Appendix III - A: Introduction by Community Development Committee Members
Councilman Curren D. Price, Jr.: The citizens of Inglewood in 2004 defeated ballot measure 04-A (development of 60-acre on the Hollywood Park Property). In order to facilitate “smart growth” development citywide, we coordinated this Seminar with real estate professionals and the City’s economic development team including the USC Center for Economic Development and Wilbur Smith Associates, in order to further educate the community on the economic and development opportunities for the site. In addition, community members will have the opportunity to voice their questions, concerns, and suggestions regarding the development of the 60-acre piece of property in question. The purpose of this meeting is to explore the potential of this site to better equip residents of Inglewood to think of realistic and visionary development possibilities.

Councilman Eloy Morales: The initiative defeated in the April 6th election was an initiative that would have allowed a particular project to be built, including a Wal-Mart (on property now owned by Wal-Mart). Because the initiative was defeated, the development committee has a responsibility to allow the owners of the property to discover what the community would view as appropriate development of the site, in terms of their vision for the city of Inglewood. The development committee wants to assist this process by educating the public on what types of uses would be possible on the site.
Appendix III - B: Moderator’s Presentation
Real Estate 101 Seminar

City of Inglewood

November 18, 2004

History

Voters Reject Initiative (Measure 04-A)

2003

Wal-Mart collects signatures for ballot Initiative

2004

What is best use of site?
### Inglewood Centerpiece Site

- 60-acre site
- “Home Stretch at Hollywood Park” retail project suggested
- What is highest and best use of site?

### Multiple Surrounding Uses
Things to Consider

City Positioning
To add Upscale Development

- Does existing retail base provide good critical mass to attract upscale retail?
- Will large retailer provide a critical mass?
- Is this a strategy to “tactically swim upstream” the retail value stream?

Possible Hollywood Park Relocation

- A potential vision is retail, entertainment, and civic complex
- Is big box retail compatible with upscale development?
- Risk of “Wait and See” strategy -- delayed employment and revenue?
Development Happens When:

Value can be added

1. Build To Sell
2. Want to run business
3. Want to build new house or addition

Development Is Based Upon:

- Traffic
- Competition
- Purchasing Power of Residents
- Location
- Demand
- Synergies
### Preferred Traffic Counts

<table>
<thead>
<tr>
<th>Store</th>
<th>Preferred Minimum Traffic Counts (in Vehicles/Day)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Shopping Center (40,000 sq ft)</td>
<td>20,000 - 35,000</td>
</tr>
<tr>
<td>Mid-size Shopping Center (100,000 sq ft)</td>
<td>40,000 - 70,000</td>
</tr>
<tr>
<td>Large Shopping Center (1 million sq ft)</td>
<td>70,000 - 100,000</td>
</tr>
<tr>
<td>Video Stores</td>
<td>20,000 - 25,000</td>
</tr>
<tr>
<td>Sports Clubs</td>
<td>20,000 - 25,000</td>
</tr>
<tr>
<td>Department Stores</td>
<td>20,000 - 25,000</td>
</tr>
<tr>
<td>Grocery Stores</td>
<td>20,000 - 50,000</td>
</tr>
<tr>
<td>Drug Stores</td>
<td>15,000 - 20,000</td>
</tr>
<tr>
<td>Starbucks</td>
<td>10,000 - 40,000</td>
</tr>
</tbody>
</table>


### Purchasing Power

<table>
<thead>
<tr>
<th>Store</th>
<th>Households</th>
<th>Within How Many Miles</th>
<th>Average Household Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing</td>
<td>20,000</td>
<td>10</td>
<td>$75,000</td>
</tr>
<tr>
<td>J Crew</td>
<td>20,000</td>
<td>10</td>
<td>$75,000</td>
</tr>
<tr>
<td>Ann Taylor</td>
<td>50,000</td>
<td>15</td>
<td>$67,500</td>
</tr>
<tr>
<td>B. Moss Clothing Company</td>
<td>100,000</td>
<td>15</td>
<td>$67,500</td>
</tr>
<tr>
<td>The Bon Marche, Bloomingdale's</td>
<td>50,000</td>
<td>15</td>
<td>$67,500</td>
</tr>
<tr>
<td>Helzberg Diamonds</td>
<td>300,000</td>
<td>10</td>
<td>$75,000</td>
</tr>
<tr>
<td>Mori Luggage and Gifts</td>
<td>300,000</td>
<td>3</td>
<td>$112,500</td>
</tr>
<tr>
<td>Essentials Plus and Essentials</td>
<td>1 million</td>
<td>10</td>
<td>$120,000</td>
</tr>
<tr>
<td>Shoes/Accessories/Jewelry/Cosmetics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialty</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discovery Channel Store</td>
<td>300,000</td>
<td>5</td>
<td>$120,000</td>
</tr>
<tr>
<td>Retail Concepts International/ Fun Factory</td>
<td>100,000</td>
<td>2</td>
<td>$75,000</td>
</tr>
<tr>
<td>WOW Family Fun Centers and United Skates</td>
<td>250,000</td>
<td>5</td>
<td>$97,500</td>
</tr>
</tbody>
</table>

