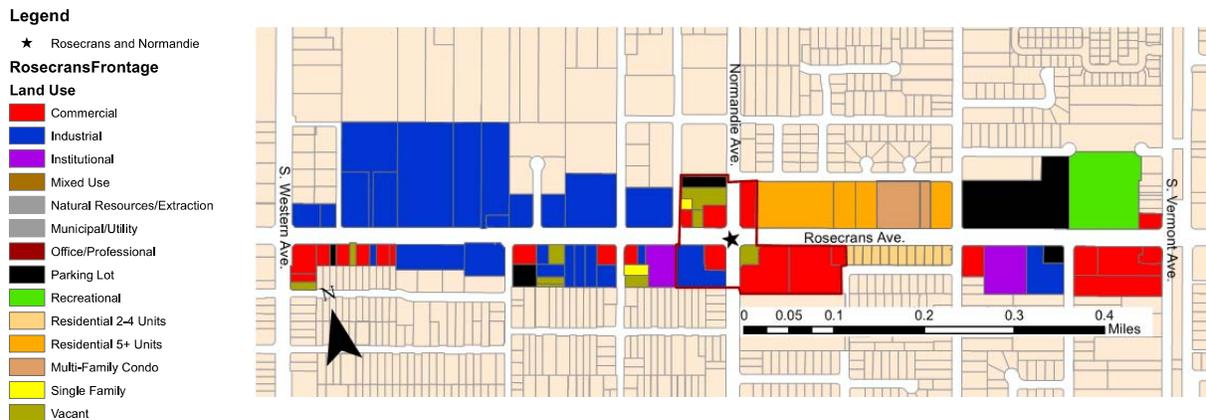
### Land Use

Figure 3 presents land uses within the half-mile focus area fronting Rosecrans Avenue. There is a total of 62.2 acres of property fronting Rosecrans Avenue within the half-mile focus area. Commercial uses make up 71 percent of the uses along Rosecrans Avenue. Industrial uses, specifically light manufacturing, makes up approximately 60 percent of the commercial uses along Rosecrans Avenue. Industrial uses also include about 10 percent of warehouse, distribution, and storage spaces, as well as a smaller share of heavy manufacturing. Retail, particularly shopping centers and restaurants, make up the next largest bulk of commercial uses. The Normandie Casino and associated parking lots, located near the Rosecrans and Vermont Avenue intersection encompasses 4.2 acres along Rosecrans Avenue. Residential uses, primarily multi-family residential, account for 15 percent of the Rosecrans Avenue fronting parcels.



The Rosecrans Avenue between Western Avenue and Normandie Avenue is similar to other corridors in the South Bay in that it is lined with smaller commercial spaces. The corridor is more unique in that it abuts a major industrial cluster in the City of Gardena and much of the midblock uses north of Rosecrans Avenue between Western Avenue and Normandie Avenue are fairly dense well-utilized industrial spaces. This is, likely, the result of historic Euclidian-style zoning that segregated commercial and residential uses into separate districts.

**Figure 3: Land Use of Parcels Fronting Rosecrans Avenue**



Source: ESRI, Los Angeles County Assessor's Office, and Pro Forma Advisors

**Figure 4: Existing Land Uses**

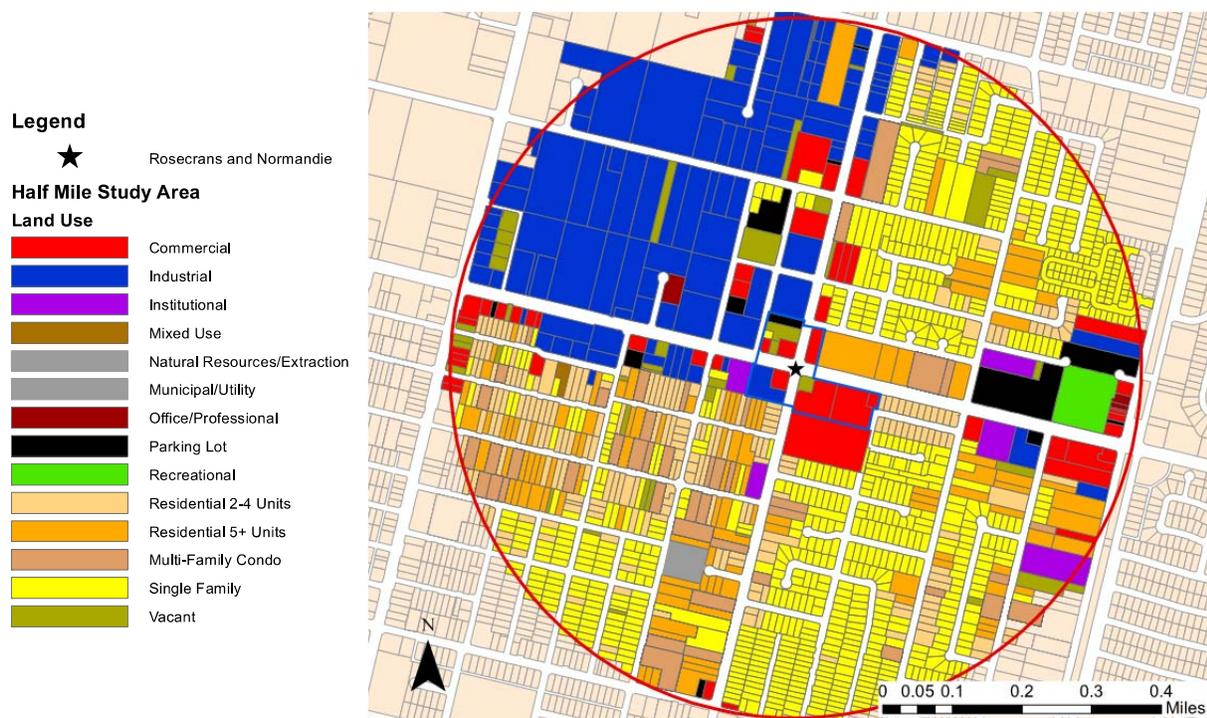
Land Use Category	Rose. & Norm. Intersection	Rosecrans Fronting Parcels	1/2 Mile Focus Area	Rose. & Norm. Intersection	Rosecrans Fronting Parcels	1/2 Mile Focus Area
	Acres			Share of Total		
Commercial	6.8	44.2	152.2	86%	71%	32%
Commercial	5.2	12.0	28.0			
Industrial	1.2	26.4	112.6			
Mixed Use			0.4			
Office/Professional			1.0			
Parking Lot	0.4	5.8	10.2			
Institutional		2.6	7.2	0%	4%	2%
Institutional		2.6	7.2			
Other			1.9	0%	0%	0%
Municipal/Utility			1.9			
Recreational		4.2	4.2	0%	7%	1%
Recreational		4.2	4.2			
Residential	0.1	9.2	291.9	1%	15%	62%
Residential 2-4 Units		1.6	40.5			
Residential 5+ Units		5.2	45.3			
Single Family	0.1	0.3	175.6			
Multi-Family Condo		2.0	30.6			
Vacant	1.0	2.0	12.8	13%	3%	3%
Vacant	1.0	2.0	12.8			
<b>Grand Total</b>	<b>7.9</b>	<b>62.2</b>	<b>470.3</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Los Angeles County Assessor's Local Roll and Pro Forma Advisors

Figure 5 presents land uses within the half-mile focus area. While the street frontage along Normandie Avenue is primarily commercial, like other corridors throughout the South Bay, residential is the pre-dominant use. Almost two-thirds of the half-mile area, 62 percent, is made up of residential land uses. This is slightly more than throughout the complete City of Gardena, which is made up of approximately 52 percent housing uses. Of residential properties, approximately 60 percent of the parcel areas are single-family homes<sup>5</sup>.

Approximately one-third of the half-mile focus area is used for commercial. Commercial uses, specifically industrial, are concentrated in the northwest quadrant of the study area. 70 percent of the commercial properties found in the study area are reported as industrial uses.

**Figure 5: Existing Land Use in the Half-Mile Focus Area**



Source: ESRI, Los Angeles County Assessor's Office and Pro Forma Advisors

<sup>5</sup> This excludes streets and ROW from the existing land uses reported in the City of Gardena General Plan.

## Property Review

As previously described, the parcels at the Rosecrans/Normandie Intersection include light manufacturing and a service station in the south west quadrant, an approximate 40,000 square foot retail shopping center on approximately 4.5 acres property in the south east quadrant, a small 8,400 square foot strip center on 0.56 acres, and a service station at the corner with 0.74 acres of vacant land, a single family home, and a 0.41 acre parking lot on the northwest quadrant.

The half-mile focus area contains 2,150 parcels consisting of approximately 470 acres. There is approximately 4.8 million square feet of building space within the study area. The average parcel size is 12,600 SF (0.29 Acres) throughout the half-mile focus area. Commercial properties are larger than the non-commercial properties and, thus, the properties fronting Rosecrans Avenue, which are primarily commercial, have an average size of approximately 31,883 SF (0.73 Acres).

**Figure 6: Assessor's Property Data**

Assessors Property Data	Rosecrans & Norm. Intersection	Rosecrans Fronting Parcels	1/2 Mile Study Area
Total Land Area (Acres)	7.9	62.2	470.3
# of Records	13	141	2,150
# of Unique Parcel Areas*	13	85	1,588
Average Parcel Size (SF)	26,535	31,883	12,550

\*There may be more than one parcel record associated with each parcel area, particularly for multi-family and condo buildings.<sup>77</sup>

Source: Los Angeles County Assessor's Office and Pro Forma Advisors

## Buildings

The following section analyzes the built structures of those parcels with reported built square feet. Along Rosecrans Avenue, within the half-mile focus area, the County Assessor's Office reports there are 115 buildings containing 715,000 square feet of buildings space.

It should be noted that the Assessor's Office does not report building information for certain institution, municipal/utility, and recreation land uses. Thus, this building analysis does not include the building information for institutional uses, such as churches and government facilities and recreation uses, such as the Normandie Casino. On a land area basis, uses other than commercial and residential accounted for only 5.6 percent of land area. Further, it is worth noting that built square for commercial and residential use buildings are the only buildings reported in the area. Parcels where the built square figure was not reported were excluded from this analysis.

Similar to the land use distribution, commercial buildings make up 70 percent of the space. The three large multi-family buildings average approximately 31,000 square feet each, but the smaller single-family units along Rosecrans bring the residential unit average up to 2,700 square feet per unit. Commercial buildings average 13,000 square feet in size, with industrial buildings averaging 19,000 square feet. General commercial had an average unit size of 6,500 square feet.

Commercial buildings under 15,000 square feet are typically considered small and reflect the smaller parcel sizes along Rosecrans Avenue within the half-mile focus area.

Within the half-mile focus area, there are 1,300 buildings with a total of 4.7 million square feet of building space. Once again, it should be noted that commercial and residential use buildings are the only buildings reported in the area. Commercial buildings make up approximately a third of buildings in the half-mile area and residential units make up approximately two-thirds of building floor space.

Both building and parcel sizes reflect the piecemeal/individual development of each of the properties. These smaller industrial and commercial buildings are not optimally structured for modern industrial and warehouse uses and contemporary medium and large-box retail centers. Given their current small size, typical parcels and buildings are not large enough for individual redevelopment. Feasible redevelopment of properties will likely require the assembly of a number of parcels, which could present a challenge to NOD.

**Figure 7: Buildings on Properties Fronting Rosecrans Avenue**

Land Use Category		# of Bldgs	Building SF	Average of Building SF
Commercial	Commercial	19	122,680	6,457
	Industrial	21	390,884	18,614
<i>Commercial Total</i>		<i>40</i>	<i>513,564</i>	<i>12,839</i>
Residential	Residential 2-4 Units	12	39,480	3,290
	Residential 5+ Units	3	93,733	31,244
	Single Family	60	68,424	1,140
	Multi-Family Condo	2	1,994	997
<i>Residential Total</i>		<i>75</i>	<i>201,637</i>	<i>2,688</i>
<b>Grand Total</b>		<b>115</b>	<b>715,201</b>	<b>6,219</b>

Source: Los Angeles County Assessor's Office and Pro Forma Advisors

### Assessed Value

Current assessed value for land and improvement on properties fronting Rosecrans Avenue within the half-mile focus area total approximately \$93 million. Commercial properties make up approximately 60 percent of the value. The complete half-mile focus area contains a little over \$670 million of assessed value. Relative to the complete half-mile focus area, the properties fronting Rosecrans make up 70 percent of the land area, but hold 60 percent of the assessed value. This is due to the larger share of residential in the greater half-mile area. As shown in the figure below, residential uses have the highest assessed value per square foot of land area.

Due to Proposition 13, assessed value may not be inline with market value for properties. Assessed values are only allowed to be inflated by 2 percent a year, since the late 1970's while market rates and inflation may have increased at higher rates. If a property has not sold in recent years, the assessed value is often below market rate values.

Residential properties may have a higher value because commercial properties are under utilized or it also may be a function of more recent turnover in residential properties than commercial properties (which typically are held for longer periods).

