

Florence-Firestone Community Plan



Market Feasibility Analysis

Prepared by:

URS

June 2010

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1-1
1.1	PURPOSE.....	1-1
2.0	BACKGROUND.....	2-1
2.1	PLAN AREA.....	2-1
2.2	BRIEF SUMMARY OF VISION PLAN.....	2-2
3.0	SOCIOECONOMIC ANALYSIS.....	3-1
3.1	POPULATION.....	3-1
3.2	HOUSEHOLDS.....	3-2
3.3	RACIAL AND ETHNIC BACKGROUND.....	3-4
3.4	LANGUAGE SKILLS.....	3-5
3.5	AGE DISTRIBUTION.....	3-6
3.6	EDUCATIONAL ATTAINMENT.....	3-8
3.7	INCOME.....	3-9
3.8	EMPLOYMENT AND OCCUPATION PROFILE.....	3-11
3.9	VEHICLE AVAILABILITY.....	3-15
3.10	TRANSPORTATION TO WORK.....	3-15
3.11	HOUSING.....	3-16
3.12	ECONOMIC DEVELOPMENT WEAKNESSES AND OPPORTUNITIES.....	3-1
	3.12.1 Weaknesses.....	3-1
	3.12.2 Strengths.....	3-3
4.0	RETAIL MARKET ANALYSIS.....	4-1
4.1	MARKET AREA AND CONDITIONS.....	4-1
4.2	COMMERCIAL CORRIDORS.....	4-1
	4.2.1 Number and Types of Properties along Major Corridors.....	4-3
	4.2.2 Implications for Economic Development.....	4-7
	4.2.3 Number and Types of Commercial Properties around Blue Line Stations.....	4-8
	4.2.4 Extent and Utilization of Commercially Zoned Properties.....	4-12
4.3	EMPLOYMENT CHARACTERISTICS.....	4-18
4.4	MEDIAN INCOME, EFFECTIVE BUYING INCOME AND CONSUMER SPENDING PATTERNS.....	4-18
	4.4.1 Median Income.....	4-18
	4.4.2 Effective Buying Income.....	4-18
	4.4.3 Consumer Spending Patterns.....	4-18
4.5	RETAIL GAP ANALYSIS BY SECTOR.....	4-20
	4.5.1 Motor vehicle and Parts Dealers.....	4-20
	4.5.2 Furniture and Home Furnishings Stores.....	4-22
	4.5.3 Electronics Stores.....	4-22
	4.5.4 Building Materials and Garden Supply Stores.....	4-23
	4.5.5 Food and Beverage Stores.....	4-23

4.5.6	Health and Personal Care.....	4-24
4.5.7	Gasoline Stations	4-25
4.5.8	Clothing and Clothing Accessories.....	4-25
4.5.9	Sporting Goods, Hobby, Book, and Music Stores	4-25
4.5.10	General Merchandise Stores	4-26
4.5.11	Miscellaneous Store Retailers.....	4-26
4.5.12	Food Service and Drinking Places.....	4-26
4.5.13	Entertainment.....	4-27
4.6	SUMMARY OF FINDINGS FOR RETAIL MARKET ANALYSIS	4-27
5.0	INDUSTRIAL.....	5-1
5.1	HISTORY	5-1
5.2	DESCRIPTION OF EXISTING CONDITIONS.....	5-1
5.3	DEMAND FOR INDUSTRIAL AND WAREHOUSING DISTRIBUTION SPACE.....	5-2
5.4	ANALYSIS OF INDUSTRIAL ECONOMIC IMPACT DATA	5-3
5.4.1	Businesses and Employees per Business by Industry.....	5-3
5.4.2	Sales per Business by Industry	5-4
5.4.3	Comparison of Business Indicators	5-4
5.5	MAJOR ASSETS AND LIABILITIES	5-6
5.6	ANALYSIS OF MARKET CONDITIONS	5-7
5.6.1	Viability of New Industrial Development.....	5-7
5.6.2	Opportunity for Green Industry	5-7
5.6.3	Opportunity for Eco-Industrial Uses.....	5-8
5.6.4	Analysis of Opportunity Sites.....	5-9
5.7	SUMMARY OF FINDINGS FOR INDUSTRIAL MARKET ANALYSIS.....	5-11
6.0	ECONOMIC DEVELOPMENT STRATEGIES.....	6-1
6.1	GENERAL ECONOMIC DEVELOPMENT STRATEGIES	6-1
6.1.1	Implementation of Strategic Plan for Enhancing Employment Opportunities for Residents of Florence-Firestone.....	6-1
6.1.2	Employee Training.....	6-1
6.1.3	Small Business Assistance Program	6-2
6.1.4	Micro-Lending Programs.....	6-4
6.1.5	California Industrial Development Bonds	6-4
6.1.6	Special Zone Designations.....	6-5
6.2	FLORENCE-FIRESTONE SPECIFIC ECONOMIC DEVELOPMENT STRATEGIES.....	6-7
6.2.1	Retail Strategies	6-7
6.2.2	Industrial Strategies	6-13
7.0	MARKET ANALYSIS CONCLUSION	7-17

LIST OF TABLES

Figure 2-1 Florence-Firestone Study Area 2-1

Table 3-1 Population and Density 3-1

Table 3-2 Population Growth..... 3-2

Table 3-3 Household Growth..... 3-3

Table 3-4 2009 Estimated Households by Household Type..... 3-3

Table 3-5 2009 Estimated Households by Household Size 3-4

Table 3-6 2009 Est. Population by Race..... 3-5

Table 3-7 2009 Estimated Population Age 5+ by Language Spoken At Home 3-6

Table 3-8 2009 Estimated Population by Age 3-7

Table 3-9 2009 Estimated Population Age 25+ by Educational Attainment..... 3-8

Table 3-10 Income 3-9

Table 3-11 2009 Est. Households by Household Income 3-9

Table 3-12 2009 Estimated Poverty Status of Families by Family Type by Presence of Related
Children Under 18 Years by Age 3-10

Table 3-13 2009 Est. Pop 16+ by Occupation Classification 3-11

Table 3-14 2009 Est. Civilian Employed (Population Age 16+) by Occupation 3-12

Table 3-15 Industry Location Quotient..... 3-13

Table 3-16 2009 Est. Households by Number of Vehicles 3-15

Table 3-17 2009 Est. Workers Age 16+, Transportation to Work 3-16

Table 3-18 2009 Est. Tenure of Occupied Housing Units..... 3-16

Table 3-19 2009 Est. Housing Units by Units in Structure..... 3-17

Table 3-20 2009 Est. Housing Units by Year Structure Built 3-18

Table 4-1 Commercial and Industrial Use Designations – Major Corridors 4-2

Table 4-2 Pre-1960 Commercial and Industrial Buildings – Major Corridors 4-3

Figure 4-1 Existing Land Use within Slauson Station District..... 4-9

Figure 4-2 Existing Land Use within Florence Station District..... 4-10

Figure 4-3 Existing Land Use within Firestone Station District..... 4-11

Table 4-3 C-2 Zoning by Use and Area 4-15

Table 4-4 C-3 Zoning by Use Code and Area 4-16

Figure 4-4 Vacant Properties with Commercial, Industrial and Government Use Codes (2009 Tax
Roll) 4-17