Source: [http://www.specialtyretail.net](http://www.specialtyretail.net) (adjusted for California)
### Purchasing Power

#### Anchor
- Macy’s, Filene’s, Saks Fifth Avenue

#### Other Retailers
- Wal-Mart, Sam’s Club, Warehouse

#### Demographics
- 120K residents within 3 miles w/ $98K average household income

#### Mixed-use Development
- Necht’s Department Store, Ann Taylor, Men’s Wearhouse, Barnes & Noble
- Starbucks, Coldstone Creamery, Cargokids

#### Mixed-use Development
- Ann Taylor Loft, Chico’s, Christopher Banks
- Ritz Camera, Bubbles Salon and Spa, Starbucks

- Average household income of $83.3K within 7 miles

### High End Retail Demographics

- **Saks Fifth & Nieman Marcus Shoppers**
  - 2/3’s are female
  - 50% household income >$75K
  - 97% live in city or surrounding suburbs
Inglewood’s Purchasing Power

Average Household Income


Source: CLARITAS

Measuring Purchasing Power

For Underserved Markets

**Conventional Approach**

Forecast Sales Based on Household Income

**Emerging Approach**

100 K Households At $45 K = $4.5 Billion

Density of Income

40 K Households At $80 K = $3.2 Billion
Retail Market Categories

- Regional Mall
  - Fox Hills Mall
- Community “BIG BOX” Retail Center
  - COSTCO, Target, etc
- Neighborhood Retail Center
  - Shopping Center Anchored by Grocery Store

Demand For Retail

A $6 Billion Retail Market - UNDERSERVED

<table>
<thead>
<tr>
<th></th>
<th>Inglewood Can Support</th>
<th>Inglewood Served by</th>
<th>Inglewood Shortfall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Mall</td>
<td>3 Million Sq. Feet</td>
<td>1.7 Million Sq. Feet</td>
<td>1.3 Million Sq. Feet</td>
</tr>
<tr>
<td>Community Scale</td>
<td>1.4 Million Sq. Feet</td>
<td>1.0 Million Sq. Feet</td>
<td>0.4 Million Sq. Feet</td>
</tr>
<tr>
<td>Neighborhood Center</td>
<td>850,000 Sq. Feet</td>
<td>540,000 Sq. Feet</td>
<td>310,000 Sq. Feet</td>
</tr>
</tbody>
</table>
Competition

Macy’s Locations around Los Angeles

Source: www.yahoo.com

Competition

Nordstrom Locations around Los Angeles

Source: www.yahoo.com
# Location Matters

## Location, Location, Location!!

### Synergies

<table>
<thead>
<tr>
<th>Store</th>
<th>Preferred CoTenants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neiman Marcus</td>
<td>Saks Fifth Avenue, Nordstrom</td>
</tr>
<tr>
<td>Sun Shade Optique</td>
<td>Nordstrom, Macy’s</td>
</tr>
<tr>
<td>Bizou and Biz</td>
<td>T.J. Maxx, Lord &amp; Taylor</td>
</tr>
<tr>
<td>Naturalizer Shoe</td>
<td>Ann Taylor, Casual Corner and Banana Republic</td>
</tr>
<tr>
<td>Mori Luggage and Gifts</td>
<td>Saks, Neiman Marcus, Nordstrom</td>
</tr>
<tr>
<td>J Crew</td>
<td>Banana Republic, Ann Taylor, Abercrombie &amp; Fitch, GAP</td>
</tr>
<tr>
<td>Gertrude Hawk Chocolates</td>
<td>Lord &amp; Taylor</td>
</tr>
<tr>
<td>Brookstone</td>
<td>Ann Taylor and Williams-Sonoma</td>
</tr>
<tr>
<td>Charles David</td>
<td>BCBG, Macy’s, Nordstrom, Donna Karan</td>
</tr>
</tbody>
</table>

* [http://www.specialtyretail.net](http://www.specialtyretail.net)
Retail Development in Underserved Markets

Requires A Logical Progression

Fast Food & Drug Stores → Grocery & Discount Apparel & Shoes → Specialty Retailers & High End Concepts

Inglewood is progressing

What can bridge the gap?

