


REPORT OF THE CHIEF LEGISLATIVE ANALYST

January 23, 2009

TO: Honorable Members of the Transportation Committee

FROM: Gerry F. Miller 
Chief Legislative Analyst

Council File No: 08-0533
Assignment No: 09-01-0102

Historic Broadway Corridor Parking Task Force Update

SUMMARY

On April 1, 2008, the Council adopted Motion (Huizar-LaBonge) which instructed this office to convene a City interdepartmental task force to address the need for new parking to serve the Historic Broadway Corridor and to maximize the parking potential in this community.

The Historic Broadway Parking Task Force (Task Force), consisting of this office, the Department of Transportation (DOT), Community Redevelopment Agency (CRA), the Bureau of Engineering (BOE), General Services Department (GSD), and Council District 14, convened numerous meetings to address the need for new parking to serve the Broadway theater corridor. After previewing the studies conducted in the area, the Task Force initiated a Statement of Interest (SOI) process to solicit information and evaluate the interest in parking development from owners of real property located within an area bounded by 5th Street to the north, Spring Street to the east, 8th Street to the south and Hill Street to the west.

On September 12, 2008, the SOI was mailed to 150 property owners within the target area requesting such entities to express their interest in selling land and/or in joint venturing with the City to develop one or more mixed-use projects that would include a major parking facility within the target area. The Task Force imposed the following criteria for considering and evaluating sites:

- 1) Development of a site would not require demolishing a historically significant building;
- 2) Site would have pedestrian orientation and connection to Broadway;
- 3) Properties are available and accessible to allow vehicles to enter or exit the parking facility within the targeted area.

Ten proposals were submitted and the Task Force reviewed and evaluated the proposals based on the location, size and accessibility of the proposed parcels. At this time, the Task Force requests authority to negotiate with proposers who submitted responses and have met the criteria stated in the SOI. Additionally, in order to immediately begin to address the parking needs in the area authority is requested to negotiate extending business hours with the local private parking lot owners.

BACKGROUND

Located in the center of downtown Los Angeles' Historic Core, the Broadway corridor is part of an important National Register Historic District and features one of the largest concentrations of historic theaters on one street in the nation. Twelve theaters are located within eight blocks that reflect the architectural and engineering achievements of the early 20th century.

Broadway is the birthplace of vaudeville and cinematic entertainment. It was also once considered the retail capital of the United States, and was once the most popular destination for Angelenos and tourists utilizing the city's former streetcar system. Because of its rich history and tremendous future potential the revitalization of Broadway is a priority for the Council District 14 and the Community Redevelopment Agency (CRA).

TRANSPORTATION

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According to the CRA, the viability and long-term utility of the Broadway Corridor, however, is threatened by a number of factors. Ground floor retail vacancy rates have been on the rise for years fueled by the loss of business (and workers) in the upper floors of many Broadway buildings, and more recently affected by the lure of shoppers to other municipalities offering a wider variety of goods, services, and family activities in one stop. Very few of the historic theaters offer entertainment programming which was traditionally a large multi-cultural draw to the area, and a boon to the downtown economy. More than a million square feet of commercial space in the upper floors or buildings on Broadway is currently vacant, providing no revenue for the City and no jobs for workers. And, especially at night, the boulevard does not serve the needs of the growing downtown nightlife activity.

Many of the buildings in the area were built at a time when streetcars were the primary mode of transportation and, therefore, lack adequate parking based on current standards. According to the Kimley-Horn Parking Study for Historic Core and Adjacent Areas, conducted by the CRA in 2003, such buildings have relied on privately operated public lots and garages to meet their commercial needs, but multiple uses now compete for this parking. Adaptive reuse of these lots has created a new residential population with investors demanding parking even if it is not required by code. Accordingly, the Task Force has determined that new parking in the area generated from new lots or from existing lots is essential to revitalizing the theater corridor.

Attachment 2 of this report provides a summary and findings of the studies reviewed by the Task Force.