Figure 4-5 Aggregate Household Spending Profile 4-19

Table 4-5 Retail Sales Gap Analysis Summary 4-21

Table 5-1 Industry by Number of Employees and Businesses 5-3

Table 5-2 Industry by Number of Businesses and Sales 5-4

Figure 5-1 Comparison of Sales in Millions per Business by Industry 5-5

Figure 5-2 Comparison of Employees per Business by Industry 5-6

LIST OF FIGURES

Figure 2-1 Florence-Firestone Study Area 2-1
Figure 4-1 Existing Land Use within Slauson Station District 4-9
Figure 4-2 Existing Land Use within Florence Station District 4-10
Figure 4-3 Existing Land Use within Firestone Station District 4-11
Figure 4-4 Vacant Properties with Commercial, Industrial and Government Use Codes (2009 Tax Roll) 4-17
Figure 4-5 Aggregate Household Spending Profile 4-19
Figure 5-1 Comparison of Sales in Millions per Business by Industry 5-5
Figure 5-2 Comparison of Employees per Business by Industry 5-6

1.0 INTRODUCTION

1.1 PURPOSE

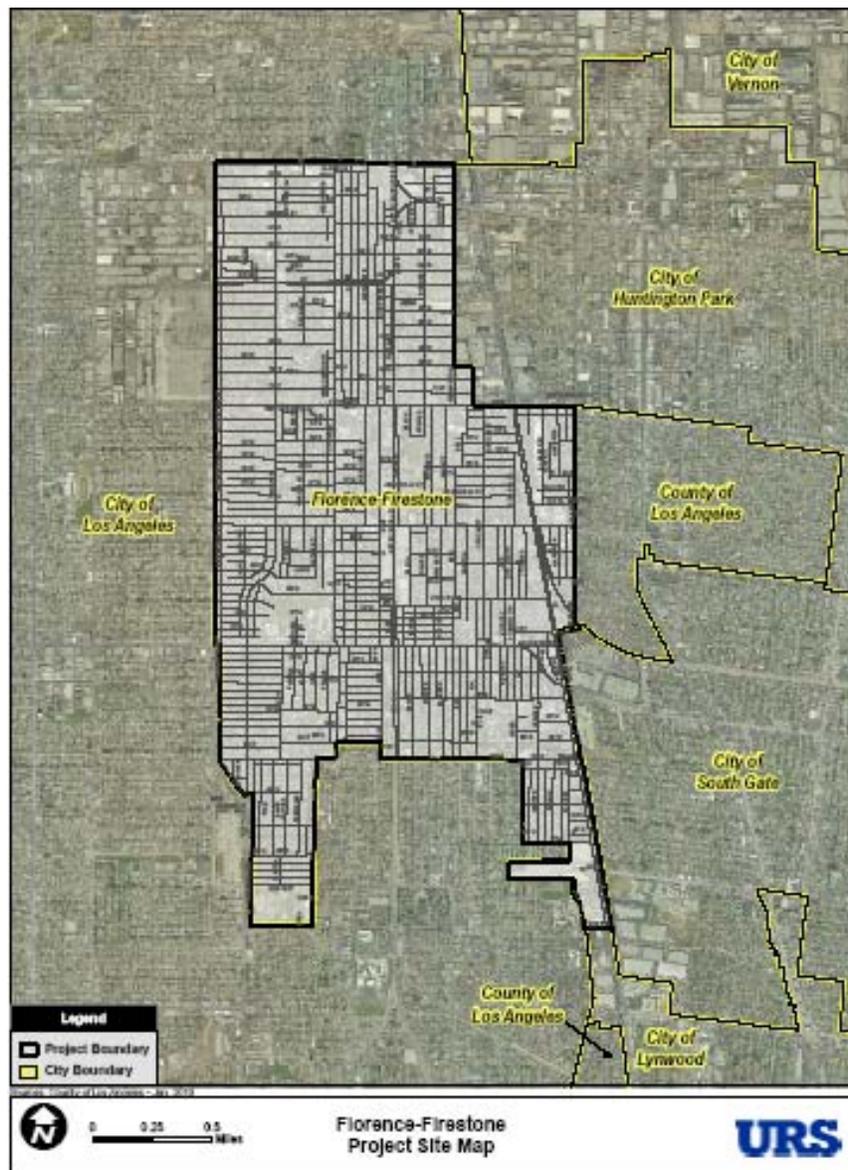
- To develop an industrial business development and attraction strategy and a retail demand and attraction plan that address the key economic development issues identified in the Florence-Firestone Vision Plan to help inform land use strategies
- Identify current market state within Florence-Firestone
- Identify market opportunities and constraints that impact the feasibility of commercial and industrial development
- Identify consumer expenditure patterns and areas of leakage and future opportunities
- Provide a strategic recommendations regarding current and future commercial, retail, and industrial development

2.0 BACKGROUND

2.1 PLAN AREA

Florence-Firestone is a 3.6-square-mile unincorporated area of Los Angeles County that is bounded on the north and west by the City of Los Angeles, to the east by the City of Huntington Park and the unincorporated Los Angeles County community of Walnut Park, to the northeast by the City of Vernon and to the southeast and south by the City of South Gate and City of Lynwood, respectively (Figure 2-1). The community lies approximately 6 miles to the south of downtown Los Angeles.

FIGURE 2-1
FLORENCE-FIRESTONE STUDY AREA



Florence-Firestone has a long industrial history reaching back to 1917, when the first tire manufacturing plant opened on Central Avenue. In the late 1920s and through the 1930s the area's industrialization continued and the association with the automobile industry was solidified. Over the years the mix of industries has changed but the area has always retained an industrial base because of its transportation infrastructure—eight major arterials, good freeway access, the development of South Alameda as a multi-modal corridor, railway access for manufacturers, and three Metro Blue Line stations. In 2009, manufacturing establishments employed 9.8 percent of the people working in Florence-Firestone.

As is detailed in Section 3.0 below, Florence-Firestone is relatively poorer than the surrounding areas. English is spoken at home as the primary language in less than one-quarter of households, and less than 30 percent of adults over the age of 25 have a high school or equivalent education. As a result, more than half of the employed workforce age 16 and older holds blue-collar jobs and the unemployment rate among area residents is high. These socioeconomic characteristics place the area at a disadvantage with respect to the types of jobs and commercial activity it has recently been able to attract. The better paying jobs have gravitated to surrounding areas, and regional and national retailers have largely given the area a pass. As a result, the retail community in Florence-Firestone is substantially home-grown—small independent retailers and service providers. The characteristics of the businesses in the area reflect the population, which is predominately Latino.

Concerns over the level of economic development in Florence-Firestone and social problems associated with protracted poverty have instigated several studies focused on different aspects of these issues. There has been substantial community involvement in these efforts, most notably in the development in 2008-2009 of the long-range Vision Plan.

2.2 BRIEF SUMMARY OF VISION PLAN

The Florence-Firestone Vision Plan was developed through an inclusive and collaborative process that included several community workshops. The primary focus was to assess what changes to the built environment could be made and what programs could be put in place to improve the quality of life for area residents. Over the course of four months, residents, members of the business community, County Supervisors, and representatives from County departments worked with consultants to sketch out a direction and set priorities for achieving the overarching goal of putting in place “the basic necessities for a stable and healthy quality of life.”

