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## Building on the Past

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Not long ago, downtown Los Angeles was a residential dead zone.

Not anymore.

Over the past several years, more than 10,000 condo and apartment units have been developed, with others on the way – thanks in good part to the movement called adaptive reuse.

That movement, given a critical boost in 1999 with a change of city laws, has converted mostly vacant but architecturally significant old office buildings into clean new condominium complexes that can command a small fortune.

“It’s been one of the great municipal success stories in urban planning nationwide,” boasts Ken Bernstein, head of the city’s Office of Historic Preservation and a former Los Angeles Conservancy official. “It has reached such proportions that it should be viewed as a national model in municipal planning.”

The Adaptive Reuse Ordinance, targeted to downtown when it was adopted but expanded citywide in 2003, allows older buildings to be more easily converted to new uses, largely by relaxing city building codes.

But new laws often mean little if they are not embraced. And in the case of adaptive reuse there was no shortage of boosters, from little known bureaucrats to risk-taking developers to huge institutions such as UCLA.

The result has been conspicuous developments, such as downtown’s Eastern Columbia Lofts, the re-imagined Cinerama Dome in Hollywood and even the Vista del Arroyo Bungalows in Pasadena, where, like some other smaller cities, the movement has gained a foothold.

Long known as a city and a region of the present, where buildings are quickly demolished with little care for their history, Los Angeles has changed its way of thinking. And the Business Journal notes that with this issue, honoring extraordinary projects, institutions and individuals.

“It’s made what I do take unexpected and very exciting turns,” said Los Angeles City Councilwoman Jan Perry, whose district includes most of downtown. “Some of the buildings get restorations and rehab work, and you stand back in awe and look at them. It creates so much optimism. It shows vast potential for this area.”

### Architectural pioneers

Yet adaptive reuse is not a new concept. There have been other projects elsewhere long before the movement was bestowed an architectural nomenclature.

In the 1980s, Culver City's Helms Bakery complex was first reused as a furniture district, and in recent years it has expanded to include gallery space and restaurants. Also in the 1980s, the late lawyer and developer Ira Yellin converted downtown buildings into apartments, but it didn't catch on. His efforts came before urban living became fashionable again.

More recently, the decision by Southwestern Law School in 1997 to move into the restored art deco Bullocks Wilshire building presaged the groundswell that would follow in just a few years.

However, it was the city ordinance that has made adaptive reuse more accessible to a wider variety of developers by making it less costly to bring older buildings up to code. Previously it usually required prohibitively large sums of money.

"Before the ordinance, it took a very large institution with institutional money or substantial public money to get it done," said Don Spivack, deputy chief of operations for the Community Redevelopment Agency of Los Angeles. "The changes in the code took away a lot of the cost and time in having to meet the pre-existing codes."

Hamid Behdad, the city's former Director of Adaptive Reuse Projects, recalls the small group of people who, along with him, attended the April 14, 1999 Council meeting when the ordinance was passed. That included developer Tom Gilmore, who would build the first downtown adaptive reuse project.

"At the beginning nobody could really guess the potential of this thing," Behdad said.

However, the movement took off quickly. By mid-2000, Tom Gilmore & Associates LLC had opened its first project, the San Fernando Building at Fourth and Main streets. Soon after, developer Izek Shomof's Pacific Investments LLC would open four apartment buildings at Sixth and Spring streets.

Indeed, in terms of sheer numbers, adaptive reuse has helped transform downtown. Before the ordinance was passed, there were about 2,500 housing units. Now there are 13,550 units, according to CB Richard Ellis Group Inc. About 4,400 are adaptive reuse.

Mark Tarczynski, a senior vice president at CB Richard Ellis Group Inc. who specializes in the downtown market, says that the ordinance was one of the most powerful actions the city has ever taken to increase housing stock in a short period of time.

"Also, it has served to preserve all of those historically significant buildings in the historic core that were scheduled to be razed," said Tarczynski, who has brokered such projects as the 1100 Wilshire Blvd. condo tower and the Brockman Building at Grand Avenue and Seventh Street.

The new development on downtown streets like Broadway and Main and Sixth streets has had a ripple effect on the urban community: new residents have spurred an increase in retail development, which is only now taking off. But it also has had the unintended, if not altogether unwise effect, of highlighting the growing problems at nearby Skid Row.

"It took certain streets or corridors that had become ghost towns in the 1970s, '80s and '90s and brought

them back to life," said Councilwoman Perry.

With a strong supply of housing stock downtown, redevelopment experts say that the area could now begin to experience a second phase of adaptive reuse development that focuses more on mixed-use and retail development.

A key example of this emerging trend is the plan to reuse the 42-story Crocker-Citizens National Bank building at Sixth Street and Grand Avenue.

Carol Schatz, president of the Central City Association, said that what makes the project unique is the plan to include more than 100 "commercial condominiums" – units that businesses buy – in addition to about 400 residential condos.

"The commercial condos (are) the real novelty," said Schatz. "They will serve the mid-market tenants, not huge users. You own space for a commercial enterprise. That is new and I think we will see more of it."

### **Hollywood and beyond**

Although downtown has gotten a head start on Hollywood, that historic community has made strides in recent years. Developers in Hollywood have converted several old office buildings and department stores on Hollywood and Sunset boulevards into new residential developments, for example.

Notable projects in the pipeline include Kor Group's Broadway Building on Hollywood Boulevard and CIM Group Inc.'s conversion of the Sunset & Vine Tower office building.

"It's been a godsend for us in terms of getting an economic viable use of obsolete structures," said Kip Rudd, senior planner in the Hollywood office of the Community Redevelopment Agency.

In fact, there has been such wide-scale residential conversion of older office buildings that it has spawned a backlash, with some in the Hollywood community voicing concerns over a shortage of office space. "The ordinance is fairly broad and almost any office building could be converted to residential. We don't want every office building to be converted to residential," Rudd said.

Of particular concern in Hollywood is the potential conversion of the Capitol Records Tower, the landmark building that was purchased last fall for \$50 million by Argent Ventures LLC. Capitol Records is now a tenant in the tower.

New York-based Argent has said it does not plan to convert the famed Vine Street tower into a residential development, but recent consolidations by Capitol parent EMI Group PLC have observers speculating that Capitol offices could be moved, making the tower available for condo conversion.

Meanwhile, other county cities appear to be catching on: Pasadena amended its building laws in 2005 to make it easier to redevelop old buildings. The historic city has a large stock of beautiful buildings dating back to the first half of the last century. The new laws allow for code variances for setbacks and parking density.

One landmark adaptive reuse there is the United States Court of Appeals for the Ninth Circuit on South Grand Avenue at the former Vista del Arroyo Hotel. The hotel was built in 1903 and was restored for the Ninth Circuit in the 1980s.

Adjacent to the courthouse is a brand new adaptive reuse project – the Vista del Arroyo Bungalows, a housing development that includes historic bungalows that were formerly used as guesthouses by the hotel.

And in Long Beach, another older city, adaptive reuse also has made inroads, particularly in the downtown area, near Pine Avenue. Downtown residential reuse projects include the historic Insurance Exchange Building on East Broadway and the Kress Lofts on Fifth Street, at the former S. H. Kress Department store, among others.

Schatz said that such developments have renewed faith that cities, and Los Angeles in particular, can revitalize themselves.

“Now, anything is possible,” she said.

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