Smoky Hollow District Technical Assistance Panel
City of El Segundo

Thursday, March 29 – Friday, March 30
The Urban Land Institute is a 501(c) (3) nonprofit research and education organization supported by its members.

The Institute has more than 40,000 members worldwide and 1,600 members in Los Angeles.

As the preeminent, multidisciplinary real estate forum, ULI facilitates the open exchange of ideas, information and experience among local, national and international industry leaders and policy makers dedicated to creating better places.
The mission of the Urban Land Institute (ULI) is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.
ULI advisory services panels provide strategic advice to sponsors on complex land use and real estate development issues.

- Links public agencies and nonprofit organizations to the knowledge and experience of ULI and its membership.
- Established in 1947, this fee-based program has completed over 500 panels, in 47 states, 12 countries, and 4 continents.
• Advisory Services program has been successful due to its comprehensive, pragmatic approach to solving land use challenges.

• Technical Assistance Panels (TAPs) are part of ULI’s Advisory Services Program.

• ULI Los Angeles began holding TAPs as a way to bring together the public and private sector and to provide an outlet for our members to give back to the community. We offer the service to public agencies and nonprofit organizations and have developed positive relationships as a result.
• Panel members are volunteers. They are not compensated for their time.
• Panel members are experts in real estate development, land use planning and design, real estate financing, and economic development.
Chair
- James Goodell, President, Public Private Ventures, Inc.

Panel
- Marty Borko, Principal, Gensler
- Eric Duyshart, Economic Development Manager, City of Pasadena
- Eileen Fogarty, Director of Planning Ret., City of Santa Monica
- Allan D. Kotin, Principal/Owner, Allan D. Kotin & Associates
- Sandra Kulli, President, Kulli Marketing
- Andrew Jennison, Partner, Industry Partners
Boundaries

SMOKY HOLLOW DISTRICT
Vision

Panel Recommendations
• A vibrant and unique environment that supports entrepreneurs and small businesses while maintaining the existing character of the area.
• Build on the area’s fine grain scale
• A creative, edgy, eclectic community
• An incubator
• A diamond in the rough
Strengths

- Location - coast, freeway accessible, westside
- Comparatively low cost
- Small town charm – high quality community
- Great building stock
- Fine grain
  - Small players can play
  - Large players can expand
- Rich variety of uses
  - Real business, creative businesses, tech and “mom and pop” businesses
- Good schools
- Proximity to Downtown El Segundo
- Relatively low cost of doing business
Weaknesses

- Lack of Parking
- Parcelization
- Public realm is deficient
- Specific plan is outdated
  - A suburban model
  - Too prescriptive
  - Lacks a coherent vision
  - No clear definition of desired uses
- Lack of broad band infrastructure
- Low intensity uses and land Intensive uses

SWOT Analysis (Strengths, Weaknesses, Threats, and Opportunities)
Capture creative businesses but market to all general office uses
Give lower Westside an El Segundo companies a creative alternative
Cater to start-up tech, entertainment, and advertising companies
El Segundo office market: 25M sq. ft.
Smoky Hollow market: +/- 1.5M sq. ft.
Play up and brand to: beaches, lifestyle, education, and employment draw
People want indoor/outdoor experience
Investment: Target owner user investors and institutional capital
Market is tempered due to Chevron
– Medical uses will not work
Authenticity Sells
### Market: Cost Differential Owning

<table>
<thead>
<tr>
<th></th>
<th>Santa Monica</th>
<th>Culver City</th>
<th>El Segundo</th>
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<tbody>
<tr>
<td>Prices per sq. ft.</td>
<td>$450 - $500 per sq. ft.</td>
<td>$260 - $300 per sq. ft.</td>
<td>$150 - $175 per sq. ft.</td>
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<tr>
<td>(unfinished building)</td>
<td>$500 per sq. ft.</td>
<td>$300 per sq. ft.</td>
<td>$175 per sq. ft.</td>
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</table>
What makes an Incubator District?
- Small floor plates
- Infrastructure
  - Fiber
  - Power
- Creative environment
- Synergistic uses
- Correct density
- Allowable Parking
  - #
  - Proximity
- Appropriate governance
- Public realm and connectivity
- Cost of entry
  - Own
  - Rent
Planning Concepts

East Smoky Hollow
Planning Concepts

Middle Smoky Hollow
West Smoky Hollow
Parking Strategies

On Street
- Restriping street parking
- Street closures
- One way pairs
- Alleys

Lots
- Tandem
- Valet assist
- Shared parking district
- Shared lots

Regulations

Physical improvements
Planning Concepts
Planning Concept
Planning Concepts

Street Parking Options
Planning Concepts

SMOKY HOLLOW DISTRICT

POTENTIAL SHARED PARKING SITES
New Vision – Cohesive, creative, sustainable, business incubator district

- Weave fine grain projects into a people-friendly environment
- Enhance Smoky Hollow’s eclectic nature
- Create intimate outdoor spaces
- Connect pedestrian and bike linkages

Modify the Specific Plan

- Engage community, businesses and property owners
- Grandfather existing uses
- Limit future expansion of incompatible uses
  - Pet hotels
  - Open storage and storage facilities
  - Auto repair
What can City do? Rethink the Smoky Hollow Specific Plan

**Incentives to Trigger Investment**
- Incentivize lot consolidation
- Increase FAR
- Create functional parking strategy
- Participation in parking district