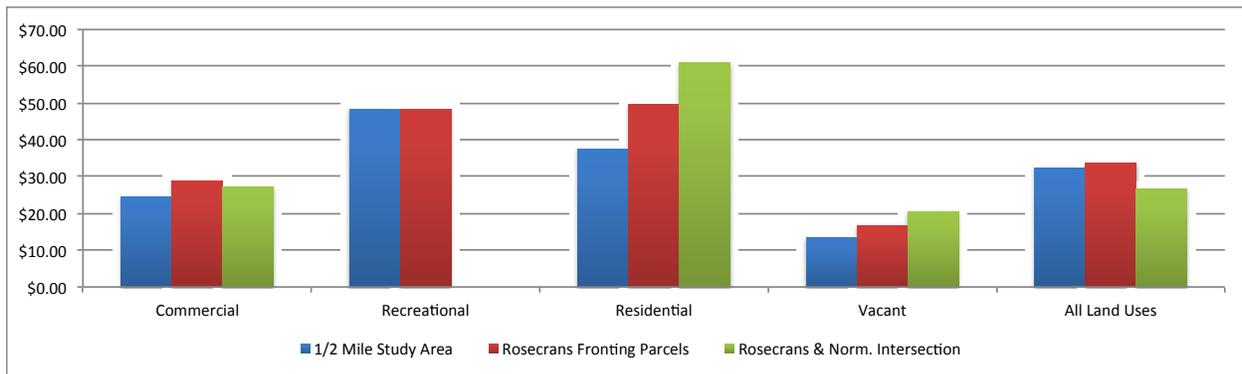
Also, we would not expect that the per square foot assessed values for residential uses are higher along Rosecrans Avenue than the larger half-mile focus area. Based on numerous studies on external nuisances, such as noise or high traffic volumes, the market value of housing will decline based on various external factors. Turnover, the difference between multi-family and single-family valuation, limited residential properties within the Rosecrans/Normandie Intersection, or other factors may be causing the housing values to be skewed.

**Figure 8: Rosecrans and Normandie Assessed Value**

Major Land Use Category	Rosecrans & Norm. Intersection	Rosecrans Fronting Parcels	1/2 Mile Study Area
Commercial	\$8,113,827	\$55,964,359	\$164,635,302
Institutional		\$6,209,616	\$9,822,027
Other			\$141,143
Recreational		\$8,934,660	\$8,934,660
Residential	\$271,996	\$19,921,294	\$479,154,504
Vacant	\$929,437	\$1,473,155	\$7,623,000
Grand Total	\$9,315,260	\$92,503,084	\$670,310,636

Source: Los Angeles County Assessor's Office and Pro Forma Advisors

**Figure 9: Land and Improvement Value per Square Foot of Land Area**



Source: Los Angeles County Assessor's Office and Pro Forma Advisors

### Underutilized Properties

Underutilized and vacant sites can provide strategic opportunities to create new uses and capitalize on NOD strategies in the South Bay. Pro Forma Advisors has identified potential opportunity sites within the study area based on the following methodology:

- Vacant sites or sites currently occupied by surface parking lots;

- Properties where the improvement value is 40 percent of the land value; and
- Low intensity sites, where the floor-to-area ratio (FAR) value is below 0.10 and more intensive redevelopment may be appropriate.

## Vacant

Within the parcels fronting Rosecrans Avenue, within the half-mile focus area, there are almost 8 acres of land that may be considered vacant, approximately 2 acres of reported vacant land and 6 acres used for parking lots. This equates to approximately 13 percent of the parcels along Rosecrans Avenue in the half-mile focus area. Immediately surrounding the Normandie/Rosecrans Intersection there are 0.74 acres of vacant property in the northwest quadrant and 0.29 acres being used solely as parking lot in the southeast quadrant of the intersection.<sup>6</sup>

The greater half-mile focus area is almost completely built out. Only 3 percent of properties are considered vacant in the complete study area and the parcels fronting Rosecrans. However, there are a greater number of parcels that include minimal improvements within other land use categories, such as properties being used solely as parking lots and vacant lots with small improvements such as a trash structure. The following map presents the vacant vs. developed parcels along Rosecrans Avenue.

**Figure 10: Vacant vs. Developed Parcels Fronting Rosecrans Avenue**



Source: Los Angeles County Assessor's Office and Pro Forma Advisors

<sup>6</sup> The parcel to the east of the vacant parking lot is for sale and includes a large parking lot for a previous grocery use.

## Low Improvement Values

The analysis of developed vs. undeveloped parcels does not account for parcels that are low density, i.e. buildings that take up limited space on the property and have large parking lots or parcels that are being used for low value uses.

For this analysis, we have established a low improvement value to be 40 percent of the land value.<sup>7</sup> The improvement value is the estimated assessed value of improvements, such as buildings and other structures. A relatively low improvement value relative to the land value of a property suggests that the land is under-utilized and that there are higher improvements that can be developed on the land. It should be noted that this is not a perfect estimate of under-utilization of land, but is used as a benchmark to understand where properties may have potential for higher value redevelopment.

Approximately 21 percent of the properties along Rosecrans Avenue, within the half-mile focus area, may be considered to fall in this low improvement value category. Many of these properties overlap with the vacant parcels shown in the previous section. Throughout the larger half-mile focus area, 25 percent of properties fall into the low improvement value category.

**Figure 11: Improvement to Land Value Ratio of Rosecrans Fronting Study Area Parcels**

Improvement to Land Value Ratio Range	Land Area (Acres)	Share of Total
0.00 - 0.39	13	21%
0.40 - 1.00	18.27	29%
1.01 and above	30.95	50%
<b>Total</b>	<b>62.21</b>	<b>100%</b>

Source: Los Angeles County Assessor's Office and Pro Forma Advisors

**Figure 12: Parcels Fronting Rosecrans with Low Improvement Value**



Source: ESRI, Los Angeles County Assessor's Office, and Pro Forma Advisors

<sup>7</sup> While there is no set benchmark, typically the land value represents 30% of the total market value of a property. As such, improvements would roughly equal 70% of the total market value.

## Low Intensity Development

Many of the low intensity parcels, parcels where the building is less than 10 percent of the land area, were previously identified as having low improvement values or being vacant properties, but there are a few additional parcels that may be considered for redevelopment. Pro Forma Advisors analyzed the floor area ratios of those properties reporting a built structure<sup>8</sup>. Institutional, Other, and Recreation land use categories, which do not report building size, and specific multi-family condo parcels have been excluded from the analysis.

Approximately 9 percent of the parcels along Rosecrans Avenue, within the half-mile focus area, report a built structure with a FAR of less than 0.10. The map below displays the built square feet to land area (density or FAR) of those parcels

**Figure 13: Development Intensity Range of Rosecrans Fronting Study Area Parcels**

FAR Range	Building SF	Land Area (Acres)	Average FAR
0.00 - 0.10	8,486	3.0	0.06
0.11 - 0.25	34,019	3.8	0.21
0.26 - 0.60	501,602	23.4	0.49
0.60 and above	158,632	3.9	0.93
<b>Total</b>	<b>702,739</b>	<b>34.1</b>	<b>0.47</b>

Source: Los Angeles County Assessor's Office and Pro Forma Advisors

**Figure 14: Floor to Area Ratio - Rosecrans Fronting Study Area Parcels**



Source: ESRI, Los Angeles County Assessor's Office, and Pro Forma Advisors

<sup>8</sup> This analysis excludes properties reported as vacant and those properties missing information on building square feet.

## Summary

The table below summarizes vacant land and low intensity properties relative to properties with low improvement values. There are 14.36 acres identified as either low improvement value, low intensity, or vacant property, 23 percent of all properties fronting Rosecrans Avenue.

By comparing the three utilization metrics of vacant lands, low improvement-to-land values, and low intensity development, under-utilized parcels and areas may be identified. As shown in the map below, there is high potential for redevelopment at two of the corners at the Rosecrans/Normandie Intersection.

In the northwest quadrant of the intersection, all of the five parcels, 1.82 acres in total, have low improvement values and there may be future potential to assemble these parcels. As mentioned above, the northwest quadrant contains 0.74 acres of vacant land, located behind the parcel immediately fronting the intersection, which is currently being used as a service station/auto repair. Another service/auto repair station is located at the corner of Brighton Avenue and Rosecrans Avenue.

In the southeast quadrant, there is approximately 3.89 acres across four parcels that function as one connected shopping center. More than half the area, 2.31 acres, has been identified as having low improvement value. As a whole, the center has a FAR of 0.23, but surveys reveal that one of the shopping center buildings, approximately 19,000 square feet, is vacant and ripe for redevelopment.

In addition to these areas, there is also a large 4.6-acre parking lot being used by the Normandie Casino that also may be redeveloped in the future. This site is not on a major/major arterial, but is at the crossing of a minor/major arterial. Across the street from this parcel are a low intensity 1.13-acre light manufacturing property and 0.27-acre parking lot that may be considered as under utilized and may be redeveloped in the future. The site's access to Budlong Avenue, which was identified as bicycle friendly, may present some opportunities within the NOD context.

**Figure 15: Underutilized Land Area Summary (Acres)**

	Vacant or Surface Parking Lot	Low Improvement- to-Land Value Ratio ( $<0.40$ )	Low Intensity (FAR $<0.10$ )	Total
Low Improvement-to Land Value Ratio ( $<0.40$ )	7.91	2.08	3.00	13.00
Low Intensity (FAR $<0.10$ )	7.91	1.63	1.37	10.91
<b>Total Vacant, Low Improvement-to-Land Value, or Low Intensity Acres</b>				<b>14.36</b>

Source: Los Angeles County Assessor's Office and Pro Forma Advisors

**Figure 16: Rosecrans Avenue and Normandie Avenue Under-Utilized Parcel Map**



**Legend**

-  Low FAR <.10 not including 0 BuiltSF
-  Vacant or Parking Lot
-  Low Improvement-to-Land Value <0.4
-  Rosecrans and Normandie

**Regulatory Environment**

While there appears to be development opportunities, the sites adjacent to the Rosecrans/Normandie Intersection have the following general development constraints based on the existing municipal code in the City of Gardena. Key attributes, as they pertain to reuse within the NOD concept, are provided below. In general, the opportunity sites fronting the Rosecrans/Normandie Intersection are primarily designated General Commercial (C3).

**Figure 17: Rosecrans/Normandie Intersection Zoning**

Quadrant	Zoning	Parking	Density
Northeast	Single-Family Residential (R1)	2 Spaces/Unit	1 Unit/Lot
	High Density Multi-Family Residential (R4)	2 Spaces/Unit	27 Units/Acre
	General Commercial (C3)	1 Space/200 – 250 GSF	0.5 FAR
Northwest	C3	1 Space/200 – 250 GSF	0.5 FAR
Southwest	Medium Density Multi-Family Residential (R3)	2 Spaces/Unit	27 Units/Acre
	C3	1 Space/200 – 250 GSF	0.5 FAR
	Parking (P)		
Southeast	R1	2 Spaces/Unit	1 Unit/Lot
	R3	2 Spaces/Unit	27 Units/Acre
	C3	1 Space/200 – 250 GSF	0.5 FAR

Source: City of Artesia Municipal Code

### Planned and Proposed Development

In the broader context of the City of Gardena, near the southern edge of the city there is the Artesia Corridor Specific Plan (Specific Plan). The most unique feature within the Specific Plan is the designation of a mixed-use overlay district. The mixed-use category is intended to generate the site's core, permitting vertical or horizontal integration of residential, live/work, and commercial uses around a centralized main street (which is to be developed parallel to Artesia Avenue) to produce a walkable shopping, working, and living experience. This category allows for, but does not require a mix of uses. Development can consist entirely of either residential or commercial uses, although buildings consisting only of residential uses are not permitted adjacent to Artesia Avenue.

The mixed use overlay, permitted by the General Plan versus the Specific Plan, allows for residential development with a conditional use permit on selected areas designated for commercial and industrial land uses. The maximum density allowed is 20 units per acre and a FAR of 0.5. Residential development, however, is only allowable on a project site greater than or equal to 1.5 acres.

The commercial category within the Specific Plan is intended to provide the site's larger, anchor commercial uses that would benefit most from locations at the intersection of Artesia Boulevard and Western and Normandie Avenues. This category includes commercial uses intended to serve a broad population base and offer a wide range of services to both the community and the subregion. Typical uses in this category include commercial uses such as retail, recreation, entertainment (such as restaurants), and service uses. In general, the Specific Plan is consistent with NOD planning to the extent that it

encourages residential development mid-block and nodes of commercial development near the arterial intersections. It is also important to note that commercial envisioned is 5 mid-sized retail developments each comprising of 25,000 to 35,000 square feet. A summary of the Specific Plan is provided below.

**Figure 18: Artesia Corridor Specific Plan Summary**

<i>Artesia Corridor Specific Plan</i>	<i>SF/Units</i>
<i>Commercial</i>	<i>350,000 SF</i>
<i>Restaurant</i>	<i>30,000 SF</i>
<i>Support Commercial</i>	<i>28,000 SF</i>
<i>Residential (General)</i>	<i>200 Units</i>
<i>Residential (Work/Live)</i>	<i>26 Units</i>

Source: Artesia Corridor Specific Plan

Based on conversations with City or Gardena staff, there are a number of additional planned and proposed developments that could influence the positioning of future development at the Artesia/Normandie Intersection.