In charting this course of action, participants identified four economic issues of concern:

- **Lack of Jobs** – Too few jobs exist in the area relative to the number of working-age residents. Using 2009 estimates from Claritas, one finds that there was only one job in Florence-Firestone per 8 residents age 16 or older and that many neighboring communities are job-rich by comparison. The ratio in neighboring Huntington Park was one job per 3.3 working-age residents. The ratio in South Gate was similar—one job per 3.1 working-age residents. The City of Los Angeles, meanwhile, provided 9.2 jobs for every 8 residents age 16 or older, and the County taken as whole had 19.4 jobs for every 8 residents.
- **Lack of Diversity in Jobs** – The jobs existing in Florence-Firestone are predominantly blue-collar or retail trade jobs offering relatively low wages. Jobs in the finance and service sectors that generally pay higher wages are underrepresented in Florence-Firestone. Claritas 2009 estimates reveal that only 3.4 percent of area jobs in Florence-Firestone were classified as Management, Business, and Financial, while the comparable figure for the County as a whole was 13.4 percent. Similarly, about 6 percent of Florence-Firestone jobs were classified as Professional and Related Occupations, while in the County this group accounted for 20.7 percent of all jobs according to Claritas 2009 estimates. Further detail is provided in Section 3 below.
- **Lack of Commercial Diversity** – In the Vision Plan, Florence-Firestone residents identified two specific areas of concern: the limited number of supermarkets serving the area and the lack of big-box stores. Both concerns seem to have already been addressed, though not within the strict confines of Florence-Firestone. A new supermarket is scheduled for construction on the northwestern boundary of Florence-Firestone while a Wal-Mart is planned in close proximity to the south. Other issues that remain are discussed in Section 4 below.
- **Limited Opportunities for Job Training and Occupational Education** – Concern was expressed that area residents did not have easy access to the tools that would help them lift the area out of poverty. This continues to be a concern given the current state of the economy and the dwindling resources available for small business assistance. There are bright spots on the horizon, however, with the expansion of the East Los Angeles College Educational Center at South Gate. Additional avenues to expand educational opportunities are discussed in Section 5.

3.0 SOCIOECONOMIC ANALYSIS

Demographic characteristics provide a useful context in which to discuss the potential for economic development in Florence-Firestone. In isolation, they provide a glimpse into the characteristics of the area’s residents. In combination with and in comparison to the County’s figures, they provide a report card on local progress toward more widespread goals. As an entry point for many of the nation’s immigrants, the County is seen as a predictor of national racial and ethnic trends and as a benchmark for economic health. In determining economic development strategies for Florence-Firestone, it is important to analyze the demographic and socioeconomic profile, as well as how the area shapes and is shaped by the demographics of the larger region. Except where otherwise noted, all numbers used in this analysis are 2009 Claritas estimates.

3.1 POPULATION

Florence-Firestone has 69,256 residents, representing less than one percent of the County’s population (Table 3-1). With an area of 3.5 square miles, Florence-Firestone occupies 0.09 percent of the County’s land area. The population density for Florence-Firestone is significantly higher than the County average. Population density for Florence-Firestone is 7.9 times that of the County average.

**TABLE 3-1
POPULATION AND DENSITY**

REGION	2009 POPULATION ESTIMATE	AREA (SQ. MILES)	DENSITY (PERSONS PER SQ. MILE)
Florence-Firestone	69,256	3.5	19,787
County of Los Angeles	10,154,857	4060.9	2,500
Florence-Firestone as % of County	0.68%	0.09%	791%

Source: Claritas, 2009 Estimates

Florence-Firestone has grown at a rate higher than the County during the last nine years. Between 2000 and 2009, Florence-Firestone grew by 10.9 percent, from 62,467 in 2000 to 69,256 in 2009. During the same period the County grew by 6.7 percent (Table 3-2). Florence-Firestone’s share of County population increased from 0.66 percent in 2000 to 0.68 percent in 2009. Florence-Firestone’s population is projected to reach 73,863 by 2014, and the area is expected to grow by 6.6 percent during the next five years, a rate slightly higher than the County.

Even though there is a wide disparity between rates of population growth within cities and unincorporated areas, population expansion is expected to continue throughout Los Angeles County. The County's population is projected to reach 11.2 million by the year 2020, an increase of 1.1 million residents over the next 10 years.¹ Assuming Florence-Firestone carries its fair share of growth, nearly 7,225 new residents will be added by 2020, presenting opportunities as well as strain on resources and social services. Hence, the County's economic development strategies must consider the consequences of current and future population growth in order to ensure that opportunities will exist for all residents.

**TABLE 3-2
POPULATION GROWTH**

POPULATION	FLORENCE-FIRESTONE	LA COUNTY
2014 Projection	73,863	10,654,722
2009 Estimate	69,256	10,154,857
2000 Census	62,467	9,519,338
1990 Census	59,472	8,863,128
Growth 2009-2014	6.65%	4.92%
Growth 2000-2009	10.87%	6.68%
Growth 1990-2000	5.04%	7.40%

Source: Claritas, 2009 Estimates

3.2 HOUSEHOLDS

The generally accepted definition of household is a person or group of people who occupy a single housing unit as their usual place of residence. There are 15,206 households in Florence-Firestone. Households in Florence-Firestone grew at a rate of 9.1 percent between 2000 and 2009, nearly double the County average. According to Claritas estimates, households in Florence-Firestone are expected to increase by 6.1 percent between 2009 and 2014, compared to 4.4 percent for the County (Table 3-3).

There are significantly more family households in Florence-Firestone than in the County, 86.9 percent as opposed to 68.1 percent for the County (Table 3-4). Correspondingly, there are fewer non-family households in Florence-Firestone, accounting for 13.1 percent of total households, significantly lower than County's 31.8 percent.

¹ Source: State of California, Department of Finance, *Population Projections for California and Its Counties 2000-2050, by Age, Gender and Race/Ethnicity*, Sacramento, California, July 2007.

**TABLE 3-3
HOUSEHOLD GROWTH**

HOUSEHOLD GROWTH	FLORENCE-FIRESTONE	LA COUNTY
2014 Projection	16,139	3,436,457
2009 Estimate	15,206	3,291,970
2000 Census	13,933	3,133,774
1990 Census	13,541	2,989,542
Growth 2009-2014	6.14%	4.39%
Growth 2000-2009	9.14%	5.05%
Growth 1990-2000	2.89%	4.82%

Source: Claritas, 2009 Estimates

There are more households of Hispanic or Latino origin in Florence-Firestone compared to the County. Approximately four-fifths (81.8 percent) of all households are of Latino or Hispanic origin. In comparison, Hispanic or Latino households account for 35.3 percent of all County households.

**TABLE 3-4
2009 ESTIMATED HOUSEHOLDS BY HOUSEHOLD TYPE**

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Family Households	13,218	86.93%	2,244,183	68.17%
Nonfamily Households	1,989	13.08%	1,047,787	31.83%
TOTAL	15,206	100.0%	3,291,970	100.0%

Source: Claritas, 2009 Estimates

On average, household size in Florence-Firestone is much larger than in the County. The average household size is 4.5 people per household for Florence-Firestone. Comparatively, average household size for the County is 3 people per household. Nearly 10.1 percent of the households are 1-person households in Florence-Firestone compared to 24.4 percent for the County. Approximately 63.2 percent of the households in Florence-Firestone are 4-person or more households compared to 34.1 percent for the County (Table 3-5). In fact, the proportion of 7-person or more households in Florence-Firestone is over 3 times the County average.