**Providing Increases in FAR**
- Expansion of desired uses
- Lot consolidation
- Business expansion and retention
Framing the Parking Issue

1. Need to Understand What You Have
2. Then Study How to Improve Without Public Structures/Decks
3. Rethinking El Segundo's View of Parking
   - Striping
   - Diagonal Parking
   - Diagonal
   - Night Parking Restrictions with Permits
4. Set Up a Parking District
5. Later If Appropriate Consider Structures
Types of Funding to Be Considered

- Business Improvement Districts (BID's)
- Community Facilities (Mello Roos) Districts (CFD's)
- Infrastructure Financing Districts (IFD's)
- Certificates of Participation (COP's)
- Parking tax
- Parking in-lieu fees

Key Dimensions of Each Funding Strategy

Whose approval is needed to set it up

- What can/should the funds be used for
- What is the involvement and financial commitment of the City
Formation of Parking District is critical

- Keep the costs isolated to district and not burden general fund
- Get buy in from businesses and property owners
- Tailor solutions of Smoky Hollow or perhaps just east portion first

District Can and Probably Will Take Two Forms and Evolve Over Time

- Initially District will be responsible for rationalizing existing parking which will cover both capital and operations
- Later may build decks or structures which will also involve both capital and operating costs
# Alternative and/or Combinable Funding Strategies for Parking

<table>
<thead>
<tr>
<th>Funding Source - Abbreviation</th>
<th>BID</th>
<th>PBID</th>
<th>CFD</th>
<th>IFD</th>
<th>COP</th>
<th>PKG Tax</th>
<th>In Lieu PKG Fees</th>
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</thead>
<tbody>
<tr>
<td>Funding Source - Full Name</td>
<td>Business Improvement District</td>
<td>Property Based BID</td>
<td>Community Facilities District</td>
<td>Infrastructure Fin. District</td>
<td>Certificate of Participation</td>
<td>PARKING TAX</td>
<td>IN LIEU PKG FEES</td>
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**Whose Approval is Needed**
- Local Businesses
- Local Businesses
- Property Owners
- City/County??)
- City
- City
- City

**Uses of Funds**
- Capital - Without Structures
- Capital - With Structures
- Operations - Without Structures
- Operations - With Structures

**Role of City**
- Primarily facilitation, possible initial subsidy
- Primarily facilitation, possible initial subsidy
- None directly but See COP
- Consent to forego city tax increment
- City commits to lease obligation as backup only
- Administer tax, no impact on general fund
- Administer, no impact on general fund
ILLUSTRATIVE ESTIMATE OF COSTS OF PROVIDING PARKING DISTRICT

- Goal is show how costs might be spread
- Plan to illustrate both kinds of districts
  - Initial District will with restriping, reconfiguration, permits etc.
  - Later district could involve structures

- Costs are shown separately for
  - Operations
  - Capital Costs

- Illustrative Costs
  - Operations of a District without any Structure - $0.25 to $0.77 per sf of building
  - Capital Costs (Annualized) of a District with no Structure - $1.03 to $1.55 per sf of building
  - For this District we assume up to $2 million cost spread over half of all Smoky Hollow
  - Capital Costs (Annualized) of a District with a Structure - $0.64 to $1.63 per sf of building
    - Assumes a subdistrict with 200,000 sf building area buying 100-200 spaces
  - More detailed calculations will be in the report

DO NOT FOCUS ON PRECISE NUMBERS - THIS NEEDS MORE STUDY - JUST TO SHOW MAGNITUDES
• Bandwidth is critical infrastructure
• El Segundo has good initial plan
• Take advantage of open trenches
• City can retain ownership and lease extra capacity
• Santa Monica as example of non-utility city
How do we tell the story of Smoky Hollow?
Who’s going to tell this story?

Panel Recommendations
How do we tell the story?

Daily Breeze
Panel Recommendations
Next Steps: Immediate (Year 1)

- Cast a new vision
- Community workshop → Engage stakeholders
- Modify the Specific Plan
- Develop parking plan
- Prioritize fiber optic program
Next Steps: Second Stage: Implement (Year 2)

- Adopt Specific Plan
- Implement parking plan
- Activate fiber optic plan
- Expand marketing/identity program
Next Steps: Longer Term

- Develop additional parking
- Infrastructure upgrades
- B.I.D.
- Placemaking/streetscape
Thank You: City of El Segundo

- Mayor Eric K. Busch
- Mayor Pro Tem Bill Fisher
- Greg Carpenter, Interim City Manager
- Kim Christensen, Planning Manager
- Ted Shove, Economic Development Analyst
• Thomas E. Abel, Vice President, Advanced Technical Corporation
• Rupesh Bhakta, Director of Acquisitions, CenterCal
• Robert Caban, MA, RHIT, President, Caban Resources, LLC
• Matt Crabbs, Keller Williams
• Lily Craig, Chevron
• John Clark, Principal, Looking
• Marsha Hansen, Executive Director, El Segundo Chamber of Commerce
• Brian M. Lamb, Principal, Electromagnetic Systems, Inc. (EMSI)
• Rob Looker, Vice President, Satco, Inc.
• Allan W. Mackenzie, President, Mar Ventures, Inc.
• Bill Ruane, Resident Real Estate Agent, RE/MAX Beach Cities Realty
• Brian Polkinghorne, Senior Vice President, CBRE, Inc.
• Bob Tarnofsky, Continental Development Corporation
• R.K. (Rod) Spakman, Chevron
• Jean Paul Wardy, President, CenterCal Properties