Thank you
Summary of Moderator’s Presentation
The following section of this appendix is a summary of the moderator’s presentation, a copy of which is included in this report.

The moderator set the stage by discussing the recent history towards developing the potential Site, and stressed the fact that the purpose of the Seminar is to continue the dialogue on the potential outcome of the subject Site.

The City of Inglewood is blessed with a wide range of development opportunities including Market Street as well as commercial corridors like Century Blvd, Manchester Ave, Prairie Ave, etc. However, the subject Site is a center piece in the City’s portfolio of development opportunities:

- It is a large site;
- Located centrally within the City;
- Surrounded by other potential development sites;
- Is an immediate development opportunity;
- Can set the core for development in the surrounding area; and,
- Accessible through a well developed arterial roadway system.

In addition, the Site is surrounded by a range of multiple uses, including residential developments (existing and planned, single-family and multi-family), community/civic, entertainment, commercial and retail. The surrounding uses will have an impact on the development outcome of the subject Site.

The moderator stressed that there are several issues to consider in evaluating the development potential for the subject Site. The City is positioning to attract “up-scale” types of development. Does the City’s existing base provide a good critical mass to start attracting the upper scale development? Will a large retail development like a Wal-Mart provide a critical mass to attract other developments around it? Is this a strategy to “tactically swim upstream” the retail value stream? In addition, there is some evidence that the Hollywood Park development may relocate or reduce its footprint. The City’s vision for the re-use of the site is a large multi-use complex to include retail and entertainment and civic uses. Would the Wal-Mart development conflict with an upscale development? If so, what is the risk of a “wait and see” strategy in terms of delayed employment and fiscal revenue opportunities?

It is important to understand the circumstances that drive development opportunities from the private sector’s perspective. The underlying factor is the return on the investment, sometimes referred to as the “upside” potential. The greater the upside potential, the more likely a development will occur. Moreover, the type of development that ultimately will occur is a function of value that comes out of the various development options, as well as the likelihood that the market will bear the value of the ultimate outcome. Value potentially occurs when there is a transaction potential. For example, a developer may determine that a specific site could be developed and sold/leased to a third party. Or, value can occur when business or entrepreneur sees the potential of running a business and generating sales revenue in excess of the cost of owing/leasing the property.
Once it is determined that the value or “upside” potential from the site is significant enough, there are various factors that the developer looks at, particularly in determining the type of retail and commercial uses that can succeed at a particular site, including but not limited to:

- Traffic Volumes
- Purchasing Power
- Demand
- Competition
- Location
- Synergies

**Traffic Volumes** – Success is a function of the traffic volumes on roadways adjacent to the subject project. Various types of development uses have minimum thresholds for traffic volumes. The slide titled “Preferred Traffic Counts” has a list of development types (mostly retail) and the typical preferred minimum threshold. Traffic volumes at the Site on Prairie Ave are at 30,000 cars per day and 9,000 cars per day on Pinkay Ave.

**Purchasing Power** – Developers, business site selection consultants, businesses and entrepreneurs also consider the overall purchasing power of the surrounding households. The slide titled “Purchasing Power” lists a variety of business chains and the typical household income threshold expected for the surrounding market. As is indicated by the slide, this threshold is most critical for retail establishments. The next slide titled “Purchasing Power (cont’d)” gives three examples of existing mixed use, multiple tenant developments, and the actual household income for the surrounding trade area. The next slide titled “Inglewood’s Purchasing Power” summarizes the average household income for the City of Inglewood, for a two mile radius around the City, and the average for Los Angeles County. The key points from this series of slides on purchasing power is that various development types have differing income thresholds, and while the level of household income in Inglewood has grown significantly over the past decade, it is still below the threshold for some of the “higher end” development types. The slide titled “Measuring Purchasing Power” brings to light a change in the way purchasing power is measured in underserved markets (such as Inglewood, as is presented in the slide titled “Demand for Retail”). Emerging research approaches applied to the underserved markets are increasingly considering the “density of income” for an area. The slide compares an example of a densely populated underserved community with 100 thousand households with an average household income of $45,000 with a less densely populated community with 40 thousand households with an average household income of $80,000. The former community has a greater density of income ($4.5 Billion) than the latter example ($3.2 Billion). This density of income measure is increasingly being viewed in determining the potential of an underserved market. This criteria is more relevant for retailers that have smaller sales transactions (coffee, shoes, etc) than larger transactions (autos).

**Demand** – Businesses also take into consideration the demand for their particular product categories. For example, demand for retail is evaluated across three types of retail establishments. The slide titled “Retail Market Categories” shows three examples of retail categories.