- Rosecrans/Van Ness (near 2500 Rosecrans): Negotiations are in process to purchase entire site (currently a strip mall) for proposed mixed-use development.
- Marine Avenue (near 2525 Marine): Potential mixed-use/retail.
- Van Ness and 154<sup>th</sup> Street: Proposed affordable housing.
- Harbor Gateway: Major retail related redevelopment.

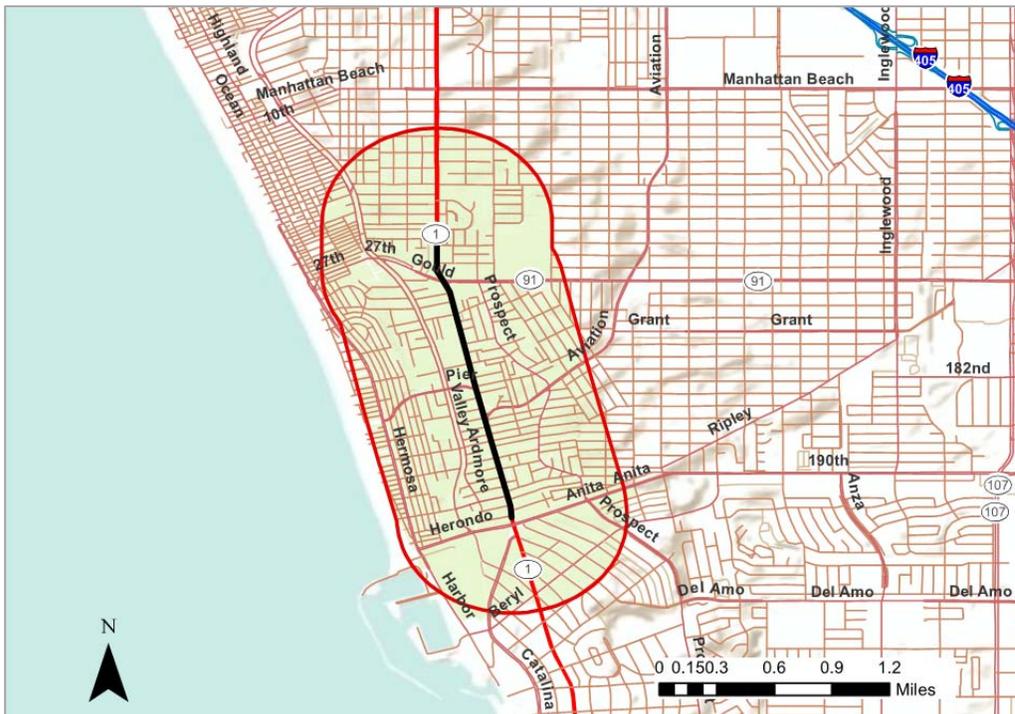
## PCH Corridor

Approximately 1.25 miles of the Pacific Coast Highway, between Artesia Boulevard and Herondo/Anita Street in the City of Hermosa Beach (PCH Corridor) is the first of two corridors that will be evaluated in terms of its feasibility to transition into a series of neighborhoods. This study area is representative of a typical “major” arterial in the South Bay with several opportunities for development at major and minor arterials as well as at points in between for infill residential development. Unlike the Rosecrans/Normandie Intersection, which focuses on four specific site locations, the PCH Corridor will evaluate general NOD opportunities for parcels adjacent to PCH throughout the study area.

## Regional Connectivity

State Route 1, also designated as the Pacific Coast Highway, is a major north-south state highway that runs along the Pacific Ocean coastline of the state. The Pacific Coast Highway is a major arterial that connects residents to employment centers in the South Bay and greater west Los Angeles area. The Pacific Coast Highway is often used as a north-south alternative to the 405 and the 110 and provides connectivity to LAX. The PCH Corridor intersects other arterials such as Artesia Boulevard, Aviation Boulevard, and Anita Street, which provide east-west access to the larger South Bay Area and interstate freeways.

**Figure 19: PCH Corridor Regional Context**



### Legend

-  PCH Corridor
-  PCH 1/2 Mile Focus Area

Note: State Route 91 is Artesia Boulevard

Source: ESRI and Pro Forma Advisors

### Circulation

As is the case with the Rosecrans/Normandie Intersection, balancing heavy through-traffic with local circulation and access is a significant challenge in the NOD context. On the Pacific Coast Highway there are six through-lanes along with one designated turn lane. Similar to Rosecrans Avenue, the current configuration of the streetscape including narrow sidewalks and multi-lane intersections does not readily accommodate other non-auto oriented transportation modes. Due to local topography and the scale of the Pacific Coast Highway there are no bicycle friendly roads in east of the PCH Corridor. However, west of the study area (parallel to the PCH Corridor) there are a number of roads that are inviting to bikes due to low speeds such as Ardmore Avenue and Valley Drive.

### Traffic Volume, Usage, Speed Issues

Based on traffic counts from 2010, traffic volume varies between 44,500 to 59,000 vehicles through the PCH Corridor on a daily basis. The City of Hermosa Beach has data for a number of the corridors that intersect the PCH Corridor. However, none of the traffic counts are presented near the intersection of the Pacific Coast Highway. Based on City of Hermosa Beach data from 2007, the east-west arterials of Artesia Boulevard, Aviation Boulevard, and Anita Street carry an average of 33,300, 32,700, and 22,150 vehicles per day, respectively.

**Figure 20: PCH Corridor Traffic Counts**

Traffic Counts (2010)	AADT
Aviation (North)	49,000
Aviation (South)	59,000
Pier/14 <sup>th</sup> (North)	52,000
Pier/14 <sup>th</sup> (South)	44,500

Source: State of California, Department of Transportation, Traffic Operations Division

The Pacific Coast Highway is a class III facility with speed limits not exceeding 35 MPH, which supports LUV use. Although the posted speed limit is 35 miles per hour, when the traffic is not congested major arterials like the Pacific Coast Highway will experience traffic flows closer to 40 or 45 MPH. Based on research conducted in the “Neighborhood Electric Vehicles in Mature Suburbs,” drivers experienced discomfort holding up traffic on arterials where cars moved at significantly faster speeds than the LUV. However, the street network within the general area can be accessed by LUV with the exception of Artesia Boulevard, and speed issues can be mitigated through LUV signage<sup>9</sup> and choosing alternative driving routes.

### Access to Transit

Metro Line 232 running along the Pacific Coast Highway provides the primary connection to the regional transit network. The bus line makes stops at 5<sup>th</sup> Street, 9<sup>th</sup> Street, Aviation Boulevard, 11<sup>th</sup> Street, Pier Avenue, 16<sup>th</sup> Street, 21<sup>st</sup> Street, and Artesia Boulevard. The PCH Corridor is also serviced by Metro Line 130, which travels east-west along the PCH. Similar to other cities throughout the South Bay, residents in the PCH Corridor can access the Green and Blue Metro Rail Lines through limited bus transfers but they are not in direct proximity to the Metro stations..

### Identity and Perception

The PCH Corridor has seen some vacancies in recent years, although many of those vacancies are beginning to be filled with new tenants. As noted, the arterial is not particularly pedestrian friendly and tends to divide the city into east and west Hermosa. Neither the street nor the streetscape has been significantly changed since the 1950s. Like other corridors in the

<sup>9</sup> In the Study, stickers were placed to the back of each LUV that said “Local Use Vehicle - Speed 25 MPH MAX.” NEV/LUV drivers reported that other drivers became more courteous once the stickers were added.

South Bay, retail, office, food establishments, automotive (service and dealership) and service related uses make up the bulk of uses. However, the PCH Corridor has robust auto-oriented retail offerings that are not present in many other corridors due to its heavy traffic volume. Furthermore, unlike some other arterials in the South Bay, the PCH Corridor has the unique advantage of close proximity to the Pacific Ocean with some locations providing ocean views.

In 2010, the Hermosa Beach City Council approved a committee focused on improving the aesthetics and economic well being of the Pacific Coast Highway and Aviation Boulevard corridors. Proposed aesthetic improvements include signage, street trees, medians, bike lanes, improved bus station benches, and outdoor trash cans. Other ongoing efforts to improve the pedestrian (or non-auto-oriented) experience along the Pacific Coast Highway includes a proposed bridge (or bridges) across the arterial as a symbolic structure linking two sides of the City of Hermosa Beach, while serving as a gateway welcoming visitors and residents crossing the city's main thoroughfare. These types of improvements would assist pedestrian and cyclist connectivity within the City of Hermosa Beach, as well as potentially broaden the market shed for NOD.

### Land Use

The figure to the right presents land uses of parcels in the PCH Corridor (fronting the Pacific Coast Highway). There is a total of 60 acres of property fronting the PCH Corridor and 65 percent of the properties are commercial. Almost 20 percent of the properties fronting the PCH Corridor are residential and 10 percent are other municipal or utility properties.

As found throughout many corridors in the South Bay, the PCH Corridor is lined with smaller format commercial uses. Office and professional uses make up a small share of properties fronting the Pacific Coast Highway, though office is a significant use in the larger half-mile focus area. Within the commercial category, shopping centers and smaller format retail are the primary uses fronting the PCH Corridor. In fact, smaller format retail and restaurants make up approximately 40 percent of commercial uses while shopping centers make up another 19 percent of commercial uses. Auto uses make up approximately 20 percent of the commercial uses fronting the PCH Corridor.

**Existing Land Use of PCH Corridor  
Parcels**

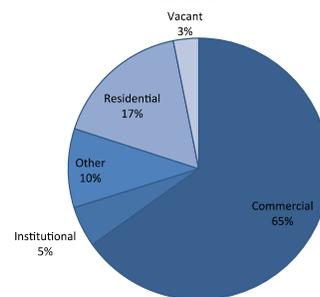
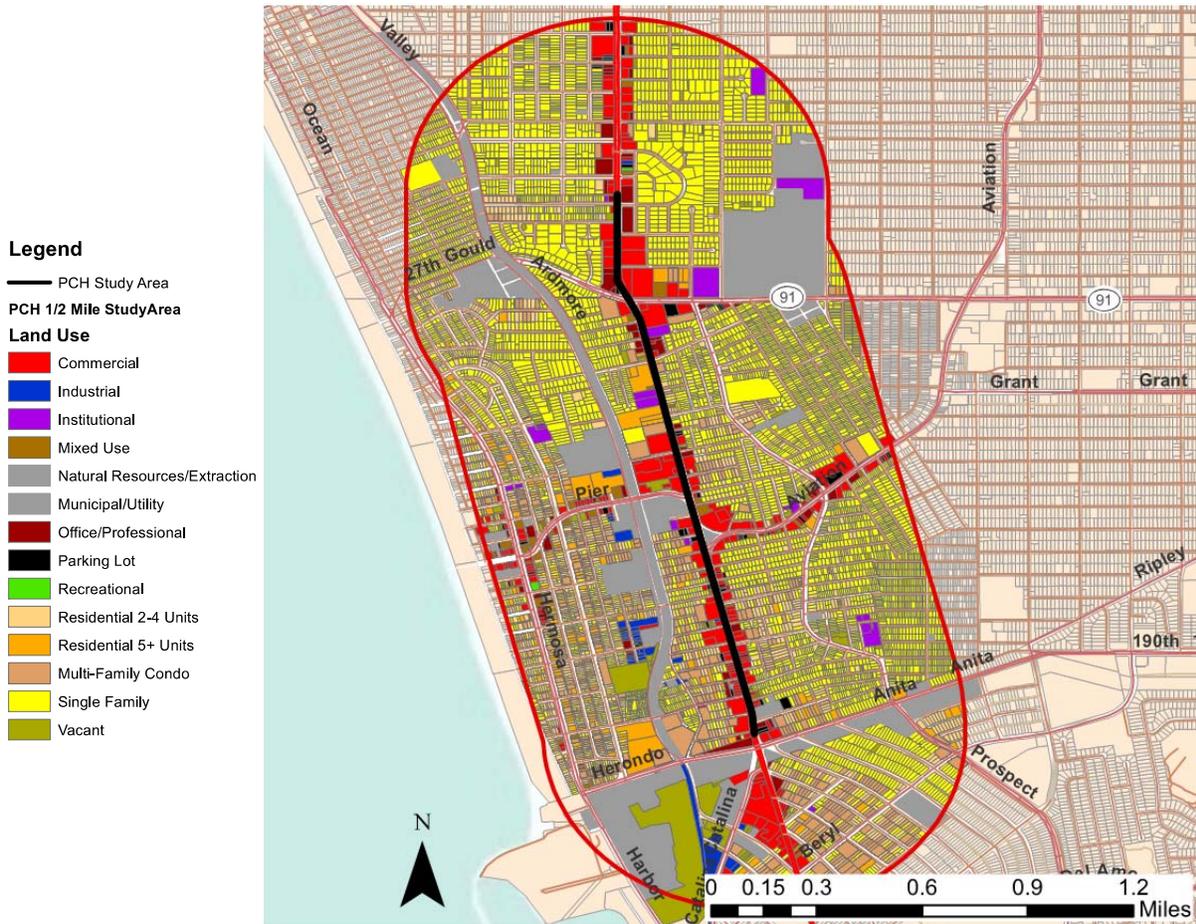


Figure 21: PCH Focus Area Land Use Map



Source: ESRI, Los Angeles County Assessor's Office, and Pro Forma Advisors

Similar to the Rosecrans/Normandie Intersection, residential uses make up approximately 72 percent of uses in the larger half-mile focus area. While suburban in nature, the South Bay is fairly dense; in the focus area approximately 40 percent of residential properties are used for multi-family uses.

