

# The Age of Reinvention

*In 2005, There Were Soaring Condo Prices, A Row Over Skid Row and the Billion Dollar Babies' First Steps*

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If you had told people in 1995 Downtown what the community would look like in a decade, they would have laughed. But in 2005 the amazing reinvention of Downtown Los Angeles continued, with condos fetching upwards of \$600 a square foot, cranes sprouting across the skyline and thousands of people moving into the fancy new residences. It was the story that dominated talk in the Central City, both for its potential and its pitfalls.

Of course, the housing boom didn't happen in a vacuum. Downtown was abuzz over the groundbreaking of L.A. Live and its roster of big-name tenants. Grand Avenue made strides as well, with plans for architect Frank Gehry to design a signature tower for the project.

From a battle over the new police headquarters to renewed attention on Skid Row to a new direction for the L.A. River, here's a look back at the stories that had Downtown talking.



The fabled Ambassador Hotel met the wrecking ball.

■ **Story of the Year: The Residential Rush:** Despite endless talk of a real estate bubble and predictions of a market slowdown, Downtown's housing spree continued its frantic pace. According to the Downtown Center Business Improvement District, more than 19,500 units are under construction or in the planning stage, with 29,000 people expected to move in over the next four years. Projects became bigger and bolder, with high-rises such as the 50-story Zen Tower at Third and Hill streets capturing vertical imagination. A handful of openings — the Douglas Building Lofts, Metro 417 and the Pacific Electric Lofts — added hundreds of bodies to the mix. Waiting lists continued to grow, despite prices north of \$600 per square foot. So how big is the appetite for Downtown living? Consider: In October, South Group's 191-condo Luma in South Park sold out in a dizzying seven hours.

■ **L.A. Goes Live:** On Sept. 15, Anschutz Entertainment Group's \$1.5 billion sports and entertainment district broke ground to the Latin beat of Poncho Sanchez. The salsa impresario plays at the trendy Conga Room, which will become one of at least a dozen high-profile tenants when the retail, dining and activity promenade opens. Additional arrivals will include Gladstone's, P.F. Chang's, a 15-screen Regal cine-plex, an ESPN studio and a Grammy museum. The retail and restaurants, along with the 7,100-seat Nokia Theater and the 2,400-seat Club Nokia, are set to debut in 2007.

■ **Down on Skid Row:** A number of issues riveted attention on this stretch of mis-

sions, homeless encampments and crime east of Los Angeles Street. A *Los Angeles Times* series focused on the human tragedy of homelessness and the plight of families, while community walks on Skid Row brought attention to street conditions and safety. In September, the news focus shifted to illegal dumping of criminals by city and county law enforcement agencies and hospitals onto Downtown streets. Prodded by the outcry, state lawmakers began to craft legislation that could force the Sheriff's Department to stop letting released criminals wander into Skid Row.

■ **Hospitality Ups and Downs:** The usually lifeless hotel and tourism industry was alive and kicking in 2005. The Hyatt turned into a Sheraton, the Wilshire Grand announced a \$40 million renovation, a handful of older hotels unveiled plans to convert rooms into condos or apartments, and a slew of investors clamored to create high-end boutique hotels. A potentially devastating hotel strike was averted in June, which segued into a double-digit surge in occupancy aided by big events such as the Siggraph conference and X Games. The biggest news came with the September approval of the 1,100-room Convention Center hotel. However, an unexpected blow occurred in November when the project's equity partner backed out over rising costs.

■ **Old Landmarks, New Futures:** It was a year of highs and lows in the preservation community. A beautifully refurbished (former) St. Vibiana's cathedral opened in November as a performance and event space. A glittering assemblage of city leaders, celebrities and preservationists turned out to fete the rehab by Gilmore Associates. It was a different story for the fabled 1921 Ambassador hotel on Wilshire Boulevard. The Los Angeles Conservancy, which led the charge to preserve the site where Sen. Robert F. Kennedy was assassinated in 1968 and where Hollywood frolicked at the Coconut Grove, lost its battle to an LAUSD plan to create a K-12 campus and demolish most of the property. In September the hotel's furnishings were auctioned off. Demolition began shortly after.

■ **Return of the River:** It was a big year for the L.A. River. Proposals aplenty were generated by the city, activity on the state level focused on the Cornfield Park, and federal funds were funneled in for feasibility studies. A \$3 million, 18-month master plan got underway in September, including a series of community workshops. As part of the campaign to bring attention to reviving the waterway, a splashy press conference unfolded at the adjacent Cornfield, which is envisioned as part of the river's comeback.