- Regional Mall
The next slide titled “Demand for Retail” shows that all three of these retail categories are underserved in the Inglewood market. In other words, there is a level of “pent-up” demand for retail across all three categories that is “leaking” to other markets. Based on the data presented, 40% of the local retail demand is not being served (therefore Inglewood is underserved) and is leaking to surrounding markets.

**Competition** – Retailers take into consideration the concentration and location of competing retailers when considering whether to enter a specific market.

**Location, Location, Location** – The most repeated term in real estate is “location, location, location”, implying that this factor represents the three most important factors in deciding whether to invest at a specific location. Location is an all-encompassing criteria which takes into consideration all of the factors mentioned to this point, as well as other factors relating to the conditions of the surrounding establishments, the aesthetics of the surrounding area, the accessibility of the site, etc. This factor is most relevant at the “micro” level once a business has determined it wants to serve a particular market. That is, if it’s satisfied with the demand and income levels, location within the market (when choosing between several potential sites) becomes the more critical issue. The subject Site has various advantages which rate it highly from a locational standpoint. The traffic volumes at and near the site are significant. The site is easily accessible. The surrounding area presents potential synergies that can lead to more businesses at the subject Site. The Site is a corner lot and has frontage along two sides. These are all important location driven factors.

**Synergies** – Another key factor taken into consideration, particularly for retail driven location decisions, is the potential for synergies for other similar retail establishments. The slide titled “Synergies” shows several examples of various retail chains that prefer to co-locate with other retailers. For example, Neiman Marcus prefers to co-locate with Saks Fifth Avenue and Nordstrom’s retail establishments. The rationale is that these establishments target similar buyer profiles, and benefit from attracting a greater number of similar buyer profiles. The implication for this particular site is that in order to attract the upscale type of retailers, it is critical to take into consideration the challenge to attracting a mix of these retailers at a site that does not present a large regional market draw. Any strategy to attract a mix of upscale retailers is likely to be more successful when developing a larger parcel like the Hollywood Park Site which has the potential to attract a larger mix of uses that will have a more regional draw. The specific site in question (60-acre site) is more suitable for a local market draw (1-3 mile radius) that is reliant on the City’s well developed arterial roadway system.

**Conclusion** – The moderator concluded the presentation by outlining a potential development strategy for attracting a richer mix across types of development (commercial, retail, residential, etc) as well as the quality of developments. Given that the overall theme of the presentation was that Inglewood is underserved, and that there are various “obstacles” that stand in the way of the City being fully served, ultimately it is important to consider an “incremental” approach. The slide titled “Retail Development in Underserved Markets” uses a retail oriented approach to illustrate a progression approach to attracting a critical mass of
developments. From the perspective of this specific site, the moderator put forth the idea that the Site can play a role toward progressively attracting a more sustainable mix of developments, both in terms the type of use as well the class of developments. Moreover, the Site can play a role in attracting a critical mass that is needed to attract a more upscale mix of uses for the redevelopment of the Hollywood Park Site.
Appendix III - C: Opening Remarks by Panelists
There are some key questions to be addressed:

- How do we get to upscale?
  - The prevailing opinion is that we don’t have this type of retail product here and don’t know how to get there.
  - The presentation only discusses retail. There could be complementary uses, for instance, mixed-use, housing, condos, and/or office parks to develop incomes that would support upscale retail.
- Why is Inglewood underserved in terms of retail and why do retailers seek development in other places?
  - Often there is availability of land, but it is available in small parcels and cannot be used for retail (not talking about the 60 acres).
  - There may be regulatory or approval hurdles. Developers are very sensitive about the time it takes for any development to occur and the ease with which it can take place.
  - There are two important issues related to time to be taken into consideration for any development, city revenues that will be generated by the completed development and the cost to the developer of time delays. For instance, if a development is delayed by 6 months or a year or two in a certain community then that developer/development will not want to come back to that community and may not stick around and wait for approval if they can get it done somewhere else.

Two other points:

- Referring to the first slide, there was a clear discussion about how we view this parcel. The parcel is in the middle of the city geographically, but in my sense it is not the middle of the city in terms of the activity of the community. How will the development of this parcel shape the city in terms of:
  - The street pattern?
  - City flow?
  - The central core of city?
  - Informing us of housing needs, office space and other developments?
- Inglewood is in the middle of a large metropolis. If we put certain kinds of developments in, to what extent will people change their behavior and shop in Inglewood in response to different kinds of opportunities and actions? Retailers think about this a lot—how much of the traffic flow can be captured.
This 60-acre site is a rare resource, one of only 2 or 3 large properties in Los Angeles County that are relatively clean and without development. I am struck by the size of the site for conventional single-storied retail. The size could accommodate a major retail development requiring the involvement of at least two to three department stores. It is a site to plan strategically.