Unique to the City of Hermosa Beach, a significant amount of property, more than commercial, is reported as municipality or utility. This includes the long north to south-running old train right-of-way (ROW) that was transformed into the Hermosa Valley Greenbelt, a 27-acre parcel power plant owned by AES in Redondo Beach, 40-acres for the Mira Costa High School in Manhattan Beach, Southern California Edison ROW along Herondo/Anita, and several elementary schools as well as the Hermosa Beach civic center and theatre.

Only 9 percent of the half-mile focus area is used for commercial. This will be a particularly interesting analysis for the NOD strategy as typically many regions have an overabundance of retail space, which does not appear to be the case within the half-mile focus area.

**Figure 22: Land Use by Category**

Major Land Use Category	PCH Fronting Parcels		1/2 Mile Focus Area	
	Land Area (Acres)		Distribution	
<b>Commercial</b>	<b>39.1</b>	<b>119.9</b>	<b>65%</b>	<b>9%</b>
Commercial	30.8	77.0		
Industrial	0.1	11.6		
Mixed Use	1.6	8.0		
Office/Professional	4.5	17.2		
Parking Lot	2.2	6.1		
<b>Institutional</b>	<b>3.0</b>	<b>16.3</b>	<b>5%</b>	<b>1%</b>
Institutional	3.0	16.3		
<b>Other</b>	<b>5.9</b>	<b>178.6</b>	<b>10%</b>	<b>14%</b>
Municipal/Utility	5.9	177.4		
Natural Resources/Extraction	-	1.2		
<b>Recreational</b>	<b>-</b>	<b>0.4</b>	<b>0%</b>	<b>0%</b>
Recreational	-	0.4		
<b>Residential</b>	<b>10.2</b>	<b>930.4</b>	<b>17%</b>	<b>72%</b>
Multi-Family Condo	3.2	209.8		
Residential 2-4 Units	0.6	97.7		
Residential 5+ Units	5.5	41.8		
Single Family	0.8	581.1		
<b>Vacant</b>	<b>1.9</b>	<b>44.6</b>	<b>3%</b>	<b>3%</b>
Vacant	1.9	44.6		
<b>Grand Total</b>	<b>60.1</b>	<b>1,290.4</b>	<b>100%</b>	<b>100%</b>

Source: Los Angeles County Assessor's Data and Pro Forma Advisors

### Property Review

There are 280 parcels fronting the PCH Corridor, covering 60.1 acres. The average land area of these parcels is approximately 15,000 square feet. The largest parcels are institutional and municipal/utility at an average of approximately 30,000 and 40,000 square feet, respectively. Commercial properties have an average size of almost 14,000 square feet. Residential parcels, which are made up of primarily medium to large size multi-family buildings fronting the PCH Corridor, have an average size of almost 15,000 square feet per parcel. With a greater share of residential, the larger half-mile focus area has a smaller average parcel size of approximately 6,400 square feet. As shown in the figure below, the southern section of the study area corridor, south of Pier Avenue, has relatively smaller parcels, relative to the northern portion of the corridor.

**Figure 23: Los Angeles County Assessor's Data - PCH Study Area**

Assessor's Property Data	PCH Fronting Parcels	1/2 Mile Area
Total Land Area (Acres)	60.1	1,290.4
# of Records	280	9,925
# of Unique Parcel Areas	173	8,787
Average Parcel Size (SF)	15,124	6,397

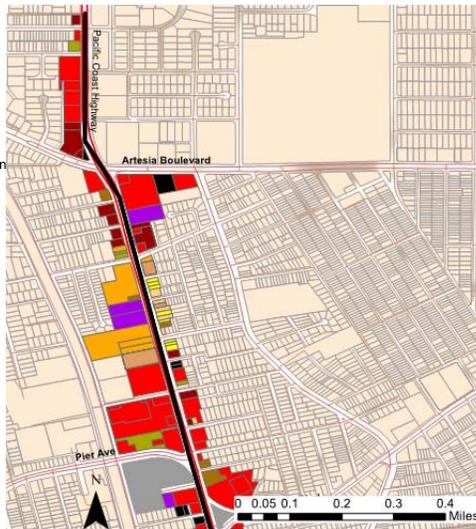
Source: Los Angeles County Assessor's Data and Pro Forma Advisors

**Figure 24: North and South PCH Corridor Parcel Areas**

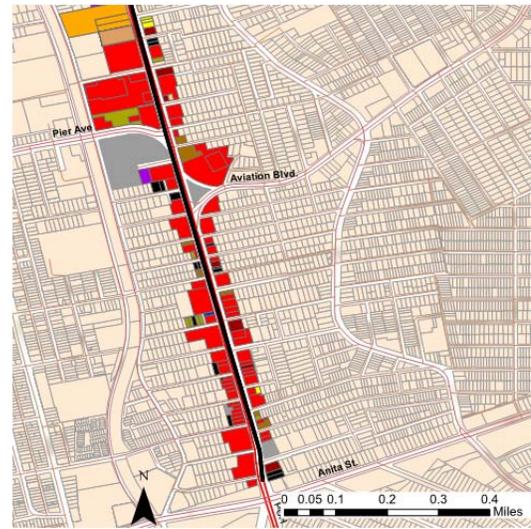
**Legend**

- PCH Study Area
- PCH 1/2 Mile Study Area
- Land Use**
- Commercial
- Industrial
- Institutional
- Mixed Use
- Natural Resources/Extraction
- Municipal/Utility
- Office/Professional
- Parking Lot
- Recreational
- Residential 2-4 Units
- Residential 5+ Units
- Multi-Family Condo
- Single Family
- Vacant

North PCH Corridor Study Area



South PCH Corridor Study Area



Source: ESRI, LA County Assessor's Local Roll, Pro Forma Advisors

## Buildings

Along the PCH Corridor there are approximately 224 units<sup>10</sup> containing 950,000 square feet<sup>11</sup>. It should be noted that the Los Angeles County Assessor's Local Roll reports the built square feet of the main structure and does not report the building

<sup>10</sup> This includes 82 condo units that are contained in approximately 10 residential buildings along the corridor.

<sup>11</sup> Analysis excludes approximately 30 parcels that do not report building square feet.

square feet for all institutions or government facilities. Thus, properties reported with institution or municipal/utility uses have been excluded from the building analysis.

Approximately 86 percent of the reported built space is commercial. The general Commercial category has the largest building space, with an average size of 9,500 square feet. As mentioned above a significant share of retail land area is used for smaller-format retail stores. While all properties in the commercial category have an average size of 9,500 square feet, smaller-format retail stores total approximately 124,000 square feet and have an average size of approximately 3,700 square feet.

There are approximately 9,000 reported buildings in the greater half-mile focus area, containing 19.9 million square feet of built space. As expected with the greater share of residential, the average built square feet is approximately 2,200 in the larger half-mile focus area.

**Figure 25: Built Square Feet of Study Area Parcels Fronting PCH Corridor**

Land Use Category	No. of Bldgs.	Building SF	Average Bldg SF
<b>Commercial</b>			
Commercial	64	608,028	9,500
Industrial	1	2,176	2,176
Mixed Use	8	35,891	4,486
Office/Professional	52	170,438	3,278
<b>Commercial Subtotal</b>	<b>125</b>	<b>816,533</b>	<b>6,532</b>
<b>Residential</b>			
Multi-Family Condo <sup>1</sup>	82	79,235	966
Residential 2-4 Units	4	9,860	2,465
Residential 5+ Units	4	38,963	9,741
Single Family	9	9,076	1,008
<b>Residential Subtotal</b>	<b>99</b>	<b>137,134</b>	<b>14,180</b>
<b>Grand Total</b>	<b>224</b>	<b>953,667</b>	<b>4,257</b>

<sup>1</sup>The Multi-Family Condo category reports for the size of each unit rather than the building.  
Source: Los Angeles County Assessor's Local Roll and Pro Forma Advisors

### Assessed Value

Current assessed value for land and improvement totals over \$260 million for the study area parcels. Commercial properties have a somewhat higher value relative to other uses and make up 77 percent of the assessed value relative to 65 percent of the land area of the PCH Corridor fronting parcels. The opposite is true in the half-mile focus area (including the Study Area). There, land and improvement assessed value is \$6.5 billion. Residential uses make up 90 percent of the assessed value in the half-mile focus area and 72 percent of the land area.

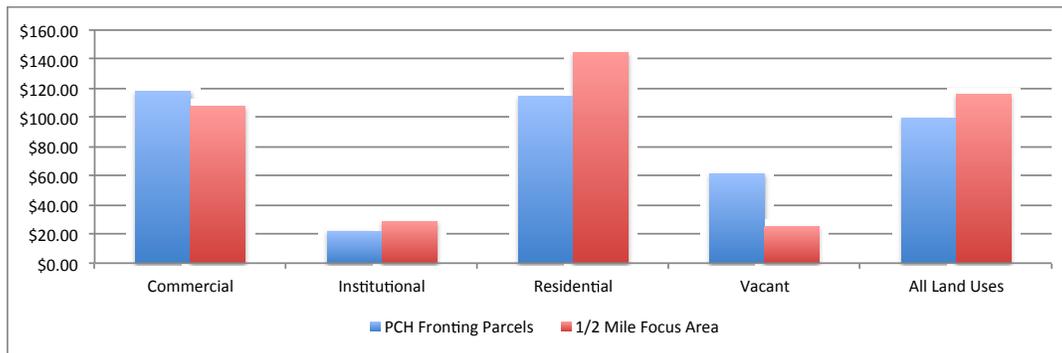
Interestingly, office uses make up almost 20 percent of the assessed value within PCH Corridor fronting parcels and 26 percent of assessed value in the half-mile focus area. The value of office suggests that office may be a useful piece of the NOD strategy, as there appears to be higher value in comparison to other land uses. One note is that while there appears to be more defined office market in the PCH Study Area in comparison to the other study areas, many of the recently constructed office condos, which have not performed particularly well, might be artificially inflating the assumed assessed value (versus actual market value). Figure 27 presents land and improvement value per square foot of land area by land use.

**Figure 26: PCH Study Area Land and Improvement Assessed Values**

Major Land Use Category	PCH Fronting Parcels	1/2 Mile Focus Area	PCH Fronting Parcels	1/2 Mile Focus Area
<i>Distribution</i>				
Commercial	\$202,427,512	\$565,440,430	77%	9%
Institutional	\$3,003,819	\$20,971,277	1%	0%
Other	\$993,274	\$18,685,914	0%	0%
Recreational		\$2,807,772	0%	0%
Residential	\$50,897,714	\$5,888,266,518	19%	90%
Vacant	\$5,096,903	\$50,036,909	2%	1%
<b>Grand Total</b>	<b>\$262,419,222</b>	<b>\$6,546,208,820</b>	<b>100%</b>	<b>100%</b>

Source: Los Angeles County Assessor's Local Roll and Pro Forma Advisors

**Figure 27: Land and Improvement Value Per Square Foot of Land Area**



Source: Los Angeles County Assessor's Office and Pro Forma Advisors

### Underutilized Properties

Underutilized and vacant sites can provide strategic opportunities to create new uses and capitalize on NOD strategies in the South Bay. Pro Forma Advisors has identified potential opportunity sites within the study area based on the following methodology:

- Vacant sites or sites currently occupied by surface parking lots;

- Properties where the improvement value is 20 percent of the land value; and
- Low intensity sites, where FAR values are below 0.10 and more intensive redevelopment may be appropriate.

### Vacant Properties

Like many major corridors and areas within the South Bay, the PCH Corridor is almost fully built out. Only 3 percent of properties fronting the PCH Corridor are considered vacant. However, there are a greater number of parcels that include minimal improvements within other land use categories, such as properties being used solely as parking lots and vacant lots with small improvements such as a trash structure.

Within the parcels fronting the PCH Corridor, there are approximately 4.1 acres of land that may be considered vacant, 1.9 acres of reported vacant land and 2.2 acres used for surface parking lots. This equates to approximately 7 percent of the parcels along the PCH Corridor. The following map presents the vacant parcels and surface parking fronting PCH.

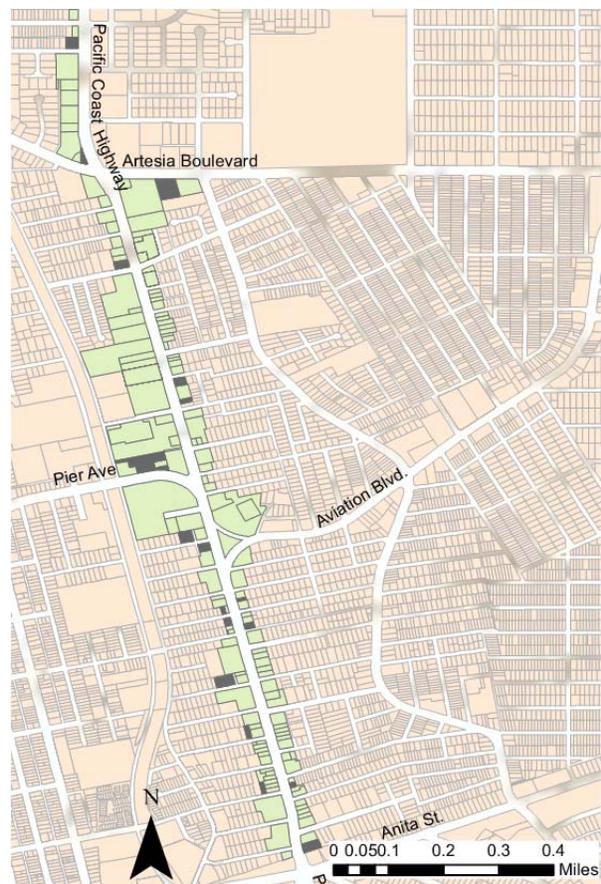
### Low Improvement Values

The analysis of vacant parcels does not account for parcels that are being used for low value uses or parcels that are low density, i.e. buildings that take up limited space on the property and have large parking lots.