■ **Grandiose Plans:** May brought the \$1.8 billion Grand Avenue proposal into the spotlight, with plans unveiled for sleek towers and a lively nine-acre retail and cultural promenade. The County Board of Supervisors approved the project in August, allowing developer the Related Companies to move forward with a master plan. Further buzz came from the announcement that shape-shifting architect Frank Gehry would design a 50-story "iconic" tower to mark a project some have likened to the Champs-Élysées. Plans currently call for 2,600 condos and apartments, a park, 400,000 square feet of retail and a 275-room hotel.



photos by Gary Leonard

Mega-million dollar housing projects were announced seemingly every week in 2005, and cranes began sprouting across Downtown. Altogether 19,500 units are under construction or in the planning stage, such as the Teramachi at Third and San Pedro.

■ **Planning Department Plight:** In early 2005, Planning Director Con Howe announced he would retire after 13 years. Though he was praised in some circles, City Hall whispers said that Howe was pushed out by city and community leaders unhappy with his management. The department's woes were made public following a November audit by City Controller Laura Chick that called it "an agency caught in a time warp of past practices, old procedures and outdated technology." The report slammed the 270-employee department for being poorly managed and understaffed. Facing pressure to lead city planning in a new direction, Mayor Antonio Villaraigosa launched a search for a permanent department head and installed Mark Winogrand as interim chief.

■ **Let's Make a Deal:** It was a busy year for Downtown brokers, who closed dozens of deals from Chinatown to South Park. One of the busiest players was Jamison Properties Inc., which acquired the \$135 million California Market Center in May and the \$160 million Macy's Plaza in April. That same month, Union Bank Plaza sold

ed outdoor plaza and ground-level retail. Many park advocates, however, felt they got an unfair shake, since the site had long been envisioned as a civic park. The environmental impact report was completed in October and demolition of the old Caltrans building is nearly complete.

■ **Which Way Downtown L.A.?:** In April, after more than seven years of work, officials from Downtown's nine business improvement districts began installing 1,300 directional signs across the community. However, shortly after the signs in the \$2 million program dubbed Downtown L.A. Walks began cropping up, complaints started trickling in. A number of the signs used puzzling abbreviations and shorthand, such as "Spring St Hist/Fin" and "Broadway Th District." The kinks continue to be worked out, but most people have nonetheless welcomed the project.

■ **Mr. Smith Comes to Town:** LAPD Central Division Capt. Andy Smith could very well have been the department's poster boy for community policing in 2005. Though



Demolition of the Caltrans building (left) created space for the new police headquarters. The Midnight Mission opened a long-awaited new facility.

for \$144 million to Hines. In July, Meruelo Maddox Properties purchased the Union Bank & Trust Building at Eighth and Hill streets for \$12 million; it will be converted into 90 loft-style apartments by 2007. The 7,200-seat Grand Olympic Auditorium sold to the Glory Church of Jesus Christ and Chinatown's Dynasty Center went to a private investor in June for \$25 million. In January, Beacon Capital Partners paid \$116 million for the Class A office tower at 1000 Wilshire.

■ **Police HQ Gets OK:** For the better part of a year residents and community groups battled to stop a new police headquarters from rising at Second and Main streets. The Cultural Affairs Commission became an unlikely forum of last resort, and voted against the location in May. Nonetheless, the city moved forward with the replacement facility for the aged, quake-damaged Parker Center. In late summer the department agreed to a compromise, increasing the amount of green space and adding trees fronting Second Street, as well as an expand-

he arrived just this spring, nearly every story dealing with crime and quality of life in Downtown had Smith's name attached to it. Whether it was drug pushers, illegal vending, stolen goods, homelessness or the issues facing Downtown's new crop of residents, the 42-year-old captain made a big impact on the Central City.

■ **Making a Fashion Statement:** Some believe that once you are profiled in the *New York Times*, you've arrived. Indeed, the 90-block Fashion District made the *Times*, and also made a big splash with 32 new projects in the past three years, including 13 in 2005 alone. In total, more than \$510 million has been invested in the neighborhood since 2000. A new branding campaign gave some much-needed panache to the district's stodgy and industrial image. What was once known as the Garment District is now a Fashion District with trendy designer showrooms, restaurants, an expanding retail sector and international recognition.

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