The traditional department store market is not expanding, with the exception of one new Macy’s. There are no new Robinsons May stores. Nordstrom is expanding because it is a new store. All the existing shopping malls and department stores have already saturated the market. The consumers’ view has changed from just “value shopping” in the malls to “experience shopping” resulting in a new style of retail that is occurring rapidly throughout Los Angeles County.

The key question to be asked while putting forth proposals for various kinds of retail development is what competition is there for consumers’ retail dollars? There are quite a few new developments coming up, for instance:

- Marina Del Rey
- Santa Monica
- South Bay

The above developments do not require huge properties. This 60-acre site can easily fit the Third Street Promenade or four of The Grove (at the intersection of Fairfax and Third).

I reiterate my point of being surprised by the size of the property and the focus being only on retail development. The site is sufficiently large to accommodate mixed-use development. Waiting is of significant consequence because the market will move on; developers will seek new opportunities in other places and this is a fact of life and the market.

The definition of upscale is very fuzzy. It doesn’t necessarily refer to income level of the shoppers. Twenty to thirty percent of the shoppers at the Santa Monica Third Street Promenade do not have above average income levels but they go there for the experience. If you look at surveys of shoppers’ behavior, people earning $300,000 or $40,000 go shopping at the same store, but for different items. So the definition of upscale shopping cannot be termed as only “luxury” or “top-end” department stores.

Market competition talks about inclusion that should lead to consideration of other uses on the property. It is important to consider how this property fits into Inglewood and to resist the temptation of being viewed as an island functioning as a separate entity.
Leonard Mitchell, Esq.
Clinical Professor, School of Policy, Planning, and Development
Executive Director, USC Center for Economic Development
University of Southern California

I see Inglewood as a Sports Mecca because the Lakers were here. Everyone identified them as the LA Lakers and not the Inglewood Lakers. Inglewood should have enjoyed the identification and should have reaped a greater benefit for hosting them. Even Hollywood Park should have had a greater impact on Inglewood.

My vision for this large piece of land is entertainment, with this city being a location and destination for entertainment. This includes entertainment of all types, both retail and wholesale production capacity. The Lakers produced a product; an entertainment product. I see the continuation of that relationship with the City of Inglewood being a producer community rather than only a consumer community. I see Inglewood as producing high paying jobs, jobs for people who live here. The creative energy exists, the demand for cutting-edge facilities exists; I would like to see Inglewood combine those forces and become a production destination for people world-wide, who will keep it on the cutting-edge.

This 60-acre site is a platform for Inglewood to expand its production capacity. During the course of this conversation, there can be strategies discussed as to how to optimize the production of jobs not only from the 60-acre site but also considering the race track site because I anticipate the race track moving or transitioning into something else in the near future.
Greg Whitney  
Los Angeles County Economic Development Corporation (LAEDC)  

Greg Whitney acknowledged that LAEDC was hired by Wal-Mart to research and study the advantages and disadvantages of Wal-Mart coming into California community. He was not personally involved in the study.

The key issues to consider while developing this site:

- Its real estate aspect
- The geographic location of the site
- The values of the community
- The generation of jobs and income, particularly high per-capita wages
- Whether economic activity in this site is a driver that will create other activities or if it would be a “stand-alone”.

Per LAEDC studies, manufacturing pays over 50 percent more than the average wage in California. It also provides benefits, a living wage, and has a multiplier effect with respect to service providers and suppliers. The 60-acre site is one of the largest development sites in Southern California when you include the race track. It has the size to accommodate almost all kinds of uses with compatible proximity to one another.

Inglewood certainly has the chance to increase the opportunities of income density, per capita income, high paying services and demand by including a variety of housing opportunities on the site. There is room for many other uses on site by catering to different economic strategies dealing with short-term, mid-term and long-term goals, maximizing the benefit of the site for the community.

Investment for any development is made by weighing risk versus reward. Investment of individual dollars of the developers certainly has more weight in the decision process and success depends on the certainty and timing of the development process, behavior of the community towards the investment, behavior of the communities around it, and community and company competition. The important thing to bear in mind is to go forward with some certainty of the type of development you desire.
Appendix III - D: Summary of Public Comments
Residents are referred to in the order in which they spoke (Resident 1, Resident 2, etc.). Some residents spoke more than once and may be referred to by multiple titles (i.e. Resident 3, Resident 7).

Resident 1 spoke about the “experience” of Inglewood. He expressed his hope that the development of the site would be one of the biggest developments in Los Angeles County. He approved of the process of gathering community involvement because it forces the community to question its identity, to think about community development, and to consider the role of the minority community. Resident 1 also said that Inglewood should diversify and bring in playhouses, jazz venues, and more schools. He thought the city should have an experience based on an ethnic theme and on what attractions would allow the city to recoup its costs of development. Finally, he spoke about the development potential of Inglewood based on its location near many important transportation hubs of the Los Angeles region.