TABLE 3-5
2009 ESTIMATED HOUSEHOLDS BY HOUSEHOLD SIZE

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
1-person household	1,533	10.08%	801,793	24.36%
2-person household	1,923	12.65%	847,428	25.74%
3-person household	2,137	14.05%	521,378	15.84%
4-person household	2,656	17.47%	480,655	14.60%
5-person household	2,386	15.69%	298,128	9.06%
6-person household	1,789	11.77%	163,481	4.97%
7-person-or-more household	2,782	18.30%	179,107	5.44%
TOTAL	15,206	100%	3,291,970	100%

Source: Claritas, 2009 Estimates

3.3 RACIAL AND ETHNIC BACKGROUND

Florence-Firestone is a dynamic place that is undergoing growth and rapid change. It has a distinct identity framed by its geography, people, and cultures. Latinos/Hispanics are the largest racial/ethnic group in the Florence-Firestone, comprising 88.7 percent of the population. Latinos/Hispanics are a heterogeneous group from diverse countries; however, nearly 80.6 percent of the Latinos/Hispanics in Florence-Firestone are of Mexican origin. In comparison, 71.4 percent of the Latinos/Hispanics in the County are of Mexican origin. Here are some of the salient demographic features of Florence-Firestone (Table 3-6):

- Whites are a minority and account for a meager 1.3 percent of the population, compared to 27.9 percent for the County
- Proportionately, the percentage of Blacks was higher than the County average—9.6 percent of the population compared to nearly 8.6 percent
- Very few Asians reside in Florence-Firestone. They account for only 0.05 percent of the population, compared to the County's average of 12.8 percent
- American Indian or Alaska Natives constitute 0.09 percent of the population, significantly below the County average

The predominance of Hispanics/Latinos in Florence-Firestone creates a strong market for ethnic foods, goods, services, trade, and entertainment. It also creates challenges due to the

differences in cultures, linguistic skills, and residency status. The residents of Florence-Firestone should all have an opportunity to participate in and benefit from increases in their prosperity that result from the County's economic development efforts.

**TABLE 3-6
2009 EST. POPULATION BY RACE**

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
White Alone	874	1.26%	2,829,205	27.86%
Black or African American Alone	6,616	9.55%	867,738	8.55%
American Indian and Alaska Native Alone	61	0.09%	23,313	0.23%
Asian Alone	35	0.05%	1,298,074	12.78%
Native Hawaiian and Other Pacific Islander Alone	14	0.02%	22,750	0.22%
Some Other Race Alone	23	0.03%	20,018	0.20%
Two or More Races	180	0.26%	249,580	2.46%
Hispanic or Latino	61,454	88.73%	4,844,179	47.70%
TOTAL	69,257	100.0%	10,154,857	100.0%

Source: Claritas, 2009 Estimates

3.4 LANGUAGE SKILLS

Accompanying the ethnic diversity found in the Los Angeles metropolitan area is its linguistic diversity. The broad background of the population and the relatively high presence of immigrants create an environment in which numerous languages and dialects are spoken at home, at school, and in work settings. A profile of the languages spoken is relevant to economic development because economic mobility is influenced by languages spoken and not spoken. Challenges to economic mobility occur where people are not fluent in English and the resources provided require communication in English. This lack of fluency in a needed language can negatively impact formal education, job training programs, employment interviews and requirements, and a host of other settings related to the quality of life for people and their households.

Linguistic diversity is also an asset for economic mobility, and is being capitalized on by many residents and businesses. Many people can only, or prefer to, conduct business in their primary, non-English language. Additionally, culture and language are often woven into one's expression of identity. There are numerous companies and government agencies that offer additional compensation to employees who possess diverse language skills. Businesses that offer goods and services in multiple languages are able to tap into niche markets worldwide. The highly lucrative foreign trade markets, of course, require cultural and linguistic diversity.

Of the 61,793 people (age 5+) in Florence-Firestone, 13,739 (22.2 percent) speak only English at home. This rate is significantly lower, half of what we observe in the County. On the other hand, more than three-quarters of the population (age 5+) in Florence-Firestone speak a language other than English at home. More individuals speak Spanish at home in Florence-Firestone, nearly 77.6 percent compared to 37.9 percent in the County (Table 3-7).

According to the 2006-08 US Census American Community Survey (ACS), 27.2 percent of the population (age 5+) in Los Angeles County speak English less than “very well.” Among Spanish speakers, 48.8 percent speak English less than “very well”; among Asian and Pacific Islander language speakers, 52.9 percent speak English less than “very well”; among Indo-European language speakers, 39.4 percent speak English less than “very well”; and among “Other Language” speakers, 31.7 percent speak English less than “very well.” Applying these factors to Florence-Firestone we find that 23,443 individuals, or 37.9 percent of Florence-Firestone’s population (age 5+), speak English less than “very well.” Linguistic isolation impacts a household’s ability to interact in English and consequently limits potential opportunities and economic mobility.

TABLE 3-7
2009 ESTIMATED POPULATION AGE 5+ BY LANGUAGE SPOKEN AT HOME

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE	LA COUNTY NUMBER	LA COUNTY
Speak Only English at Home	13,739	22.23%	4,323,150	45.88%
Speak Asian/Pacific Islander Language at Home	26	0.04%	938,979	9.97%
Speak Indo-European Language at Home	38	0.06%	489,548	5.20%
Speak Spanish at Home	47,928	77.56%	3,570,254	37.89%
Speak Other Language at Home	63	0.10%	100,562	1.07%
TOTAL	61,793	100.0%	9,422,493	100%

Source: Claritas, 2009 Estimates

3.5 AGE DISTRIBUTION

The age distribution pattern of population is an important consideration when determining appropriate economic development programs for residents. Employment strategies, such as computer training, college courses, or retraining, are often age-relevant (entry-level, mid-career, etc.). An understanding of the dynamics of the population’s age distribution pattern can enhance effective use of resources, today and in the near future. Proportionately, there are

younger people in Florence-Firestone compared to the County. The median age for Florence-Firestone is 25.8 years, much lower than the County average of 34.8 years. Nearly half (48.8 percent) of Florence-Firestone's population is below 25 years of age, higher than the County average of 36.2 percent. Correspondingly, there are fewer seniors in Florence-Firestone compared to the larger region. Seniors (65 years and above) account for 5.25 percent of Florence-Firestone's population, half of the County average of more than 10 percent (Table 3-8).

TABLE 3-8
2009 ESTIMATED POPULATION BY AGE

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Age 0 – 4	7,463	10.78%	732,364	7.21%
Age 5 – 14	13,392	19.34%	1,428,667	14.07%
Age 15 – 24	12,914	18.65%	1,519,192	14.96%
Age 25 – 34	10,224	14.76%	1,418,284	13.97%
Age 35 – 44	10,056	14.52%	1,546,489	15.23%
Age 45 – 54	7,308	10.55%	1,420,490	13.99%
Age 55 – 64	4,262	6.15%	1,006,983	9.92%
Age 65 – 74	2,148	3.10%	575,265	5.66%
Age 75 – 84	1,089	1.57%	352,856	3.47%
Age 85 and over	401	0.58%	154,267	1.52%
TOTAL	69,257	100.0%	10,154,857	100.0%

Source: Claritas, 2009 Estimates

Grouping the population into three broad age categories of pre-work (0 to 20), workers (21 to 64), and post-work (65 and above), allows us to have a better understanding of the age-work dynamics. In Florence-Firestone, nearly 53.2 percent of the population is in the working age years, 41.6 percent in pre-work, and 5.3 percent in post-work years. This suggests that 53.2 percent of the population is providing some form of support, direct or indirect, to the remaining 46.8 percent of the population. A favorable fact is that the post-work group is much smaller than the pre-work group. The incomes of the post-work group are limited and prone to decline; however, as time passes the pre-work group will enter their working years, join the labor force, and realize increased economic self-sufficiency.