For the general NOD analysis, we have established a low improvement value to be 40 percent of the land value.

However, for the case of the City of Hermosa Beach we have found a substantial share of properties fall within the low improvement value category, potentially due to the high value of coastal lands. As previously noted, the improvement value is the estimated assessed value of improvements, such as buildings and other structures. A relatively low improvement value suggests that the land is under-utilized and that there are higher improvements that can be developed on the land.

**Figure 28: Vacant Parcels Fronting PCH**



### Legend

- Vacant or Parking Lot
- PCH Fronting Parcels

As such, for this particular study area, we consider properties with 40 percent improvement-to-land value ratios, but focus on properties with a 20 percent improvement-to-land value as the low improvement value benchmark.

Approximately 41 percent of properties along the PCH Corridor are under the 40 improvement-to-land value ratio and 33 percent are under the 20 percent improvement-to-land value category. There are 19.7 acres with improvement-to-land values below 20 percent, considerably more than the 4.1 vacant properties and surface lots along the corridor. It should be noted that municipal/utility makes up approximately one-third of the properties with values under 20 percent improvement-to-land value ratio and Institutional uses make up another one-tenth of properties with values under 20 percent improvement-to-land value ratio. Excluding municipal/utility and other properties there are 12.17 acres of with low improvement values.

**Figure 29: PCH Fronting Parcel Improvement Value to Land Value**

Improvement to Land Value Ranges	No. of Parcels	Land Area (Acres)	Distribution
0 to 0.199 (Low Improvement Value)	55	19.7	33%
0.2 to 0.399	20	4.8	8%
0.4 to 1.0	61	17.3	29%
1.01+	37	18.3	30%
Grand Total	173	60.1	100%

Source: Los Angeles County Assessor's Local Roll, Pro Forma Advisors

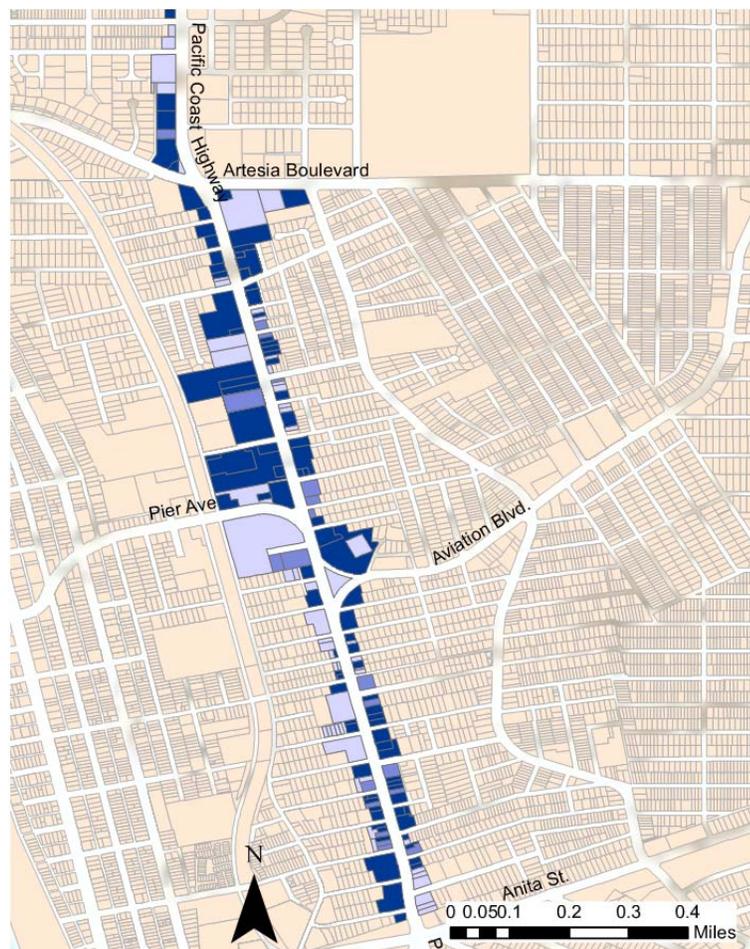
**Figure 30: Improvement Value to Land Value - PCH Fronting Parcels**

## Legend

### PCH Fronting Parcels

### Improvement to Land Value

- 0 to 0.199
- 0.2 to 0.399
- 0.4 +



Source: ESRI, Los Angeles County Assessor's Office, Pro Forma Advisors

## Low Intensity Development

Many low-intensity parcels—parcels where the building is less than 10 percent of the land area—were previously identified as having low improvement values or being vacant properties, but there are additional low-intensity parcels that may be considered for redevelopment. Approximately 3 acres of properties fronting the PCH Corridor with built square feet demonstrate a low-development intensity, with a built structure to land area of less than 0.10.

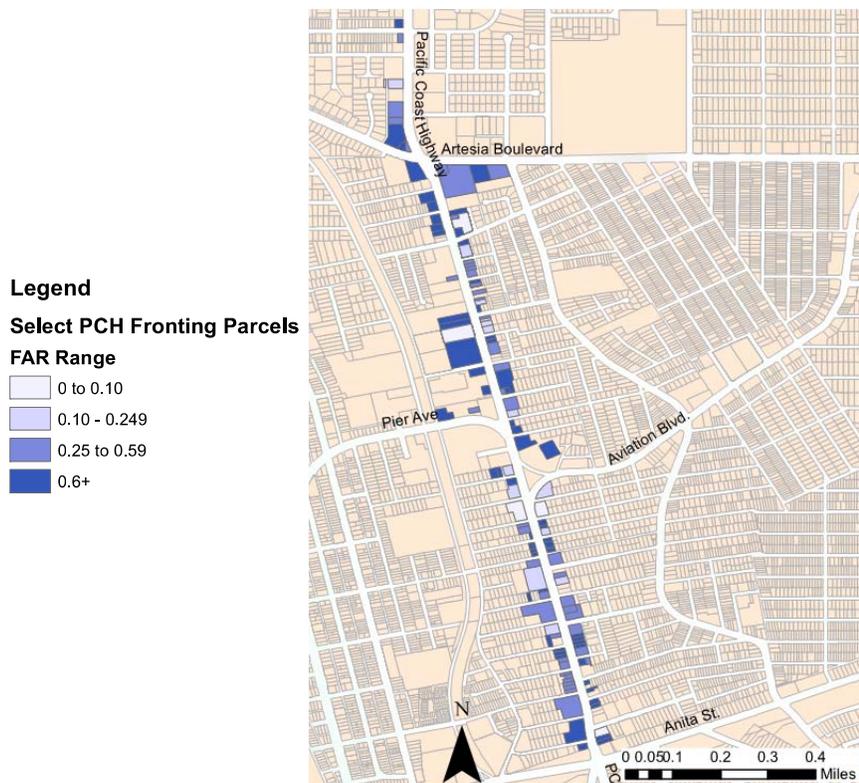
The map below displays the built square feet to land area (density or FAR) of the identified parcels with building structures. Institutional, other, and recreation land use categories, which do not report building size, and parcels not reflecting any built square feet have been removed from the map.

**Figure 31: FAR of Commercial and Residential Properties Fronting PCH**

FAR Range	No. of Parcels	Land Area (Acres)	Distribution
0 to 0.10	5	2.9	9%
0.10 - 0.249	20	5.8	17%
0.25 to 0.59	45	11.7	34%
0.6+	63	13.7	40%
Grand Total	133	34.2	100%

Note: Includes only parcels reflecting a built structure in the Assessor's Local Roll  
Source: Los Angeles County Assessor's Local Roll, Pro Forma Advisors

**Figure 32: PCH Fronting Parcels Low Intensity Development Map**



Source: ESRI, Los Angeles County Assessor's Local Roll, Pro Forma Advisors

## Summary

The table below summarizes vacant land and low intensity properties relative to properties with low improvement values. There are 21.8 acres identified as low improvement value, low intensity, or vacant property, 36 percent of all properties fronting the Pacific Coast Highway.

The largest category is the low improvement-to-land value category. As mentioned above many properties fall into the low improvement-to-land value category because they are not assessed values and do not receive improvement values, properties such as the South Bay Hospital, the Hope Chapel, and municipal owned properties. Some of these institutional and municipal uses may be opportunities for redevelopment, but it should be noted that they might indeed have higher improvement-to-land values than described by the Los Angeles County Assessor's Office.

By comparing the three utilization metrics of vacant lands, low improvement-to-land values, and low intensity development, under-utilized parcels and areas may be identified:

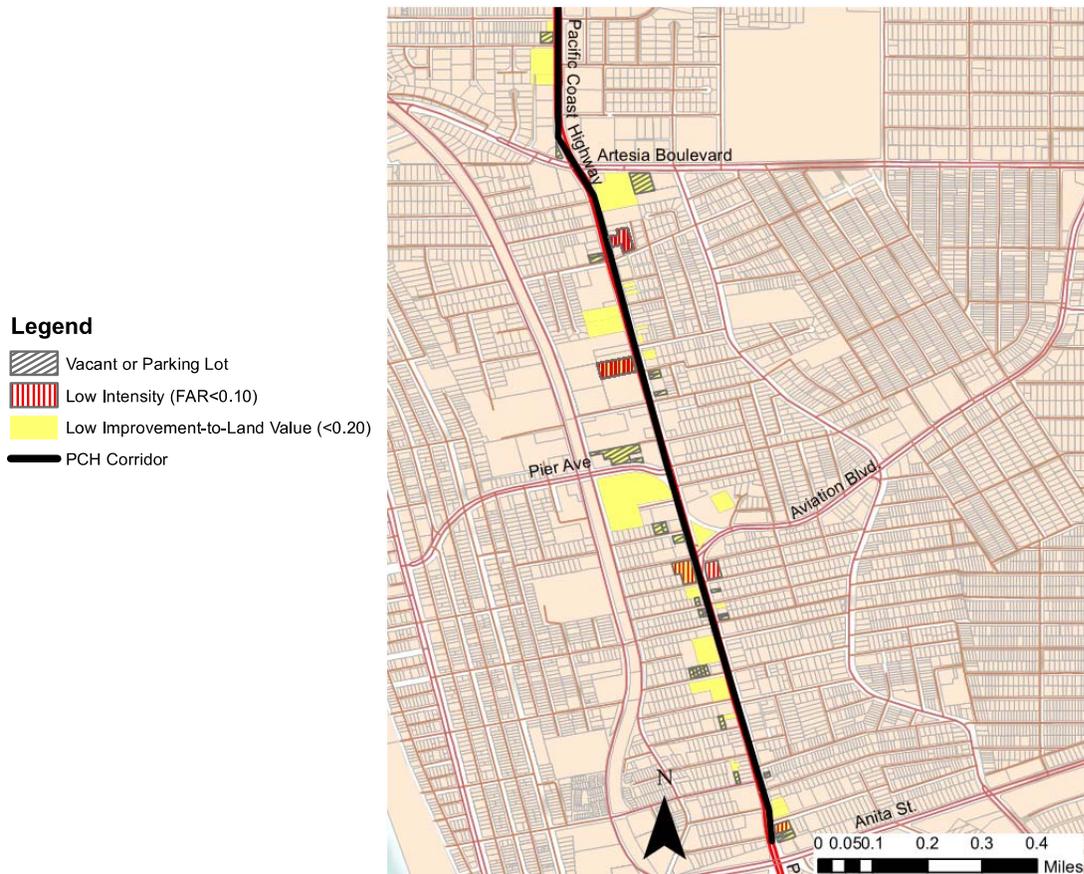
- The southeast corner of the Pacific Coast Highway and Artesia Boulevard includes 3.76 acres across four parcels that may be considered for future redevelopment based on the utilization analysis. The corner includes the Hope Chapel Church on a 2.1-acre property and its associated 0.69-acre parking lot. Due to the location of a church, which are not prescribed assessed values by the Assessor's Office, the area is identified as having low improvements. Directly on the corner is very small retail strip center that is not identified as under utilized, but would add to the redevelopment value of the church property. All of the four parcels with exception to the one on the immediate corner are owned by the Church of the International Four Square Gospel. The low intensity property identified on the same block but further south, closer to 21st Street is also owned by the church which may explain why the reported building size is limited.
- South from Longfellow Avenue to mid-block after 30th Street along the Pacific Coast Highway, there are three properties, totaling approximately 1.4 acres that were identified as low improvement and one that was identified as vacant. The property reported as vacant is currently being used as car sales lot and the property at the south corner of 30th Avenue and the Pacific Coast Highways a vacant car dealership facility. These areas may be considered for redevelopment under the NOD strategy.
- On the corner of 21st Street and PCH are two vacant parcels, totaling 8,200 square feet, zoned for commercial. These properties are worth noting because they are one of the few truly vacant properties along the corridor.
- There are approximately 8 to 10 small parking lots that may provide opportunities for development or structured parking development.
- One of the largest parcels identified in the analysis is the 4.8-acre City of Hermosa Beach-owned property identified at Pier Avenue and the Pacific Coast Highway. The property currently contains a community theatre and community center. They City may also want to consider the redevelopment of this gateway property.