Resident 2 agreed with Raphael Bostic about the multiple possible uses for the site. He argued that the main emphasis of the development should be to bring tax dollars back into the city. He also praised the “marvelous” suggestion about potential sports development. He questioned, though, what kind of sporting event would be likely to come to Inglewood? Finally, he expressed his concern that high-end retail development might result in empty parking lots.

Leonard Mitchell replied to Resident 2’s question by saying that Inglewood’s demographics show a potential for development in the sports and entertainment industry. It is high time, he said, that community leaders realize that there is a critical mass in Inglewood that demonstrates that developing such an exemplary industry is well within the City’s capacity. Mr. Mitchell’s main message was that the community should “think big” when deciding how to develop the sixty acre site.

At this point the moderator posed a question to Raphael Bostic. He mentioned the proposal to build 397 housing units adjacent to the development site, and the retail leakage currently occurring in the city of Inglewood. He then asked Dr. Bostic if the community should be thinking about the direction of housing development or be working on the retail leakage problem.

Dr. Bostic replied by saying that he did not think it was an either/or question. In Southern California, he pointed out, there is a housing shortage; four hundred, six hundred, or one thousand housing units are not going to saturate the demand. Housing is never going to be a bad choice. He argued that a community can have housing, retail, entertainment, and sports if it is planned properly, sensibly, and with a vision. Referring back to Dr. Mitchell’s point, Dr. Bostic stressed the importance of having a vision for a broader area. It may make sense to think about the Hollywood Park area, the Forum and how they relate to the development site under consideration. He encouraged the community to shoot high to make this area one of the best experiences in Southern California and in the United States. Finally, he urged community cooperation, especially in the face of hurdles sure to appear in the later stages of the project.

The moderator then asked for further clarification of how closely the future of the development site could affect the future of the surrounding area, and vice versa.
Dr. Bostic brought up the example of Pasadena, a city that passed an ordinance stating that all development must be mixed-use. He disagreed with the creators of the ordinance, saying that local government cannot dictate the market. Local government can, however, create a flexible framework for developers. He reiterated the need for housing in all of Southern California, not just Inglewood, and expressed his opinion that the project should include housing with other well-integrated uses.

James Regan stated his view that “upscale retail” in the last five years has not meant Neiman Marcus. He explained that developers do not want to assume risk, so most developments conform to a pattern that has been proven to be successful. Housing development is currently much more profitable than retail development in Southern California. He points out the recent trend in adding entertainment to traditional shopping developments, to make the act of shopping more of an “experience.” Finally, he points out that with retail-only developments, the only benefit to the city is the collection of sales tax revenue; no social capital is created.

The moderator asked what the market would do on its own, and if the site could support a ten or twelve acre mixed-use retail development.

Mr. Regan replied that eight out of ten developers would develop housing on the site, if they were allowed free reign, because housing will sell and rent faster than anything else. To make a profit on a 100 percent retail development, he explained, the retail development would have to be big box.

Resident 3 expressed concern with the expansion of Los Angeles International Airport (LAX), arguing that plans for the expansion of the airport make it hard to plan for the future. LAX threatens the city because of noise and environmental issues. Resident 3 asked for comment from the panelists on how the city could deal with the threat of LAX.

Greg Whitney gave the example of Newport Beach as an economically successful community in the flight path of an airport (John Wayne). He urged the city to accept the fact that LAX will expand and work hard to find ways to improve the quality of life.

Resident 4 asked the panelists what unique tools the city might have for dealing with the development site because it is in a special redevelopment area.

James Regan replied that the city can collect property tax increments, with 20 percent of tax increment for affordable housing and use the remainder to eliminate both economic and physical blight in the area. City agencies can purchase land, sell it for development at cheaper rates, sell at current rates, and borrow money to facilitate the elimination of blight. The money can also go toward infrastructure improvement, offsite development costs, and direct assistance for the project.

Resident 5 expressed his desire to see the city of Inglewood work with Wal-Mart to bring a Wal-Mart store to the city.

The moderator responded that there is no current proposal from Wal-Mart.
Mr. Mitchell pointed out that Wal-Mart owns the land, and that Wal-Mart has met some of the prerequisites for development. He said that this may put some constraints on the redevelopment agency that might not otherwise exist. He also pointed out that Wal-Mart, as a global trader, is subject to the World Trade Organization (WTO), and which may place additional constraints on the city’s ability to negotiate with Wal-Mart.