3.6 EDUCATIONAL ATTAINMENT

Formal educational attainment is an important indicator of employment-related skills and lifetime earning potential. A population’s education attainment profile is a significant factor in employment rates, per capita and household incomes, and the type of employers that recruit from or locate near that population base.

Compared to the County, Florence-Firestone residents have a rather low level of educational attainment. Nearly 70.7 percent, or 25,095 adults (25 years and above), in Florence-Firestone had less than a high school diploma compared to 30.7 percent for Los Angeles County. Clearly, a significantly high proportion of adults with less than a high school education does not contribute to a competitive labor force and limits their potential to obtain higher paying jobs. High attrition and dropout rates negatively impact Florence-Firestone’s labor force as more and more local students fail to complete their high school education and with it the ability to obtain higher-skilled and higher-paying jobs (Table 3-9).

TABLE 3-9
2009 ESTIMATED POPULATION AGE 25+ BY EDUCATIONAL ATTAINMENT

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Less than 9th grade	16,025	45.16%	1,078,691	16.66%
Some High School, no diploma	9,070	25.56%	911,015	14.07%
High School Graduate (or GED)	5,779	16.28%	1,219,800	18.84%
Some College, no degree	3,101	8.74%	1,284,669	19.84%
Associate Degree	686	1.93%	401,068	6.19%
Bachelor's Degree	549	1.55%	1,023,159	15.80%
Master's Degree	122	0.34%	339,178	5.24%
Professional School Degree	150	0.42%	153,777	2.38%
Doctorate Degree	6	0.02%	63,277	0.98%
TOTAL	35,488	100%	6,387,541	100%

Source: Claritas, 2009 Estimates

In Florence-Firestone, the proportion of adults with combined high school diploma or GED, some college, and associate degree education (26.9 percent) is lower than the County (44.9 percent) average. The percentage of adults with higher education is also much lower than the County average. For instance, in Florence-Firestone only 1.6 percent of the adults received a bachelor’s degree compared to 15.8 percent in the County. Similarly, in Florence-Firestone only 0.3 percent of the adults received a master’s degree compared to 5.2 percent in

the County. The proportion of professional and doctorate degrees held by people in Florence-Firestone is also well below the County average. As pointed out earlier, education is a key determinant of economic prosperity. Efforts must be undertaken to reduce high school dropout rates and the accompanying erosion of academic attainment, and new initiatives should be employed to increase post-secondary enrollment and professional education.

3.7 INCOME

In general, the income level in Florence-Firestone is much lower than in the County. The median household income for Florence-Firestone is \$33,274, nearly 38.6 percent below the County average. Florence-Firestone's median family household income level is also lower than the County average. Similarly, per capita income for Florence-Firestone is \$9,788, approximately 61.5 percent lower than the County (Table 3-10). This disparity in per capita income levels can partly be explained by the lower educational attainment level and larger household size in Florence-Firestone compared to Los Angeles County. Average household size in Florence-Firestone is 4.5 people per household, 1.5 times higher than the County average.

**TABLE 3-10
INCOME**

	FLORENCE – FIRESTONE	COUNTY OF LA
2009 Est. Median Household Income	\$33,274	\$54,204
2009 Est. Median Family Household Income	\$34,137	\$62,046
2009 Est. Per Capita Income	\$9,788	\$25,398

Source: Claritas, 2009 Estimates

The lower income level in Florence-Firestone is detailed in Table 3-11 showing a larger percentage of people in the lower income brackets and fewer in the higher income brackets.

**TABLE 3-11
2009 EST. HOUSEHOLDS BY HOUSEHOLD INCOME**

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Income less than \$24,999	5,781	38.0%	761,944	23.1%
Income \$25,000 – \$49,999	4,920	32.4%	785,978	23.9%
Income \$50,000 – \$74,999	2,307	15.2%	583,148	17.7%
Income \$75,000 – \$99,999	1,114	7.3%	389,921	11.8%
Income \$100,000 – \$149,999	749	4.9%	420,985	12.8%
Income \$150,000 and over	334	2.2%	349,994	10.6%
TOTAL	15,205	100.0%	3,291,970	100.0%

Source: Claritas, 2009 Estimates

The poverty level in Florence-Firestone is 2.4 times higher than the County. There are 4,661 families with income below the poverty level in Florence-Firestone—35.3 percent of all family households. In comparison, 14.8 percent of families have incomes below the poverty level in the County. Families can be divided into married-couple families or other families, meaning single-parent families. Within these two types of families are families with children related to them under 18 years, and families without related children under 18 years. Families with children and female head-of-household families make up the largest proportion of families in poverty.

The proportion of both married-couple families and other families below the poverty level is much higher in Florence-Firestone compared to the County (Table 3-12). For instance, 17.0 percent of families in Florence-Firestone are married-couple families with income below the poverty level, more than twice the County proportion. Female-head-of-household families constitute 14.39 percent of all families, over 2.3 times the proportion in the County.

TABLE 3-12
2009 ESTIMATED POVERTY STATUS OF FAMILIES BY FAMILY TYPE BY
PRESENCE OF RELATED CHILDREN UNDER 18 YEARS BY AGE

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Total Number of Families	13,218	100%	2,244,183	100%
Families with income below poverty level in 2009	4,661	35.3%	332,013	14.8%
Married-couple family	2,246	17.0%	157,387	7.01%
With related children under 18 years	2,031	15.37%	126,647	5.64%
No related children under 18 years	215	1.63%	30,740	1.37%
Other family	2,415	18.26%	174,626	7.8%
Male householder, no wife present	512	3.87%	36,786	1.64%
With related children under 18 years	431	3.26%	28,273	1.26%
No related children under 18 years	81	0.61%	8,513	0.38%
Female householder, no husband present	1,903	14.39%	137,840	6.14%
With related children under 18 years	1,736	13.13%	121,160	5.40%
No related children under 18 years	167	1.26%	16,680	0.74%

Source: Claritas, 2009 Estimates

3.8 EMPLOYMENT AND OCCUPATION PROFILE

Florence-Firestone’s labor force is employed in a mix of white-collar, blue-collar, and service-sector occupations. The civilian population employed in the labor force (age 16+) for Florence-Firestone is 19,457 and comprises 0.45 percent of the County’s civilian employment. Florence-Firestone has relatively fewer white-collar jobs but more blue-collar and service-sector jobs compared to the County. Blue-collar jobs are associated with light and heavy industrial, transportation and logistics, and assembly- and warehouse-related uses. More than half (50.9 percent) of the employed in Florence-Firestone are engaged in blue-collar occupations. In comparison, about 23.5 percent of the employed in the County are blue-collar workers. The proportion of white-collar jobs in Florence-Firestone is approximately half that of the County—32.5 percent versus 61.5 percent. The proportion of service-sector workers in Florence-Firestone is marginally higher than the County average (Table 3-13). Nearly 16.6 percent of the employed in Florence-Firestone are service-sector workers compared to 14.9 percent for the County.