**Figure 33: Summary of PCH Corridor Under-Utilized Parcels**

	Vacant or Surface Parking Lot	Low Improvement-to-Land Value Ratio (<0.20)	Low Intensity (FAR<.10)	Total
Low Improvement-to Land Value Ratio (<0.20)	1.88	8.32	9.54	19.75
Low Intensity (FAR<0.10)	1.88	0.91	2.04	4.83
<b>Total Vacant, Low Improvement-to-Land Value, or Low Intensity Acres</b>				<b>21.79</b>

Source: Los Angeles County Assessor's Office Local Roll and Pro Forma Advisors

**Figure 34: PCH Corridor Underutilized Parcel Map**



Source: ESRI, Los Angeles County Assessor's Office Local Roll, and Pro Forma Advisors

## Regulatory Environment

Along the PCH Corridor, the study area is primarily zoned for commercial uses, with the exception of multiple family residential (R-3) and some Specific Plan Area zoning. The commercial zoning is designated as general commercial (C-3), which provides opportunities for the full range of office, retail, and service businesses. C-3 zoning is also prevalent along the Aviation Boulevard commercial corridor as many of the businesses, like those located on the Pacific Coast Highway, are not appropriate for other zones because they attract heavy vehicular traffic.

As noted above, the PCH Corridor does have a number of Specific Plan Areas that include residential housing. The largest, Specific Plan Area (Number 6), includes up to 33 units per acre targeted to senior housing located generally between 16<sup>th</sup> and 21<sup>st</sup> Streets. Other Specific Plans Areas along the PCH Corridor include Numbers 8 and 7. Adjacent to the PCH Corridor is a variety of allowable housing including single-family residential (R-1), two family residential (R-2), and R-3 zones. A brief summary of the zoning, parking requirements, and allowable density is provided below.

**Figure 35: PCH Corridor Zoning**

Location	Zoning	Parking	Density
Artesia – 24 <sup>th</sup> Street; 14 <sup>th</sup> – 8 <sup>th</sup> St	General Commercial (C-3)	1 Space/250 GSF	
24 <sup>th</sup> Pl – 21 <sup>st</sup> St (SPA 8)	C-3	1 Space/250 GSF	1.0 FAR
	<i>Existing Residential</i>		
21 <sup>st</sup> St – 16 <sup>th</sup> St (SPA 6)	Multiple Family Residential (R-3)	3 spaces/2 units	33 Units/Acre
	Two Family Residential (R-2)	3 Spaces/1 Unit	1 Unit/1,750 SF
	C-3	1 Space/250 GSF	
18 <sup>th</sup> St – 14 <sup>th</sup> St (SPA 8)	C-3	1 Space/250 GSF	1.0 FAR
	<i>Existing Residential</i>		
14 <sup>th</sup> St – 8 <sup>th</sup> St	C-3	1 Space/250 GSF	
8 <sup>th</sup> St – 1 <sup>st</sup> St (SPA 7)	C-3	1 Space/250 GSF	1.0 FAR

Source: City of Hermosa Beach Municipal Zoning Code

Other regulatory issues affecting the PCH Corridor include (1) some parcels are designated for affordable housing which may result in a requirement for a conditional use permit to develop commercial uses; (2) Caltrans has ownership of the right-of-

way along the Pacific Coast Highway; and (3) there are limited opportunities to acquire additional right-of-way for capacity-enhancing improvements or integration of bicycle and pedestrian facilities due to existing adjacent development.

### **Planned and Proposed Development**

Based on conversations with City of Hermosa Beach staff, there are a number of sites within the City that may redevelop in the near term. Along the PCH Corridor, the largest development opportunity is located at the Hope Chapel site (as previously identified). Current development negotiations are anticipated to relocate the church to El Segundo and it will be replaced by a commercial use. Within the City of Hermosa Beach, future planning will focus on development opportunities for key properties near the beach and around the Civic Center. Planning within Civic Center complex and Downtown will also be incorporated in the City of Hermosa Beach's revised General Plan.

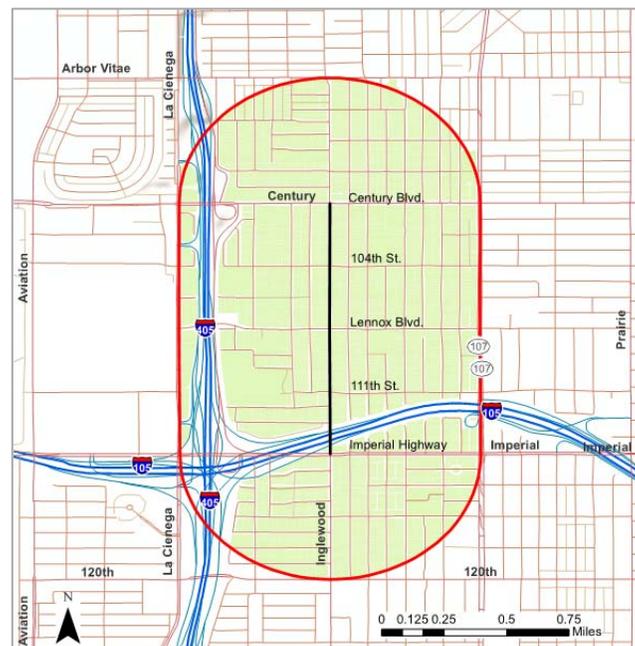
### **Inglewood Avenue Corridor**

Inglewood Avenue, located between Century Boulevard and Imperial Highway, in the Lennox district of the unincorporated area of Los Angeles County represents the final study area (Inglewood Avenue Corridor). The study area is representative of a typical "minor" arterial in the South Bay. The Inglewood Avenue Corridor is approximately a half mile west of Hawthorne Boulevard and the study area terminates to the north at Century Boulevard and to the south at the Imperial Highway. Examining this arterial will help identify differences in NOD opportunities in comparison to major arterials (like Rosecrans Avenue and the Pacific Coast Highway) in the region. The Inglewood Avenue Corridor is also unique as small portions of the study area overlap with a proposed transit oriented district. The role of NOD relation to TOD will be evaluated in subsequent sections of the analysis.

### **Regional Connectivity**

Lennox is located just east of LAX in the northwest edge of the South Bay. The greater Lennox community includes major thoroughfares that bisect the area and feed the 105 and 405 freeways that make up the southern and western boundaries of the census designated area. Similar to the other study areas, the location has good connectivity to the broader Los Angeles region.

**Figure 36: Inglewood Avenue Corridor Regional Context Map**



### Legend

-  Inglewood Ave. Corridor
-  Inglewood Ave. 1/2 Mile Focus Area

Source: ESRI and Pro Forma Advisors

### Circulation

The Inglewood Avenue Corridor is one of the north-south corridors in Lennox. The northern boundary of the study area (Century Boulevard) represents a primary east-west corridor and the southern boundary of the study area (Imperial Highway) represents another primary east west corridor in the area. Lennox Boulevard, located in the middle of the Inglewood Avenue Corridor, is a secondary corridor. Finally, 104<sup>th</sup> and 111<sup>th</sup> Streets represent minor or tertiary corridors in Lennox.

In general the streets in the area are relatively narrow and tend to carry greater traffic volumes than that for which they were designed. There are five lanes on Inglewood Avenue. One is one shared turning lane, two for on-street parking, and two lanes (north-south) dedicated to through traffic on Inglewood Avenue.

### Traffic Volume, Usage, Speed Issues

Based on traffic counts from 2012, an average range of 13,800 and 17,500 vehicles pass through the Inglewood Avenue Corridor per day. Los Angeles County has traffic count data at 111<sup>th</sup> Street, which is one of the east-west streets along the corridor. Traffic counts at this location represent approximately a quarter of the high traffic count at the intersection of

Inglewood Avenue and Lennox Boulevard. The traffic counts in the Inglewood Avenue Corridor are roughly half of the Rosecrans/Normandie Intersection (along Rosecrans Avenue) and a third of the PCH Corridor.

**Figure 37: Inglewood Avenue Corridor Traffic Counts (2012)**

<i>Intersection</i>	<i>ADT</i>
<i>111<sup>th</sup> East of Inglewood</i>	<i>4,600</i>
<i>Inglewood South of Lennox</i>	<i>17,500</i>
<i>Inglewood Avenue North of 104<sup>th</sup></i>	<i>13,800</i>

Note: Traffic from 24 hour period (Monday – Friday). Average daily traffic a rounded average of reported traffic counts.  
Source: Los Angeles County Department of Public Works

The Inglewood Avenue Corridor, as well its immediate surrounding street network, will support LUV use. Century Boulevard, the surrounding interstates, and portions of the Imperial Highway and Prairie Avenue are the only local roadways that are not suitable for LUV use.

### **Access to Transit**

The Inglewood Avenue Corridor is serviced by Metro Line 215/211. Bus stops are located at Century Avenue, 104<sup>th</sup> Street, Lennox Boulevard, and 111<sup>th</sup> and 112<sup>th</sup> Place. Unlike the other study areas, the frequency of stops is limited in the area with buses only scheduled in the morning and afternoon. The Metro Green Line light rail has a stop approximately one half-mile from the southern edge of the Inglewood Avenue Corridor. The Green Line light rail provides access between Norwalk and Redondo Beach with frequent and regular service. According to a recent study, in comparison to Los Angeles County, Lennox residents use more transit, own fewer vehicles, and walk to work more often, which may present opportunities within the NOD context.

### **Identify and Perception**

Unlike the Rosecrans/Normandie Intersection and PCH Corridor, there is a distinct residential character to the arterial (mix of single-family and multi-family units). The Inglewood Avenue Corridor also has a distinct Hispanic orientation through its wide variety of retail and service offerings. The largest retail node is located at the intersection of Inglewood Avenue and Lennox Boulevard.

While the current environment is not completely amenable to pedestrians, more so than the other study areas, the Inglewood Avenue Corridor has a scale that is compatible to non-automobile dominated activity. On the downside, there is a lack of transit stop amenities, narrow and somewhat unkept sidewalks, noise issues associated within its proximity to the airport, and real/perceived safety issues. On the upside, the streetscape is relatively narrow and the scale between the retail and residential development (up to 3 stories) is generally consistent. Furthermore, the Inglewood Avenue Corridor already contains many of the elements of the NOD strategy that include a mix of uses (e.g. residential within the commercial corridor)

and compact retail development concentrated at major intersections (e.g. diverse mix of retail and personal services at Inglewood Avenue and Lennox Boulevard).

### **Land Use**

Along the one-mile Inglewood Avenue Corridor there are parcels containing approximately 29-acres of land area. As a minor arterial, there is a greater preponderance of residential uses fronting the street compared to other larger arterials in the South Bay. As shown in Figure 39, 61 percent of the uses along the Inglewood Avenue Corridor are residential, primarily larger multi-family residential.

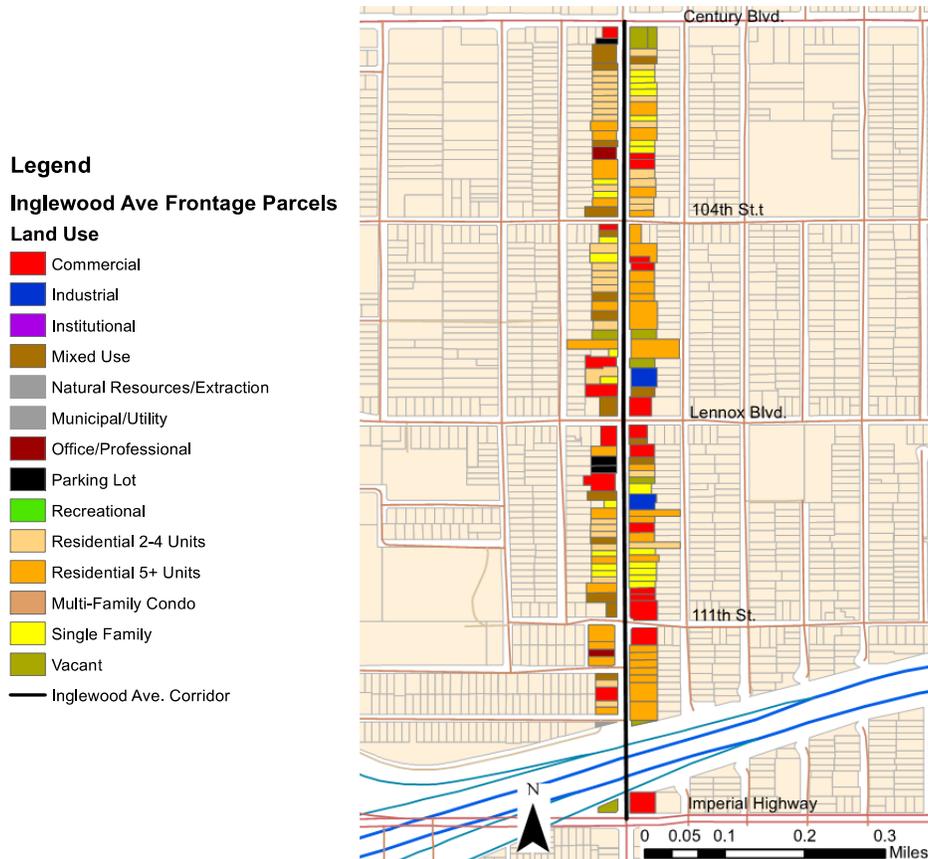
34 percent of properties fronting Inglewood Avenue are commercial uses. The area includes a number of mixed-use properties, limited office properties, and a smaller motel. Almost 8 acres of the 9.8 commercial acres are used for smaller-format retail stores. As noted, inline with the NOD Strategy much of the existing commercial is located at the intersections of Inglewood Avenue and Lennox Boulevard and the Inglewood Avenue and 111th Street. However, there is limited commercial at the major intersection of Century Boulevard and Inglewood Avenue.