Mr. Mitchell also pointed out that such a use as Wal-Mart would, in fact, generate a large amount of tax revenue, but that he could think of other uses that would be better for the community in the long run. He reminded the audience of his entertainment production facility idea, with retail and housing accompanying the complex.

Dr. Bostic stated that he believed that Mr. Mitchell’s vision could be applied to the 60-acres in question. He pointed out that retail provides more tax revenue for local communities, but argued that building communities is about more than tax revenue. He urged the audience to consider the effects that the project would have on the character of the community, both currently and in the future.

Resident 6 spoke of the changes he has seen on the site over the year. He expressed his concerns about the development, and pointed out the example of the Crenshaw Mall which he felt had gone downhill over the years. He expressed his opposition to big box retail on the development site, saying it didn’t fit with the surrounding area. Resident 6 said that he thought the best use for the site would be professional offices. He also expressed his concern with the perception of minority communities, and the veracity of the reports that have been done on those communities.

The panelists pointed out that retail is the highest direct revenue source for a community, but reminded the audience that communities cannot be supported by a retail labor force. They also pointed out the housing revitalization efforts at Paseo Colorado in Pasadena and the loft apartments in Los Angeles, and how those efforts have led to retail to complement the housing.

Resident 7 agreed with Dr. Bostic’s comments and argued that earlier projects in the area had failed because they had not had a coherent plan. She lauded the efforts to build the current project using such a plan, and expressed a desire to see a mixed-use project on the site. She hoped that the project would blend in well with the city and not become an “island” in the middle of the community.

Resident 8 reminded the panel that Wal-Mart had been rejected by the Planning Commission. She expressed a desire to see Kohl’s built on the property. Finally, she inquired as to how tall a building could be built on the site, citing the possibility of condominiums, possibly for senior citizens, as a possible use.

Dr. Bostic pointed out that many of the issues of developing the site are about having the will to act in a timely matter in the political arena. He stressed the importance of having “all the forces aligned” to streamline the process. Without such a process, he argued, developers would be scared away from the project.
Resident 9 pointed out to the importance of tenant mix in any project, housing or retail, and praised the idea of mixed-use. She expressed a desire to attract an artist community, through establishment of an entertainment district and of construction of artists' lofts. She asked what the next step is after the community figures out what it wants.

Resident 10 expressed the desire to see single-family affordable housing built on the site. As alternatives, he suggested the possibility of a university or a golf course.

The moderator reminded the audience that the “next step” will be addressed by the council.

Resident 11 brought up the point that Inglewood does not have a long-term care facility and that such a facility would be desirable for Inglewood seniors. In addition to a senior facility, Resident 11 expressed interest in a concert hall for jazz, blues, and R&B in the community, so residents would not have to go outside of the community for entertainment. She also suggested a small convention center, outdoor restaurants, and retail.

Resident 12 expressed satisfaction with the process so far, because of the community input and the feedback from professionals. He expressed his hope that there will be a record kept of suggestions and what validity they may have later in the process. In addition to the vision of the community, he was interested in hearing the vision of the developer for the site in order to have all ideas presented. There are so many options, he said, that the community should be sure to hear all of them in order to make the best decision for the site.

The moderator summarized the suggestions brought up as housing (more specifically affordable housing), mixed-use development, entertainment, and retail (in order to attract residents from other communities). He also reminded the audience that several questions regarding the “highest and best use” of the site from a fiscal standpoint had been raised. Based on the comments and questions thus far, he deduced that there was a consensus for mixed-use development on the site and in the city as a whole. He then addressed the audience, asking, “How many of you know the current fiscal situation of the city?” He continued, explaining that Inglewood is in a deficit. He then asked about the job situation in Inglewood, inquiring if it was fair, good, or poor. This site, he argued, is not the only site awaiting development in Inglewood, but it is a great opportunity for the community to shape a part of Inglewood’s future and help resolve its fiscal and job situation. He posed a final question, asking the participants about their reaction to this opportunity of using the site as one step in resolving larger problems in Inglewood.

Resident 13 immediately reacted to this statement, inquiring as to what affect the development on this site would have on future development. He expressed his view of the project as pivotal in shaping the future of Inglewood, explaining that what goes on this site will set the precedent for other such sites. The moderator responded by asking Resident 13 what he would see as a negative use for the site, a use that would encourage other negative uses. Resident 13 explained that negative uses would be types of development that do not suit the community. The moderator asked Resident 13 to give a specific example of a use that would not suit the community. Resident 13 responded that a 99 cent store, a pawn shop, a tattoo parlor, and a massage parlor were examples of unwanted uses and would have a negative impact on future development in Inglewood.
After hearing this idea about uses incompatible with the site and the community, the moderator asked Resident 13 what uses would be compatible with the site and the community. Resident 13 responded that he would like to see development that matches what already exists in Inglewood. He explained that a Wal-Mart, for example, would not be compatible with the $300,000 and $400,000 homes that currently exist in the area. The moderator then asked what uses would compliment the housing in the area. Resident 13 responded by saying that big box retail would be appropriate in western Inglewood, in order to centralize traffic and not add to the high traffic levels that already exist in the area of the site.