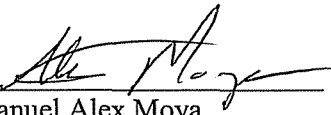
RECOMMENDATIONS

That the City Council:

1. Authorize the Historic Broadway Parking Task Force to:
 - a. Negotiate and/or create the necessary public-private partnerships for the acquisition of scattered property in the general area (S. Broadway between 6th and 8th Streets) for the construction of municipal or jointly-owned parking facilities offering municipal parking, and theater loading/unloading and/or staging.
 - b. Negotiate with operators of existing parking lots or facilities to maximize evening hours of operation and provide consistent availability.
 - c. Request and obtain Statements of Intent from theater owners adjacent to potential parking facility construction locations indicating their intent to reactivate the theaters and utilize the parking being constructed.
2. Request the CAO to extend the use of MICLA financing in the 2008-09 budget towards acquisition of land and/or construction of Broadway parking facilities into the 2009-10 budget.
3. Direct and authorize City departments and agencies to report back on the feasibility of utilizing existing municipal garages as satellite parking (LA Mall) for the Broadway commercial district during daytime and/or evening hours and provide shuttle service through the DASH system.
4. Request City Attorney to participate in the Historic Broadway Parking Task Force and assist to develop a MOU (or other document that may be needed) to develop parking in the Historic Broadway Corridor.

FISCAL IMPACT STATEMENT

There is no immediate impact to the General Fund. Once the MICLA financing is issued, debt service will be repaid through the General Fund. The amount of annual debt service will be determined when the MICLA is issued.


Manuel Alex Moya
Analyst

Attachment: 1 - Motion (Huizar-LaBonge).
2 - Findings relative to Bringing Back Broadway Initiative.
A. Summary of Task Force findings.

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Review of Findings and Summary of Studies Relative to the Broadway Corridor

SUMMARY: The Broadway Corridor Task Force has reviewed relevant parking studies and needs assessments regarding the current demand and projected future demand for parking in the Broadway Theatre district, and has undertaken a statement of interest (SOI) process whereby property owners along South Broadway in downtown Los Angeles were asked they be interested in speaking with the City of Los Angeles about:

1. potential acquisition of their property for construction of one or more mixed use parking facilities serving the Broadway corridor;
2. potential partnerships with the City to jointly develop and finance one or more mixed-use parking facilities; and/or
3. development of potential agreements / MOU's to extend the evening operational hours of existing privately owned parking facilities to better serve the revitalizing Broadway district.

THE BROADWAY DISTRICT

Located in the center of downtown Los Angeles' Historic Core, the Broadway corridor is part of an important National Register Historic District and features one of the largest concentrations of historic theatres on one street in the nation.

Twelve beautiful theatres are located within eight blocks and set among elegant architectural gems. These structures remain an enduring testament to the architectural and engineering achievements of the early 20th century.

Culturally, Broadway enjoys a colorful history as the birthplace of vaudeville and cinematic entertainment in Los Angeles. It was also once considered the retail capital of the United States, and Broadway was one of the most popular destinations for Angelenos and tourists utilizing the city's former streetcar system. Because of its rich history and tremendous future potential, Broadway is a true Los Angeles treasure.

However, Broadway's long-term utility and the viability and sustainability of this important section of our urban core is threatened by a number of factors.

- Ground floor retail vacancy rates have been on the rise for years, fueled by the loss of business (and workers) in the upper floors of many Broadway buildings, and more recently affected by the lure of shoppers to other municipalities offering a wider variety of goods, services, and family activities in one stop.
- Very few of the historic theaters offer entertainment programming which was traditionally a large multi-cultural draw to the area, and a boon to the downtown economy.
- More than a million square feet of commercial space in the upper floors of Broadway's buildings is currently vacant, providing no revenue for the City and no jobs for workers.

- And, especially at night, the boulevard does not serve the needs of the growing downtown community.

BRINGING BACK BROADWAY

To address the above-mentioned challenges, and provide critically important assistance and focus on Broadway's needs from both the public and private sectors, *Bringing Back Broadway* was initiated by 14th District Councilmember Jose Huizar as a ten-year plan to:

- Revitalize the historic Broadway district between 2nd Street and Olympic Boulevard
- Support the reactivation of inactive theatres and the long-term viability of the theatre district.
- Re-active more than a million square feet of vacant commercial space and develop policies and procedures to encourage and incentivize commercial reuse
- Increase parking and transit options to serve Broadway
- Assist retailers and prevent further retail vacancies
- Encourage cultural, entertainment and retail uses on Broadway that will sustain generations
- Create a sense of place and history through urban planning, design and lighting guidelines and streetscapes
- And make the dream of riding a streetcar downtown by 2014 a reality.

ASSESSMENT OF NEED

In recent years, the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) in collaboration with the Department of Transportation (LADOT), Department of City Planning (DCP), relevant Neighborhood Councils and Business Improvement Districts (BIDs), and other Downtown stakeholders including developers, theater owners, residents and on-location TV/film producers have undertaken efforts to study and understand the parking needs throughout downtown.