**Figure 38: Inglewood Avenue Corridor Land Use by Category**

Land Use Category	Inglewood Ave.	1/2 Mile	Inglewood Ave.	1/2 Mile
	Fronting Parcels	Focus Area	Fronting Parcels	Focus Area
	<i>Land Area (Acres)</i>		<i>Distribution</i>	
<b>Commercial</b>				
Commercial	5.0	51.0	17%	7%
Industrial	0.8	19.2	3%	3%
Mixed Use	3.2	9.3	11%	1%
Office/Professional	0.4	11.0	1%	1%
Parking Lot	0.5	12.4	2%	2%
<b>Commercial Total</b>	<b>9.8</b>	<b>102.9</b>	<b>34%</b>	<b>14%</b>
<b>Institutional</b>	0.0	0.0		
Institutional	0.0	8.0	0%	1%
<b>Institutional Total</b>	<b>0.0</b>	<b>8.0</b>	<b>0%</b>	<b>1%</b>
<b>Other</b>	0.0	0.0		
Municipal/Utility	0.1	59.8	0%	8%
<b>Other Total</b>	<b>0.1</b>	<b>59.8</b>	<b>0%</b>	<b>8%</b>
<b>Recreational</b>	0.0	0.0		
Recreational	0.0	0.1	0%	0%
<b>Recreational Total</b>	<b>0.0</b>	<b>0.1</b>	<b>0%</b>	<b>0%</b>
<b>Residential</b>	0.0	0.0		
Multi-Family Condo	0.0	6.3	0%	1%
Residential 2-4 Units	5.1	185.6	18%	25%
Residential 5+ Units	9.5	68.7	33%	9%
Single Family	3.1	307.0	11%	41%
<b>Residential Total</b>	<b>17.8</b>	<b>567.6</b>	<b>61%</b>	<b>75%</b>
<b>Vacant</b>	0.0	0.0		
Vacant	1.4	18.6	5%	2%
<b>Vacant Total</b>	<b>1.4</b>	<b>18.6</b>	<b>5%</b>	<b>2%</b>
<b>Grand Total</b>	<b>29.1</b>	<b>757.1</b>	<b>100%</b>	<b>100%</b>

Source: Los Angeles County Assessor's Data and Pro Forma Advisors

**Figure 39: Map of Inglewood Avenue Corridor Parcel Land Use**



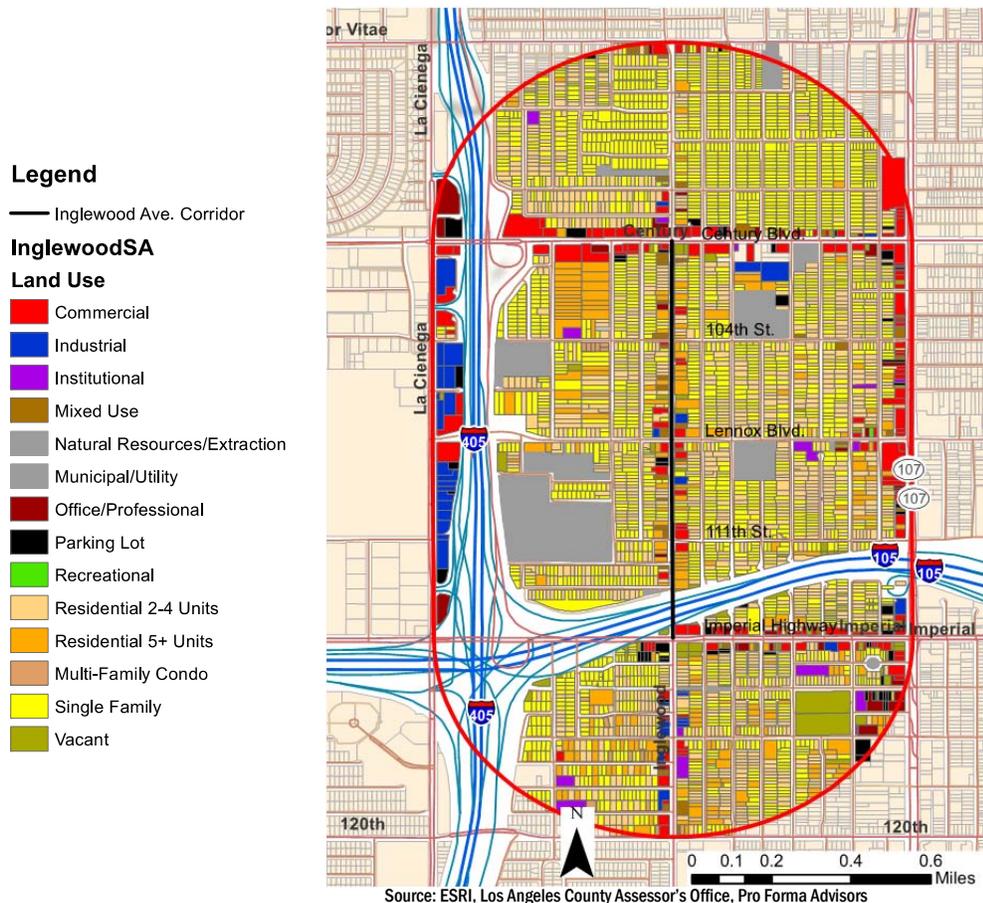
Source: ESRI, Los Angeles County Assessor's Local Roll, Pro Forma Advisors

Similar to the other two study areas, residential uses make up approximately 75 percent of uses in the larger half-mile focus area. Residential properties are primarily single-family. One third of properties are smaller 2 – 4 unit multi-family uses. Within the half-mile focus area, a little under 10 percent of properties are being used for municipal and utility purposes, primarily owned by the school district.

Commercial uses are only 14 percent of uses within the half-mile focus area. Much of the retail in the half-mile area is on the edges of the focus area where the boundary begins to pick up commercial uses along other arterials. Commercial uses are,

again, primarily small-format retail uses (retail uses are 50 percent of the commercial). Other major commercial uses are industrial (20%), parking lots and structures (12%) and office uses (11%).

**Figure 40: Inglewood Avenue Corridor Half-Mile Focus Area Land Use Map**



### Property Review

There are 146 parcels fronting Inglewood Avenue Corridor, covering 29.1 acres. The average land area of these parcels is approximately 8,900 square feet. Commercial parcels have an average size of approximately 9,700 square feet. Residential parcels, which include primarily multi-family buildings and 20 percent single family residential, fronting the Inglewood Avenue Corridor have an average size of almost 8,300 square feet per parcel. With a greater share of residential, the larger half-mile focus area has a smaller average parcel size of approximately 7,900 square feet.

Conducive to future redevelopment, parcels fronting Inglewood Avenue are fairly deep though many are narrow.

**Figure 41: Los Angeles County Assessor's Data - Inglewood Avenue Corridor**

Assessor's Property Data	Inglewood Ave.	
	Fronting Parcels	1/2 Mile Focus Area
Total Land Area (Acres)	29.1	757.1
# of Records	146	4,233
# of Unique Parcels	146	4,167
Average Parcel Size (SF)	8,676	7,914

Source: Los Angeles County Assessor's Data and Pro Forma Advisors

## Buildings

Fronting the Inglewood Avenue Corridor, there are approximately 130 built structures. However, data is only reported for 93 buildings containing 318,000 square feet. The Los Angeles County Assessor's Local Roll officially does not report building square feet for institutions or government facilities. Also, it is worth noting, that this building square feet is not directly relevant for on-going assessment purposes, thus this data point tends to be less accurate than others reported by the Local Roll.

Approximately 66 percent of the reported built space is residential. The largest category of residential, multi-family residential with 5+ units, averaged 6,000 square feet per property which is very compact for buildings with 5 or more units. Only five of the 23 buildings reporting structure size are over 10,000 square feet.

Commercial buildings are 34 percent of the reported built space. As shown in the figure below, approximately two-thirds of the commercial space is being used for commercial/retail uses. These commercial/retail uses have a small average building size of approximately 3,600 square feet. Implementation of the NOD retail strategy may require the redevelopment of these smaller buildings.

There are approximately 3,200 reported buildings in the greater half-mile focus area, containing 7.8 million square feet of built space. As expected with the greater share of residential, the average built square feet is approximately 2,400 in the larger half-mile focus area.

**Figure 42: Built Square Feet of Inglewood Avenue Corridor Parcels**

Land Use	No. of Bldg	Building SF	Average Building SF
<b>Commercial</b>			
Commercial	20	71,339	3,567
Industrial	2	9,500	4,750
Mixed Use	5	20,204	4,041
Office/Professional	2	5,828	2,914
<b>Commercial Total</b>	<b>29</b>	<b>106,871</b>	<b>3,685</b>
<b>Residential</b>			
Residential 2-4 Units	17	41,577	2,446
Residential 5+ Units	24	145,710	6,071
Single Family	23	23,448	1,019
<b>Residential Total</b>	<b>64</b>	<b>210,735</b>	<b>3,293</b>
<b>Grand Total</b>	<b>93</b>	<b>317,606</b>	<b>3,415</b>

Source: Los Angeles County Assessor's Local Roll and Pro Forma Advisors

### Assessed Value

Current assessed value for land and improvement totals approximately \$46 million for the study area parcels fronting Inglewood Avenue. Relative to the other study areas, the Inglewood Avenue Corridor has fairly low overall assessed values. As mentioned previously, assessed values do not represent market values, but they can be used as a metric of overall value.

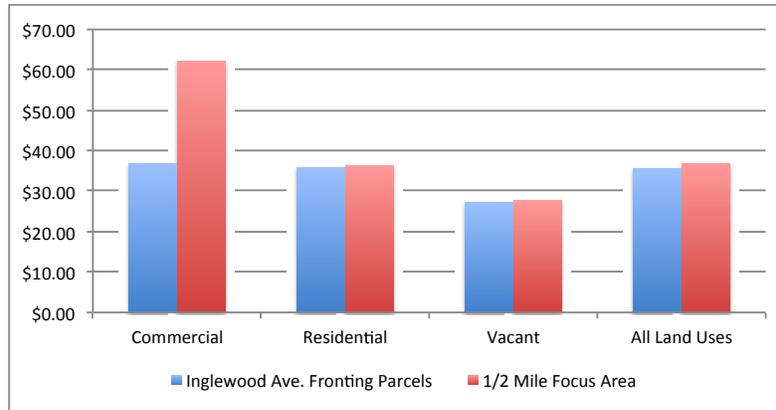
Commercial properties make up 35 percent of the value along the corridor and, as shown in Figure 44, on a per square foot basis the neighborhood commercial within the Inglewood Avenue Corridor is 41 percent lower than the commercial uses throughout the greater half-mile focus area.

**Figure 43: Inglewood Avenue Corridor Land and Improvement Assessed Value**

Major Land Use Category	Inglewood Ave. Fronting Parcels	1/2 Mile Focus Area	Inglewood Ave. Fronting Parcels	1/2 Mile Focus Area
<i>Distribution</i>				
Commercial	\$15,847,196	\$280,260,868	35%	23%
Institutional	0	\$13,261,492	0%	1%
Other	0	\$1,213,333	0%	0%
Recreational	0	\$148,318	0%	0%
Residential	\$27,996,797	\$906,218,958	61%	74%
Vacant	\$1,737,830	\$22,644,110	4%	2%
<b>Grand Total</b>	<b>\$45,581,823</b>	<b>\$1,223,747,079</b>	<b>100%</b>	<b>100%</b>

Source: Los Angeles County Assessor's Local Roll and Pro Forma Advisors

**Figure 44: Inglewood Avenue Corridor Land and Improvement Value per Square Foot of Land Area**



Source: Los Angeles County Assessor's Local Roll and Pro Forma Advisors

### Underutilized Properties

Underutilized and vacant sites can provide strategic opportunities to create new uses and capitalize on NOD strategies in the South Bay. Pro Forma Advisors has identified potential opportunity sites in the study area based on the following methodology:

- Vacant sites or sites currently occupied by surface parking lots;
- Properties where the improvement value is 40 percent of the land value; and
- Low intensity sites, where FAR values are below 0.10 and more intensive redevelopment may be appropriate.