TABLE 3-13
2009 EST. POP 16+ BY OCCUPATION CLASSIFICATION

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Blue Collar	9,907	50.92%	1,022,742	23.51%
White Collar	6,325	32.51%	2,676,509	61.52%
Service and Farm	3,226	16.58%	651,163	14.97%
TOTAL	19,457	100%	4,350,414	100%

Source: Claritas, 2009 Estimates

The leading category of occupations in Florence-Firestone is Production, Transportation, and Material Moving (40.1 percent); followed by Sales and Office (23.1 percent); Service (16.1 percent); Construction, Extraction, and Maintenance (10.8 percent); Professional and Related Occupations (6.0 percent); and Management, Business, and Financial Operations (3.4 percent). Florence-Firestone’s proximity to the Alameda Corridor and the ports of Los Angeles and Long Beach, combined with existing industrial land, makes it highly attractive for workers in manufacturing, production, assembly, and logistics-related jobs. As a result, employment in Production, Transportation, and Material Moving jobs in Florence-Firestone is more than twice the County average. Consequently, the proportion of jobs in Management, Business, and Financial Operations, and Professional and Related Occupations in Florence-Firestone are well below County averages (Table 3-14). The low educational attainment level in Florence-Firestone is a potential contributor

to the under representation in white-collar jobs and corresponding lower income levels and higher poverty rate.

TABLE 3-14
2009 EST. CIVILIAN EMPLOYED (POPULATION AGE 16+) BY OCCUPATION

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Management, Business, and Financial Operations	659	3.39%	580,613	13.35%
Professional and Related Occupations	1,175	6.04%	900,182	20.69%
Service	3,133	16.10%	642,269	14.76%
Sales and Office	4,500	23.13%	1,197,195	27.52%
Farming, Fishing, and Forestry	83	0.43%	7,413	0.17%
Construction, Extraction and Maintenance	2,111	10.85%	340,864	7.84%
Production, Transportation and Material Moving	7,795	40.06%	681,878	15.67%
TOTAL	19,457	100%	4,350,414	100%

Source: Claritas, 2009 Estimates

The location quotient is a technique to assess a region's specialization in an industry. A location quotient less than "1" implies that the area has a less-than-proportionate share of employment in a particular industry, whereas a location quotient greater than "1" implies a greater-than-proportionate concentration of employment. We have calculated location quotients for Florence-Firestone with respect to Los Angeles County (Table 3-15).

Overall, employment by industry can be divided into two parts: private sector and government and nonprofit-sector employment. In Florence-Firestone, the share of private-sector employment is 72.9 percent, while government and nonprofits accounts for 27.1 percent. In comparison, the County's share of private-sector employment is 85.7 percent and government and nonprofit sector is 14.3 percent. Clearly, there is a lower concentration of jobs in the private sector in Florence-Firestone relative to the County and this is reflected in its location quotient of 0.9.

Location Quotient Greater than "1"

- Florence-Firestone has regional specialization—a greater than proportionate share of employment relative to the County in Transportation, Communication, and Public Utilities (TCPU), and Wholesale and Retail Trade.

- Within retail trade, Florence-Firestone exhibits strong employment concentration in Apparel and Accessory Stores (2.8); Food Stores (2.2); Home Furniture; Furnishings and Equipment (2.0); followed by Building Materials and Garden Supply; Eating and Drinking Places; and General Merchandise Stores.
- In the services sector, Florence-Firestone has a higher concentration of employment in Personal Services (2.0); Miscellaneous, Membership Organizations and Non-classified (1.9); Educational Services (1.8); and Social Services (1.3).

**TABLE 3-15
INDUSTRY LOCATION QUOTIENT**

BUSINESS DESCRIPTION	FLORENCE-FIRESTONE EMPLOYEES	LA COUNTY EMPLOYEES	LOCATION QUOTIENT
Industries	8,676	4,464,059	1.0
Industries (Private Sector)	6,331	3,668,679	0.9
Industries (Government and Non-Profit)	2,345	795,380	1.5
Agriculture	19	25,371	0.4
Mining	0	3,446	0.0
Construction	304	149,806	1.0
Manufacturing	846	453,524	1.0
Transportation, Communications, Public Utilities	428	197,079	1.1
Wholesale Trade	558	263,534	1.1
Retail	2,519	912,935	1.4
Building Matls and Garden Supply	89	42,532	1.1
General Merchandise Stores	125	70,628	0.9
Food Stores	469	112,186	2.2
Auto Dealers and Gas Stations	144	88,452	0.8
Apparel and Accessory Stores	347	63,206	2.8
Home Furniture, Furnishings and Equipment	289	75,764	2.0
Eating and Drinking Places	783	325,406	1.2
Miscellaneous Retail Stores	273	134,761	1.0
Finance	234	328,451	0.4
Bank, Savings and Lending Institutions	141	79,685	0.9
Security and Commodity Brokers	2	35,886	0.0
Insurance Carriers and Agencies	39	69,461	0.3
Real Estate	52	132,000	0.2
Trusts, Holdings and Other Investments	0	11,419	0.0
Service	3,434	1,895,090	0.9
Hotel and Other Lodging	2	54,728	0.0
Personal Services	689	176,958	2.0

BUSINESS DESCRIPTION	FLORENCE-FIRESTONE EMPLOYEES	LA COUNTY EMPLOYEES	LOCATION QUOTIENT
Business Services	385	389,682	0.5
Motion Picture and Amusement	46	161,009	0.1
Health Services	200	407,485	0.3
Legal Services	18	93,934	0.1
Educational Services	1,331	370,704	1.8
Social Services	313	120,260	1.3
Misc, Membership Orgs and Non-classified	450	120,330	1.9
Public Administration	334	234,823	0.7

Source: Claritas, 2009 Estimates

Location Quotient Less than “1”

- Florence-Firestone exhibits a lower concentration of jobs compared to the County in the following industry sectors: Finance, Services, and Public Administration.
- Overall, finance in Florence-Firestone has the lowest location quotient of 0.4. All of the subcategories including Bank, Savings and Lending Institutions, Security and Commodity Brokers, Insurance Carriers and Agencies, Real Estate, Trusts, Holdings and Other Investments exhibit a location quotient less than one.
- Within the service sector, the concentration of jobs in Florence-Firestone is extremely low in Hotel and Other Lodging, Business Services, Motion Picture and Amusement, Health Services, and Legal Services.
- There is a lower concentration of Public Administration jobs in Florence-Firestone.
- Within retail trade, Florence-Firestone has a location quotient of less than one in General Merchandise Stores and Auto Dealers and Gas Stations.

Location Quotient Equal to “1”

- Construction and manufacturing has a location quotient of one implying that the proportion of jobs in Florence-Firestone is similar to the County.
- Within retail trade, the proportion of jobs in Miscellaneous Retail Stores in Florence-Firestone is similar to the County.

3.9 VEHICLE AVAILABILITY

Proportionately more households in Florence-Firestone have no vehicle available when compared to the County. Of the estimated 15,206 households in Florence-Firestone, 3,734 or 24.6 percent of the households have no vehicle available (Table 4-16). In comparison, 12.7 percent of the households in the County have no vehicle available. There are 38.0 percent of households in Florence-Firestone with one vehicle available, which is similar to the County average. The proportion of households with two vehicles in Florence-Firestone (24.2 percent) is lower than the County (34.4 percent). And households with three or more vehicles accounted for 9.4 percent of all households in Florence-Firestone compared to 11.2 percent in the County. Although lower household incomes are strongly correlated with fewer vehicles per household, other factors such as the size of the household and public transit availability and dependence on public transit affect vehicle availability.