To help guide this effort, two major studies (attached) have been conducted in recent years:

- Kimley-Horn Parking Study for Historic Core and Adjacent Areas from November 2003 (Kimley-Horn Study - City Council File Number 02-1709), which evaluated the parking needs in the study area by analyzing the existing parking supply and usage, estimating future parking demand from residential and entertainment district uses, and identified potential parking options; and
- Downtown Parking Management Ordinance Implementation Project Summary Report prepared by parking consultants led by Wilbur Smith Associates (Wilbur Smith Report - City Council File Number 03-2669) and adopted by the CRA/LA Board of Commissioners on April 19, 2007 for City Council review and approval submitted to the City Council, which identifies current parking issues, summarizes key findings from stakeholder interviews and community workshops, and recommends new parking policies and programs.

The Task Force reviewed and utilized comprehensive studies in determining the process undertaken and in determining its recommendations to City Council.

EXISTING CONDITIONS

Broadway is part of a National Register Historic District with buildings which extend from lot line to lot line. Many of the buildings in the study area were built at a time when streetcars were the primary mode of transportation and therefore lack adequate parking based on current standards. To date, they have relied on privately operated public lots and garages to meet their commercial needs (Kimley-Horn, p. 28), but multiple uses now compete for this parking, as adaptive reuse has created a new residential population with investors which demand parking even if it is not required by code.

As a result, parking spaces within many privately operated parking lots or parking garages are being dedicated by contract to residential developments, leaving less for commercial and entertainment patrons today and in the future.

Although theatrical productions occur primarily during the evening, there is desire and potential for daytime uses in theatres and in the commercial buildings to include restaurants, commercial offices, hotel uses, conferences and special event uses, in addition to film screenings, film & TV production activities, and theatre load-in and load-out. The available parking in the area is at or near capacity during daytime hours and there is insufficient adjacent parking capacity to absorb during daytime events.

Two theatres along Broadway are currently active with entertainment uses - the Orpheum Theatre at 9th & Broadway and the Million Dollar Theatre at 3rd & Broadway, both of which have ample parking and staging space adjacent or nearby their venues, available during the day and evening. However it should be noted, the available parking by these venues and throughout the corridor, is privately owned, and therefore subject to withdrawal from the market if the lots are sold or a development of another kind is planned by the property owners of those parcels.

Based on current conditions, the approximate area between 6th and 8th in the center of the Broadway district, has less parking available than other blocks in the district and is the area of most need.

It should be noted, the Kimley-Horn study was conducted several years ago, and only accounts for the possible reuse of the three largest of the 12 theatres. It also does not account of the 1-million square feet of vacant commercial space along Broadway, which the City hopes to reactivate through the work being conducted in the Bringing Back Broadway Commercial Reuse Task Force, also underway.

The potential reactivation and reuse of this large amount of currently vacant commercial space in addition to the reactivation of the theatres would create

significantly more daytime and evening demand than was apparent in the Kimley-Horn study, adding intensity to the need for immediate municipal parking for Broadway.

PARKING SURVEY DATA

Daytime parking off street capacity in the Zone 2 Broadway area is currently estimated to be 2,482 spaces. The Zone 1 area yields a total of 5,511 spaces, 50% of which serves Broadway, yielding approximately 2,756 off street spaces in Zone 1 for the Broadway District. The total combined yield from Zones 1 and 2 to serve Broadway is 5,238 daytime off-street parking spaces. These spaces are **already near or above 100% occupancy during business hours.**

Evening occupancy is lower than in the day, but is insufficient to support even minimal increases in activity along Broadway and is entirely insufficient to support even 50% of the full potential demand for parking along the Broadway with the anticipated theatre activation and commercial reuse.