## Vacant Properties

Similar to the other two study areas, the Inglewood Avenue Corridor is almost fully built out. 4 percent of properties fronting the Inglewood Avenue Corridor are considered vacant. However, there are a greater number of parcels that include minimal improvements within other land use categories, such as properties being used solely as parking lots and vacant lots with small improvements such as a trash structure.

Within the Inglewood Avenue Corridor, there are approximately 1.9 acres of land that may be considered vacant, 1.45 acres of reported vacant land and a half acre of land used for surface parking lots. This equates to approximately 7 percent of the parcels in the Inglewood Avenue Corridor.

The map in Figure 45 presents the vacant parcels and surface parking fronting Inglewood Avenue Corridor. As shown, two vacant parcels, at the southeast corner of Century Boulevard and Inglewood Avenue, are well located for development in line with the NOD. However, even these properties only total 27,000 square feet in area.

## Low Improvement Values

The analysis of vacant parcels does not account for parcels that are being used for low value uses or parcels that are low density, i.e. buildings that take up limited space on the property and have large parking lots.

Approximately one-third of Inglewood Avenue Corridor parcels, 9.5 acres, have low improvement-to-land value ratios under 40 percent. Vacant properties and municipal/utility properties make up only 1.5 acres of the total 9.5 acres with low improvement values. As shown in Figure 48, there are several clusters of properties with low improvement value that may provide opportunities for land assembly, including the vacant properties at the southeast corner of Century Boulevard and Inglewood Avenue and the adjacent multi-family and commercial parcels (approximately 0.96 acres). Mid-block along Inglewood Avenue between 104th Street and Lennox Boulevard there are adjacent multi-family residential, an industrial property, and vacant residential and commercial spaces that may be assembled. The mid-block location parcels could be aggregated to almost 1.6 acres, which could be repositioned for additional residential uses consistent with the NOD strategy.

**Figure 45: Vacant Parcels Fronting**



### Legend

- Vacant or Surface Parking
- Inglewood Ave Frontage Parcels

Source: ESRI, Los Angeles County Assessor's Local Roll, Pro Forma Advisors

**Figure 46: Improvement-to-Land Value Range in the Inglewood Avenue Corridor**

Improvement to Land Value Ratio Range	Land Area (Acres)	Share of Total
0 to 0.39 (Low Improvement Value)	9.5	33%
0.4 to 1.0	10.9	38%
1.01+	8.7	30%
Grand Total	29.1	100%

Source: Los Angeles County Assessor's Office Local Roll, Pro Forma Advisors

### Additional Low Intensity Development

Many low-intensity parcels—parcels where the building is less than 10 percent of the land area—were previously identified as having low improvement values or being vacant properties, but there are additional low-intensity parcels that may be considered for redevelopment. Approximately 1.2 acres of Inglewood Avenue fronting properties with built square feet demonstrate a low-development intensity, with a built structure to land area of less than 0.10.

The map in Figure 49 displays the built square feet to land area (density or FAR) of the parcels with building structures along Inglewood Avenue Corridor. Institutional, other, and recreation land use categories, which do not report building size, and parcels not reflecting any built square feet, including properties reported as vacant, have been removed from the map.

**Figure 47: Additional Low-Intensity Development in the Inglewood Avenue Corridor**

FAR Range	No. of Parcels	Land Area (Acres)	Built SF
0 to 0.10	4	1.2	4,373
0.10 - 0.249	27	4.1	31,327
0.25 to 0.59	47	9.2	151,717
0.6+	18	4.5	150,939
Grand Total	96	19.0	338,356

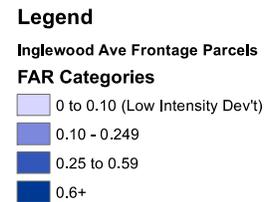
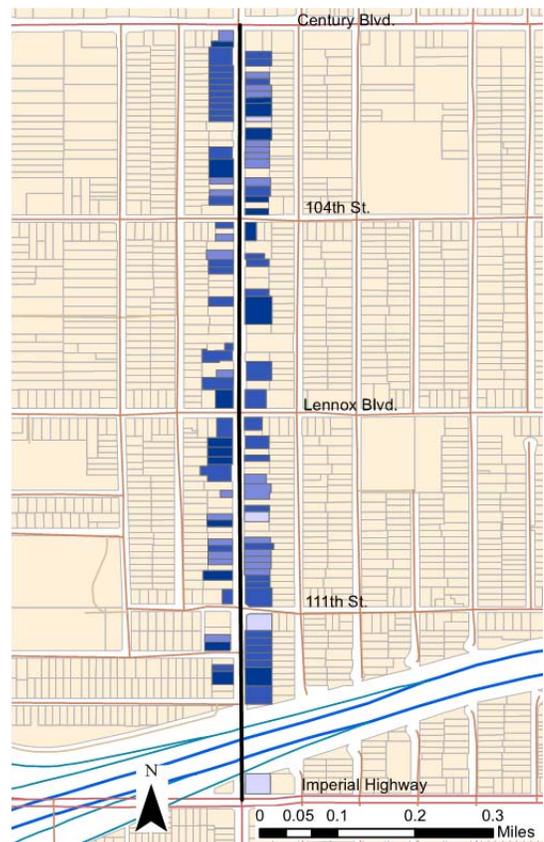
Source: Los Angeles County Assessor's Office Local Roll, Pro Forma Advisors

**Figure 48: Low Improvement Value Map**

**Inglewood Avenue Corridor**



**Figure 49: Low Intensity Map**



## Summary

The table below summarizes vacant land and low intensity properties relative to properties with low improvement values. There are 10 acres identified as low improvement value, low intensity, or vacant property, 35 percent of all properties fronting Inglewood Avenue.

By comparing the three utilization indicators the following areas that might be suitable for NOD have been identified:

- At the intersection of Inglewood Avenue and Century Boulevard there are several properties that are identified as vacant and low improvement. On the east side of Inglewood Avenue, there are five properties totaling 42,000 square feet, just under one acre of land area. As mentioned above, two of these parcels, totaling 27,000 square feet, are currently vacant. The other three are used for multi-family, but large portions of the parcels are currently being used for parking and could be positioned for redevelopment. On the west side of Inglewood Avenue near Century Boulevard, two parcels, totaling 11,000 square feet are identified as having low improvement values. The southern parcel is currently being used as a parking lot.
- As mentioned above, another key cluster of under utilized parcels are 4 properties located mid-block along Inglewood Avenue between 104th Street and Lennox Boulevard. There are adjacent multi-family residential, an industrial property and vacant residential and commercial space that may be assembled. These properties total 1.6 acres.
- Between Lennox and 111th Street there are a number of parking lot and low improvement-to-land value residential units dotting the street frontage.
- On the southeast corner of 11th Street and Lennox Avenue there is a low-intensity parcel. It is a small 1,520 square foot building sitting on a 16,000 square foot lot. The rest of the lot is being used for parking. There may be potential to intensify development at this site.
- Two small parcels are identified as having low improvement-to-land value, a vacant 6,500-SF parcel and a 19,321 SF parcel currently being used as a service station. While these parcels are located adjacent to the busy Imperial Highway, but they will have limited market value due to a market area limited by the natural barrier of the 105 Freeway.

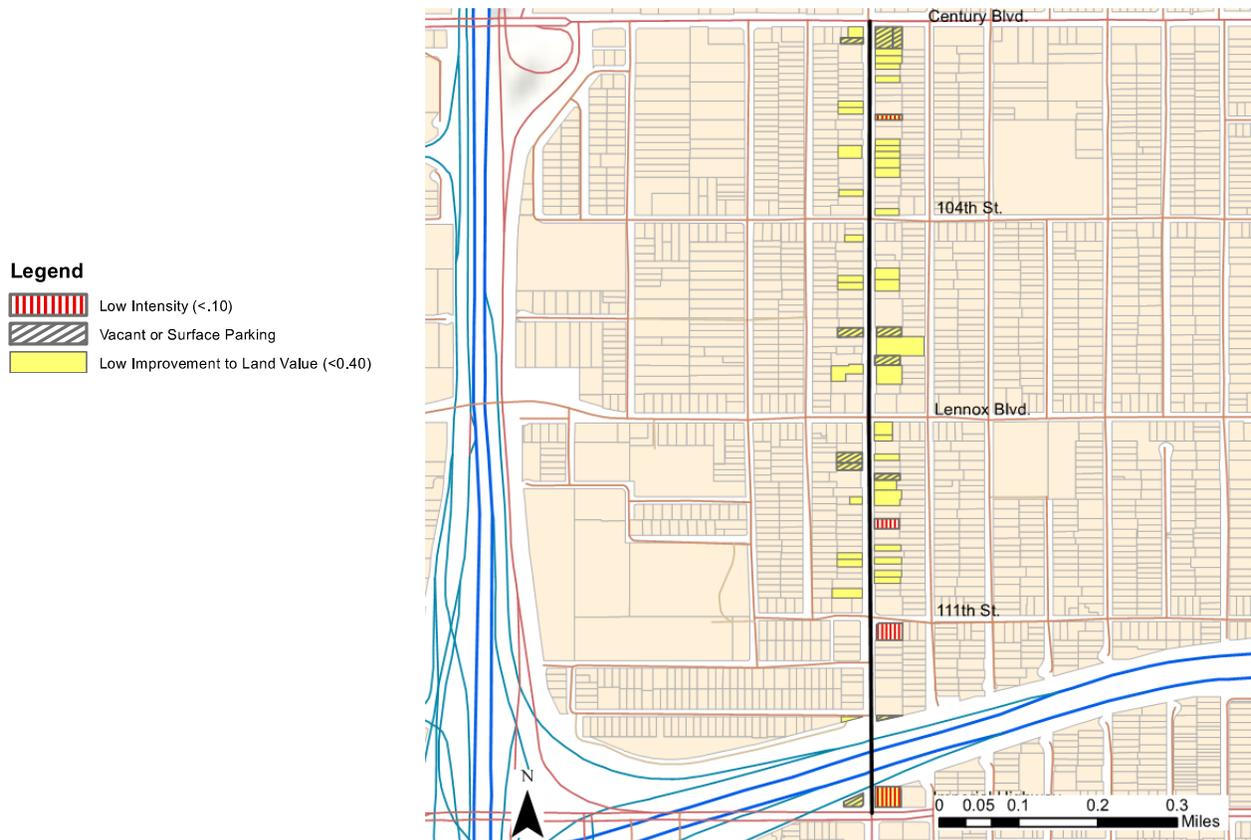
While there are a number of under-utilized parcels along the Inglewood Avenue Corridor, based on the small size of identified groups of under-utilized parcels, it is clear that it will be challenging to assemble parcels large enough to allow for different types of NOD.

**Figure 50: Summary of Inglewood Avenue Corridor Under-utilized Parcels**

	Vacant or Surface Parking Lot	Low Improvement-to-Land Value Ratio (<0.40)	Low Intensity (FAR<.10)	Total
Low Improvement-to Land Value Ratio (<0.40)	1.94	4.71	2.82	9.47
Low Intensity (FAR<0.10)	1.94	1.15	0.57	3.66
<b>Total Vacant, Low Improvement-to-Land Value, or Low Intensity Acres</b>				<b>10.04</b>

Source: Los Angeles County Assessor's Office Local Roll and Pro Forma Advisors

**Figure 51: Inglewood Avenue Corridor Under Utilized Parcel Map**



Source: ESRI, Los Angeles County Assessor's Office Local Roll, and Pro Forma Advisors

## Regulatory Environment

The Inglewood Avenue Corridor is largely designated neighborhood business (C-2) commercial. However, the current uniform residential land use designation for the Inglewood Avenue Corridor is inconsistent with current zoning. While portions of Inglewood Avenue might have been envisioned to be residential corridors, it has evolved into a commercial corridor as well. Based on the 2012 draft Los Angeles County Land Use Policy, the land in and around the Inglewood Avenue Corridor will be designated general commercial. In close proximity to the Inglewood Avenue Corridor is a wide variety of single-family and multi-family housing.

**Figure 52: Inglewood Avenue Corridor Zoning**

<i>Location</i>	<i>Zoning</i>	<i>Parking</i>	<i>Density</i>
<i>Inglewood Avenue</i>	<i>Neighborhood Business (C2)</i>	<i>1 Space/250 GSF</i>	
	<i>Single Family Residence (R-1)</i>	<i>2 Spaces/SFR</i>	<i>5,000 SF/Lot</i>
	<i>Two Family Residence (R-2)</i>	<i>2 Spaces/Unit</i>	<i>2,500 SF/Unit</i>
	<i>Limited Multiple Residence (R-3)</i>	<i>2 Spaces/Unit; 1 guest Space/4 Units</i>	<i>1,452/Unit</i>

Note: 2 Spaces for multi-family units include 1.5 covered spaces and 0.5 uncovered spaces per unit.  
Source: City of Artesia Municipal Code

## Planned and Proposed Development

Based on a review of Lennox permit data provided by the County of Los Angeles, there appears to be no projects in the immediate area that will impact likely NOD on the Inglewood Avenue Corridor. Many of the residential permits reflect smaller scale new development or improvements to existing development. There are also a number of changes to existing business uses. However, nothing in the permit data stood out as competitive development that could influence NOD potentials in the study area.