TABLE 3-16
2009 EST. HOUSEHOLDS BY NUMBER OF VEHICLES

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
No Vehicles	3,734	24.56%	416,893	12.66%
1 Vehicle	5,779	38.00%	1,216,193	36.94%
2 Vehicles	3,681	24.21%	1,132,564	34.40%
3 Vehicles	1,435	9.44%	369,895	11.24%
4 Vehicles	376	2.47%	110,203	3.35%
5 or more Vehicles	201	1.32%	46,222	1.40%
TOTAL	15,206	100%	3,291,970	100%

Source: Claritas, 2009 Estimates

3.10 TRANSPORTATION TO WORK

Commute-to-work patterns for Florence-Firestone workers are quite different from the County. Fewer workers drive alone in Florence-Firestone, 51 percent compared to 70 percent in the County. Nearly one-quarter of the workers carpool in Florence-Firestone; only 15 percent carpool Countywide. The proportion of workers taking public transportation to work in Florence-Firestone, 16.2 percent, is higher than County average of 6.6 percent (Table 4-17).

TABLE 3-17
2009 EST. WORKERS AGE 16+, TRANSPORTATION TO WORK

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Drove Alone	9,615	51.09%	2,980,870	70.22%
Car Pooled	4,567	24.27%	646,777	15.24%
Public Transportation	3,056	16.24%	281,213	6.62%
Walked	791	4.20%	123,523	2.91%
Motorcycle	0	0.00%	7,426	0.17%
Bicycle	208	1.11%	26,323	0.62%
Other Means	220	1.17%	32,479	0.77%
Worked at Home	363	1.93%	146,242	3.45%
TOTAL	18,819	100%	4,175,007	100%

Source: Claritas, 2009 Estimates

Florence-Firestone is served by Metro bus and rapid bus. In addition, Florence-Firestone is served by light rail and is home to three Blue Line light-rail stations, namely Slauson, Florence, and Firestone. These station areas present opportunities for increasing transit ridership and area revitalization through transit-oriented development. Station area development on the Metro Blue Line stations is an opportunity to create new pedestrian-friendly mixed-use developments. This is noteworthy as more people walk to work in Florence-Firestone compared to the County. While the proportion of bike ridership is higher in Florence-Firestone than the County, the proportion of workers working at home is lower in Florence-Firestone compared to the County.

3.11 HOUSING

Florence-Firestone is predominantly a renter community. Nearly 63.2 percent of the occupied housing units are renter-occupied in Florence-Firestone compared to 52.4 percent for the County. Correspondingly, 36.8 percent of the occupied housing units are owner-occupied in Florence-Firestone compared to 47.6 percent for the County (Table 3-18).

TABLE 3-18
2009 EST. TENURE OF OCCUPIED HOUSING UNITS

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Owner Occupied	5,597	36.81%	1,568,359	47.64%
Renter Occupied	9,609	63.19%	1,723,611	52.36%

TOTAL	15,206	100%	3,291,970	100%
-------	--------	------	-----------	------

Source: Claritas, 2009 Estimates

Nearly 54.7 percent of all housing units are single-family detached structures in Florence-Firestone, higher than the countywide average of 48.4 percent. The number of units in a structure, however, presents a mixed picture. For instance, 6.3 percent of all housing units in Florence-Firestone have 2 units per structure, nearly 2.5 times the County average; and 16.7 percent of all housing units in Florence-Firestone have 3 to 19 units per structure compared to 22.3 percent for the County. Only 1.3 percent of the structures have 20 to 49 units, and 1.2 percent have 50 or more units per structure in Florence-Firestone compared to 8.9 percent and 8.4 percent for the County, respectively (Table 4-19).

The median housing value of an owner-occupied unit in Florence-Firestone is \$333,748, approximately 29.0 percent below the County median housing value of \$470,287.

More of the housing stock in Florence-Firestone was built before 1960 than in the County. The median year a structure was built in Florence-Firestone was 1959 compared to 1964 for the County. Approximately 30.9 percent of the housing stock in Florence-Firestone was built before 1950 compared to 23.0 percent in the County (Table 4-20). Nearly one-fifth of Florence-Firestone's housing stock was built in the 1950s, followed by the 1960s (17.5 percent). In the 1970s and 1980s the County had a higher proportion of new housing, but Florence-Firestone had a higher proportion of new housing between 1995 and 2009—12.7 percent compared to 9.7 percent in the County.

TABLE 3-19
2009 EST. HOUSING UNITS BY UNITS IN STRUCTURE

FLORENCE-FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT	FLORENCE- FIRESTONE NUMBER
1 Unit Attached	3,090	19.27%	253,253	7.41%
1 Unit Detached	8,767	54.67%	1,655,344	48.44%
2 Units	1,013	6.32%	92,766	2.71%
3 to 19 Units	2,684	16.74%	762,009	22.30%
20 to 49 Units	214	1.33%	305,301	8.93%
50 or More Units	195	1.22%	288,599	8.44%
Mobile Home or Trailer	72	0.45%	56,521	1.65%
Boat, RV, Van, etc.	0	0.00%	3,629	0.11%
TOTAL	16,035	100%	3,417,422	100%

Source: Claritas, 2009 Estimates

TABLE 3-20
2009 EST. HOUSING UNITS BY YEAR STRUCTURE BUILT

	FLORENCE- FIRESTONE NUMBER	FLORENCE- FIRESTONE PERCENT	LA COUNTY NUMBER	LA COUNTY PERCENT
Housing Units Built 1999 to 2009	1,685	10.51%	270,204	7.91%
Housing Unit Built 1995 to 1998	353	2.20%	62,938	1.84%
Housing Unit Built 1990 to 1994	375	2.34%	130,111	3.81%
Housing Unit Built 1980 to 1989	907	5.66%	398,248	11.65%
Housing Unit Built 1970 to 1979	1,761	10.98%	497,581	14.56%
Housing Unit Built 1960 to 1969	2,813	17.54%	575,295	16.83%
Housing Unit Built 1950 to 1959	3,190	19.89%	696,213	20.37%
Housing Unit Built 1940 to 1949	2,307	14.39%	382,780	11.20%
Housing Unit Built 1939 or Earlier	2,643	16.48%	404,052	11.82%
TOTAL	16,035	100%	3,417,422	100%

Source: Claritas, 2009 Estimates

3.12 ECONOMIC DEVELOPMENT WEAKNESSES AND OPPORTUNITIES

The analysis provided below identifies the economic development weaknesses and opportunities for Florence-Firestone. The area has reached a critical moment requiring serious rethinking of its future with a focus on the relationship between the County's economy and its quality of life.

3.12.1 WEAKNESSES

While Florence-Firestone has attributes that makes it an attractive place to live and work, it also has weaknesses that must be addressed in order to achieve positive economic growth.