Weekday Parking Summary: Downtown Los Angeles Parking Study

Zone	Capacity ¹ (spaces)	Parking Occupancy (parked cars)											
		8:00 to 10:30 AM		10:30 AM to 1:30 PM		1:00 to 3:00 PM		3:30 to 6:00 PM		6:00 to 8:00 PM		8:00 to 9:00 PM	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
On-Street Parking													
1	135	94	112%	136	101%	125	93%	88	65%	55	41%	50	37%
2	73	38	108%	85	115%	72	98%	8	89%	35	48%	N/A	N/A
Off-Street Parking													
1	5,511	4,375	79%	4,955	90%	4,654	84%	4,064	74%	1,282	23%	503	9%
2	2,482	2,091	84%	2,231	94%	1,907	77%	1,592	64%	208	8%	N/A	N/A

**Zones 1 and 2 encompass the Broadway Theatre District
100% of Zone 1 serves the Broadway corridor. 50% of Zone 2 serves the Broadway corridor.*

PROJECTED FUTURE DEMAND

The parking demand for the entertainment venues is estimated to be about 0.4 parking spaces per occupied seat. (Kimley-Horn, p. 27)

This ratio anticipates alternate mobility methods, including walking, public transit and carpools, for 60% of attendees.

While Code requirements in the Downtown Parking District may be less than this projected demand, the .40 per seat ratio represents a minimal threshold necessary to satisfy entertainment producers and investors who are interested in assuring adequate parking for their patrons and are not likely to invest in a production or project for a large assembly of patrons without sufficient parking.

THEATRE	SEATING (actual or historic capacity)	LOCATION	STATUS OF USE	BUILT	# of Parking Spaces (based on ratio of .40 spaces per attendee) <i>code may require less than demand</i>
Million Dollar	2,000	3 rd	Active	1918	800
Roxie	1,295	Btwn 5 th / 6 th	Inactive	1932	518
Cameo	775	Btwn 5 th / 6 th	Inactive	1910	310
Arcade	1,400	Btwn 5 th / 6 th	Inactive	1910	560
Los Angeles	2,004	6 th	Inactive	1931	802
Palace	1,182	Btwn 6 th & 7 th	Inactive	1911	473
State	2,380	7 th	Church	1921	952
Globe	958	Btwn 7 th * 8 th	Active	1913	383
Tower	900	8 th	Inactive	1927	360
Rialto	840	Btwn 8 th & 9 th	Inactive	1917	336
Orpheum	2,190	Btwn 8 th & 9 th	Active	1926	876
United Artists	2,214	Btwn 9 & Olympic	Church	1919	886
	18,138 Attendees				7,256 Additional Spaces Projected Theatre Demand
COMMERCIAL RE-USE 1-Million Sq. Ft. Commercial Space Currently Vacant - Not for Adaptive Reuse/Housing 1 space per 500 sq. feet for offices (<i>higher ratios necessary for restaurants, etc.</i>)					2,000 Additional Spaces Projected Commercial Demand
Demand to Support Commercial Reuse & Theatre Activation					9,256 Additional Spaces Combined Demand <i>(5,238 spaces available in the area are already at or near 100% daytime capacity)</i>

PREVIOUS & ONGOING EFFORTS

Some of the theaters have tried to implement valet parking, but the wait times are excessive because of the peaking characteristics and the long queues at the conclusion of performances. (Kimley-Horn, p. 26)

There is some capacity available in the Pershing Square Garage in the evening to support the Broadway district. However, the Kimley-Horn report notes that theatre patrons did not consider the Pershing Square garage an acceptable alternative due to its confusing configuration, which is not user friendly, especially for first-time users; its distance from the facility; and perceived Downtown safety issues. To address this issue, the General Services Department, the Department of Recreation & Parks, and representatives from the Bringing Back Broadway initiative and Council District 14 are developing a plan for revised wayfinding signage and pedestrian amenities to encourage the use of the existing Pershing Square garage for Broadway uses, though even if Pershing Square is eventually utilized at maximum capacity, the parking demand for the Broadway corridor is vastly underserved.

TASK FORCE CONCLUSIONS

The theatres are considered the anchors for the Broadway revitalization effort, as they are the features of the corridor which set it apart from other streets, not only in downtown L.A., but also throughout the country. Providing parking to serve their needs, and support the reactivation of a variety of cultural and entertainment uses

within the theatres, is of paramount importance. In addition, municipal parking is needed to support the reuse of all types commercial spaces along Broadway, to create a well-rounded, active and sustainable corridor, both day and night. Even if not required by code, investors for uses either in the theatres or in the commercial buildings are unlikely to invest in the area if they cannot provide parking for their employees or patrons.

Current parking capacity during the day is at or near 100% in the Broadway area and projected demand is would require three times the current amount of available parking, in addition to public transportation efforts underway, to support reactivation of the theatres and reuse of the currently underutilized commercial space.

According to the Urban Land Institute (ULI) public parking space guiding principals, based on current need, the City of Los Angeles should be already be designing and constructing parking facilities for the Broadway area.

