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Downtown Los Angeles – One of the Last Great Urban Frontiers

Downtown Center Business Improvement District Has Significantly Impacted Downtown L.A.

On the eve of the opening of the highly anticipated and celebrated Walt Disney Concert Hall, Downtown Los Angeles has never looked better. Downtown Los Angeles is one of the last great urban communities that has undergone significant redevelopment and growth in just the past few years, attracting new business, entertainment, and cultural amenities to the area for residents and tourists alike. Central to the revitalization efforts reshaping the city's central core is the Los Angeles Downtown Center Business Improvement District (DCBID), an organization of 480 property owners united in their commitment to enhance the quality of life in Downtown Los Angeles. The DCBID was formed in 1997.

Currently an estimated 10 million visitors pass through Downtown L.A. each year, with 5.2 million people attending a variety of Downtown's most notable cultural attractions including the Cathedral of our Lady of the Angels, the Music Center, the Museum of Contemporary Art (MOCA), the new Colburn School of Performing Arts, and the historic Central Library. Since opening in 1999, a total of 13 million people have attended sports and musical events at the STAPLES Center. These visitor numbers are predicted to increase by at least one million with the opening of Walt Disney Concert Hall in October 2003. Not more than ten years ago visitor counts to Downtown Los Angeles were significantly less without the draw of these major entertainment, cultural and spiritual centers.

Since 1998 there has been a surge in residential development with new apartments, lofts and condominium complexes redefining the Downtown L.A. skyline. The number of affordable and market rate units in Downtown Los Angeles in 1998 totaled 12,809. The current number of units is 14,663, an increase of 15% since 1998. Even more striking is the increase in the number of market rate units only over this 6-year period -- a very strong 35%. An additional 2,946 market rate units are currently under construction and another 4,000 are either approved for construction or under consideration for 2004 to 2006. Most of the new residential developments stem from the conversion of historic commercial structures into apartments and lofts as a result of the city's Adaptive Reuse ordinance that was passed in 1999. Prior to 1999, these conversions were not even possible due to outdated laws.

To promote and showcase the new housing units, the DCBID has launched Saturday Housing Tours that are held twice a month for people interested in viewing and learning more detailed information about Downtown properties. Tours are filled to capacity and most participants when surveyed reported that they are serious buyers.

Prior to the founding of the DCBID, Downtown L.A. did not realize its full potential as a destination for commercial office space. Demand for office space in Class A buildings is currently strong. This summer U.S. Bank moved their local headquarters from Santa Monica to Downtown's tallest structure, Library Tower now known as the U.S. Bank Tower. Also this year Thomas Properties purchased Arco Plaza for \$270 million and plans to invest an additional \$100 million in renovations and tenant upgrades. The area offers two significant competitive advantages: cost and choice. The office market remains attractively priced and there is an extensive variety of desirable office towers ranging from more than 20 Class A skyscrapers to several historic structures of architectural note, such as the Oviatt and Bradbury buildings.

The retail market in Downtown Los Angeles is also strong. Macy's Plaza, the Westin Bonaventure Hotel, 7 + Fig @ Ernst and Young Plaza, Arco Plaza, and the Bradbury Building provide a rich selection of retail space. An exciting, new development just underway is the renovation of the Subway Terminal Building. The project will convert the former subway terminal into a series of live/work lofts with four movie theaters and restaurants and will be a prime example of urban living where multiple amenities are available at one location.

A large part of the DCBID's success in attracting attention and visibility for Downtown Los Angeles has been its dedicated programs and strategies for maintaining the beautification of Downtown's streets, sidewalks and public areas, as well as enhanced security and safety patrols. Before the DCBID began its services, there was a critical need for additional safety and maintenance procedures to draw visitors, residents and workers to the area. The DCBID formed the Purple Patrol – a team of 70 maintenance, safety and customer service guides to augment city services. The DCBID also coordinates a multi-agency, community service outreach effort to assist the homeless and obtain help for the needy. Downtown is currently one of the safest precincts in the city as a direct result of the DCBID's programs.

The Downtown Los Angeles community is quickly beginning to rival other major metropolitan cultural and entertainment centers around the globe. This holiday season, the DCBID and the city of Los Angeles will produce and host its own star-studded New Year's Eve celebration – a gala that will rival the excitement and artistic vibe of New York's Times Square festivities. The "Legends of Los Angeles Pop" is a musical celebration that will commemorate the last four decades of popular music by musicians whose roots and heritage began in Los Angeles. Proceeds from the event will benefit famed musical producer Quincy Jones' charity, The Listen Up Foundation.

About the Downtown Center Business Improvement District

The DCBID is a coalition of property owners united in their commitment to enhance the quality of life in Downtown Los Angeles. The organization helps the 65-block central business district achieve its full potential as a great place to live, work, and play. Nearly 480 property owners provide funds to the district via a special voluntary tax assessment, which finances this outreach program. For more information, please visit the DCBID Web site at www.downtownla.com.

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