To clarify this position, the moderator asked, “So the issue of immediate fiscal revenue and job creation does not apply to this site, in your mind?” Resident 13 replied that in the past two years, the governor has already taken all the revenue the city would make. After two more years, he felt that perhaps the issue of revenue generation could be addressed; though even after two years, revenue would depend on the fiscal situation of the state. Regardless, he explained, the community must put something in the site that adds to the future of Inglewood.

Resident 14 said that employment in Inglewood is hampered by insufficient educational opportunities; even if more jobs existed in the community, Inglewood residents do not have the skills to obtain such jobs. According to Resident 14, the first step to rectifying this project should be job training facilities that teach technical skills, nursing, and paralegal skills; otherwise such positions will be filled by those from outside the community.

Resident 15 explained that he did not see the relevancy of the fiscal situation of the city regarding new development because the fiscal situation can change but development is static. To him, it did not make sense to build something as a “quick fix” for the current deficit. He did however, like the ideas of mixed-use development and entertainment. Moreover, he recognized the potential that the site holds for Inglewood, the potential to build something great, worthy of world attention. He concurred with the moderator that the community should have a long-term outlook.

Resident 16, who stated that he had attended approximately three or four meetings similar to this one, inquired as to how many more meetings would be held. He went on to say that he liked the idea of mixed-use development, a community center, and also “districts” or themes created in different parts of the city. For example, he said, the Manchester area could be an arts district. He expressed dissatisfaction with the lack of stores such as Barnes and Noble and Trader Joe’s in Inglewood. Resident 16 concluded by expressing his desire to see more concrete progress, such as an implementation timeline for the project.

Resident 18 began by talking about the deficit problem. He told of how the Hollywood Park Casino “saved” the city at the time of its construction and of how Inglewood needs a similar
source of tax revenue now. He expressed the feeling that there needs to be a balance between housing and revenue creation. He again brought up the idea of allowing Wal-Mart to build a small store on the site.

Resident 19, employed by the Economic Development office, agreed with the need for housing and with the idea that, at some point, the market for retail development becomes saturated. Yet, he felt that job creation has been neglected, saying: “Houses are bought by people that work; retail is supported by people that work.” He expressed hope that any plan for the site would include uses that provide jobs for the residents, as part of the larger strategy of improving the economy. He also felt that Inglewood has been “skipped over” in terms of development and that to combat this neglect, Inglewood must find a way to maximize the productivity of its land, especially its vacant lots.

Resident 20 felt that certain things such as rent control are appropriate while in a deficit in order to prevent residents from being displaced.

In concluding, the moderator summarized the view of the panelists that residents should look at the larger context of development. He then recapped other topics brought up by the panelists such as the need for housing, mixed-use development, entertainment, and economic development. The community, he said, spoke about the need for quick action, a timeline, community involvement, and consideration of a broad range of uses (commercial, residential, civic, and entertainment).
Appendix III - E: Closing Remarks from Community Development Committee Members
In Councilman Morales’ closing statement he acknowledged that the input of professionals and residents has given the council another view of the situation that has developed in the past year. He addressed one of the speakers who was concerned about a possible zoning change, saying that zoning may be a problem. This is, he says, why the meeting took place and why the owner of the property needed the help of the council, because his attempts to change the zoning failed. Due to the emotional election on April 6th, allowed by the owner of the property, the council does not intend to go against the residents. The residents made a particular decision and should be allowed the power to change it as they see fit. This is why the community development committee decided to facilitate a process that involves the community and the owner of the property. He then encouraged feedback and involvement from other community members who view the recording of the proceedings. He felt that the proceedings greatly expanded the foreseeable options for the site and opened the minds of the community and the development council.

Councilman Price’s closing statement reiterating the enormous potential of the site and its ability to generate tax revenue, jobs, and new opportunities. He expressed gratitude to the panelists and to the community for their input. He recognized the community’s vested interest in the development of the site and emphasized the council’s commitment to finding the highest and best use for the site. In terms of the next steps, he says, there are several to be considered such as creating a record and summary of the proceedings, continuing to engage the citizens in discussion, and to more fully engage the property owner in the discussion of concerns and suggestions raised by the community.