Current usage and projected increases in demand for commercial parking creates an immediate need to provide municipal parking to serve the Broadway theatre district and preserve the long-term utility of the theatres and reactivate the underutilized commercial buildings within this National Register Historic District.

Santa Monica and Pasadena are two examples of cities in the Greater Los Angeles area which developed proactively developed municipal parking facilities to support areas undergoing revitalization. These cities have experienced success in their attempts to support economic development and job growth by providing easily accessible, affordable municipal parking for patrons.

Providing parking to meet current and projected demands in the Broadway area will:

- Encourage the preservation of and protect the long-term viability and utility of important historic buildings and theatres in the city's urban core
- Stimulate the economy;
- Stimulate revitalization'
- Help create jobs;
- Promote a more sustainable downtown by encouraging the reuse of existing buildings;

Strategically placed parking structures should be constructed and the city should financially participate in their development (Kimley-Horn). Ideally these new structures would be integrated into mixed use development projects. This will require a public/private partnership to provide the parking.

As interim measures, the City should also develop agreements with privately owned parking lots and garages to provide more consistently available parking in the evening hours, and determine methods by which existing municipal garages, specifically Pershing Square and the LA Mall Garage could be utilized to serve

Broadway in evening hours through the use of DASH shuttles until the necessary municipal garages can be completed.

FUNDING & PARTNERSHIP OPTIONS

In the 2008-2009 budget, MICLA financing was discussed and authorized for the Broadway parking effort.

Additionally, both the Wilbur Smith report and the CRA/LA letter discuss tax-increment and SPRF financing for new parking development. The Kimley-Horn report also discusses public funding options (bonds, etc.).

The 636 Maple Street garage development downtown represents a creative agreement to develop a parking structure for its residential development. The MTA gave the developer a long-term ground lease for its bus staging area and in return, the developer built a multilevel parking structure incorporating a new bus staging area on the ground level that incorporated the site's original use. (Kimley-Horn, p. 36 - 37)

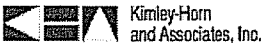
The historic source of funding for parking has been the Special Parking Revenue Fund (SPRF). The money generated from this fund is then to be used to operate and maintain the parking system as well as to fund the creation of new parking facilities citywide. (Wilbur Smith, p. 14)

It is proposed to modify the SPRF to return a portion of the new revenues generated from proposed parking rate increases directly back to the district where the revenues growth occurred. This mechanism would provide funds for the desired parking and access improvements in Downtown. (Wilbur Smith, p. 14)

A successful model for financing new parking facilities is to use the parking revenue, with pledged revenues from other sources, including on-street meter revenue and tax increment money or other sources. The advantage is that the pledged revenues can assist in financing, but they are only used if needed. Currently, the City of San Diego is an example of this method of financing. (Kimley-Horn, p. v)

Such agreements must be structured creatively for them to work, and they require that alternative parking be available in the event that the parking facility is eliminated. (Kimley-Horn, p. 28) The possibility exists for the municipal garages to be built to serve the Broadway District which could include public-private agreements with building owners, and / or adjacent theatre property owners to ensure adequate loading / staging access.

In-lieu fee programs can provide flexibility and resources that lead to targeted construction or pay debt used to construct district parking facilities. (Wilbur Smith, p. 7)



Downtown Los Angeles Parking Study for Portions of the Historic Core and Adjacent Areas

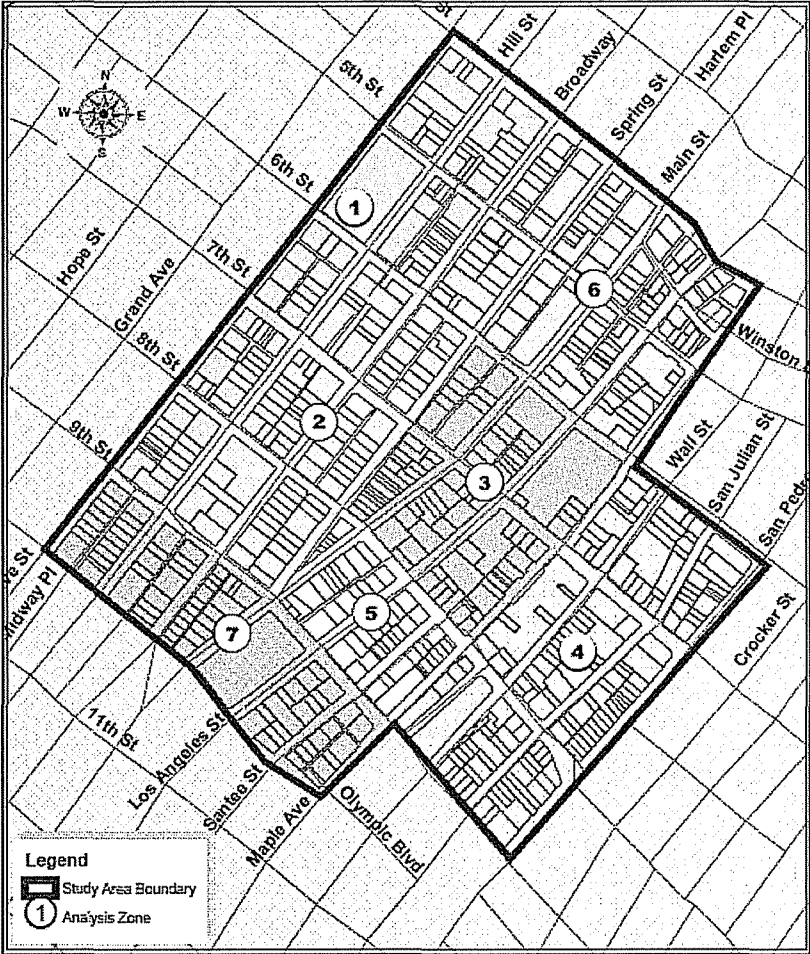
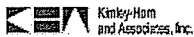


Figure 3 - Study Area Analysis Zones

Map Source: Community Redevelopment Agency (CRA) GIS

CRA/LA Community Redevelopment Agency of the City of Los Angeles
City of Los Angeles Department of Transportation

September 2003



Downtown Los Angeles Parking Study
for Portions of the Historic Core and Adjacent Areas

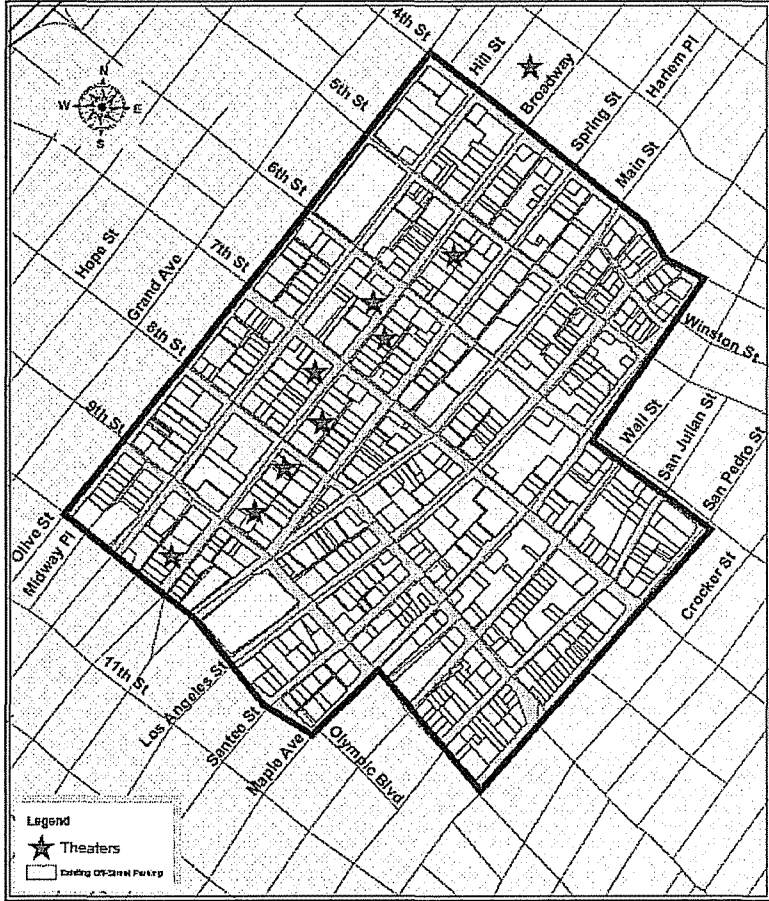


Figure 6 - Existing Theaters Location

0 175 350 700 1,050 1,400 Feet
Map Source: Community Redevelopment Agency (CRA) GIS

CRA/LA Community Redevelopment Agency of the City of Los Angeles
LAUSD City of Los Angeles Department of Transportation

September 2003