Low Educational Attainment

One of the major weaknesses is the low level of educational attainment in Florence-Firestone. Approximately 71 percent of the population (age 25+) had an educational attainment level of high school diploma and below. Only 1.6 percent of the population (age 25+) had a bachelor's degree or higher compared to 15.8 percent of the population in the County. A large proportion of the labor force is employed in lower skilled and lower paying service sector jobs. Lower paying jobs imply lower disposable income levels for the households. This not only affects the living standards of the labor force, but also prevents higher end retailers or service providers to locating in the area. Low student academic performance and degree completion levels create a future labor force that will be unprepared for the job market, uncompetitive in the global market, and limited to low-skilled and low-paying jobs. Such an environment inhibits new business investments in industries that require higher-skilled, higher-paying jobs.

Community Image

Florence-Firestone is a thriving community rich with cultural and ethnic diversity. Though predominantly Latino or Hispanic, the population is composed of a diverse group of people of Mexican, Central American, and Latin American origin. Such cultural diversity is reflected in its retail offerings including a great variety in food, music, and dance. Florence-Firestone has been one of the major points of entry for immigrants. Historically, waves of immigrants have moved into this community and subsequently established themselves in Southern California. In general, the community is highly entrepreneurial and perceived as blue collar with traditional working class neighborhoods.

Florence-Firestone has been impacted by obsolete industry creating environmental justice issues for residents. The poor provision of public services and the lack of code enforcement have not helped either. Florence-Firestone is dense with neighborhoods that are threatened by the inadequate transition between residential and industrial areas. Similarly, the intrusion of

commercial uses in industrial areas or vice versa creates an environment of conflict between the rights of property owners.

Florence-Firestone, like the County, is highly auto-oriented. Poorly maintained commercial corridors, vacant lots, curb cuts, and fast moving traffic in commercial corridors create a pedestrian unfriendly environment. Often, the commercial corridors lack character and exhibit incoherent commercial frontages without any aesthetic considerations. The visual clutter further diminishes the quality of public space. Though efforts to improve the area are underway, there is a lack of sense of place and uniqueness or identity that sets the area apart. Poor perception of the area, in general, promotes negative stereotypes, which might prevent new investment in Florence-Firestone.

Incompatible Uses

The growing demands to house people are increasingly in conflict with existing commercial and industrial uses in Florence-Firestone. For example residential neighborhoods are not buffered from the industrial or warehousing/storage related uses and the accompanying truck traffic. These industries negatively impact the environment and contribute to air- and water-pollution, as well as potential ground-contamination that can adversely affect the health of area residents. The presence of toxic chemicals or substances in proximity to residential areas poses not only environmental but protracted health risks. The addition of new residents combined with problems of affordability has resulted in overcrowding as the growth of housing development has not kept pace with population growth.

Affordability

Though housing prices have dropped due to foreclosures and a housing slowdown, rental markets are relatively strong. Compounding the problem is an under-supply of affordable housing. As a result, many lower income residents are forced to live in substandard and overcrowded environments. The area will face serious problems if it does not provide diverse options for its residents. If opportunities to obtain better jobs or housing options are lacking in the region, residents and businesses will leave in search of better opportunities elsewhere, creating a cycle of economic distress.

Changing Economy

Although blue collar jobs are still relatively strong in Florence-Firestone due to location and industrial uses, it appears that the economy is in a transition with blue collar jobs being replaced by service sector jobs. This follows a national trend of job decline in manufacturing

and increase in service sector jobs. Traditionally, service sector jobs pay lower wages than blue collar jobs. Compared to the County however, Florence-Firestone exhibits regional specialization; a greater than proportionate share of employment relative to the County in transportation, communication, and public utilities, and wholesale and retail trade. The larger question is to what extent Florence-Firestone can take advantage of its location, infrastructure, and the entrepreneurial pool of firms and individuals in the Los Angeles metropolitan area.

Florence-Firestone faces many outside pressures that could negatively impact its economic development efforts. The relocation of local businesses to competitive locations, both domestic and abroad, is a threat to the areas' low-skilled workers. The large low-skill labor force is highly dispensable and likely to be hit the hardest in tough times, like now. Energy and gas prices are at an all time high putting additional burden on persons with limited or fixed incomes. The contraction in the construction industry, job cuts in professional services due to the subprime housing loan debacle, in addition to layoffs in the financial sector has made the economy vulnerable. High foreclosure rates and housing price declines have shaken consumer confidence and affected spending on retail. The deepening federal, state, and local budget deficits have resulted in decreased government spending for many programs including community and economic development. Thus, current and future economic development efforts will have to find new and innovative funding sources or public-private partnerships to achieve their objectives. The lack of other resources, such as water and energy, due to potential infrastructure, market, or legal limitations could also inhibit the future economic growth and development of the region.

3.12.2 STRENGTHS

Florence-Firestone must plan for its population, household, and job growth by capitalizing on its existing strengths, assets, and many opportunities.

Location

Southern California continues to attract people from the rest of the nation and the world. People and businesses locate in the area for its climate and for the economic opportunities the County has to offer. These new residents and business-owners add to the cultural diversity of the area creating new specialized markets for goods and services. Florence-Firestone is ideally located and in proximity to various destinations and work centers, including downtown Los Angeles. As sprawl and commutes continue to increase, Florence-Firestone's location will only become more valuable.

Major institutions of higher-learning including University of Southern California, University of California Los Angeles, California State University Dominguez Hills, and numerous community colleges are located in the metropolitan area offering many educational opportunities for residents, as well as chances for the public and business sectors to collaborate with research institutions. The historical affiliation of research institutions with manufacturing and the region's infrastructure base including its well-developed multi-modal transportation system consisting of freeways, ports, airports, and railways, support the economic growth of the region and the ability to move goods and people quickly and efficiently.

Industry/Labor Force

Within Florence-Firestone is a growing labor force available to support industrial, business, and economic growth. The region's population base and density equates to significant collective purchasing power and business opportunity for a variety of goods and services. Small business is the backbone of Florence-Firestone's economy. Small businesses compete on innovation, quality, and ideas.

More than half (50.9 percent) of the employed in Florence-Firestone are engaged in blue-collar occupations compared to 23.5 percent in the County. The top three occupations in Florence-Firestone are Production, Transportation, and Material Moving (40.1 percent) followed by Sales and Office (23.1 percent) and Services (16.1 percent). Florence-Firestone's proximity to the Alameda Corridor and the ports of Los Angeles and Long Beach, combined with existing industrial land, makes it highly attractive for workers in manufacturing, production, assembly, and logistics-related jobs.

Commercial Corridors

Most of Florence-Firestone's commercial activity is concentrated on commercial corridors rather than shopping centers or business parks. Typically, the nature of development on these corridors is low-density strip retail with parking in front. To accommodate future growth and density, the County should adopt ordinances such as density bonus, live/work, adaptive reuse, and Residential Accessory Service (RAS) zoning to encourage new housing and mixed use developments along these same corridors. The low-intensity land use on commercial corridors in Florence-Firestone makes them a prime candidate for mixed use development. The introduction of housing on commercial corridors and a denser population base can revitalize these corridors; they will not only provide a variety of housing choices to both renters and owners, but also revitalize existing and future retail and services.

Land Use-Transportation Linkage

Florence-Firestone is served by a variety of public transit including Metro Blue Line, Metro bus and Metro Rapid bus. In spite of the transportation service, there remains a weak connection between the existing land use and transit. The land use transportation connection can be further strengthened by integrating moderate to higher density mixed use developments at transit nodes in the three Metro Blue Line station areas and along commercial corridors. County policies must reduce parking requirements and provide density bonuses in transit rich areas. These policies are designed to reduce overall development costs and to stimulate new development. While land assembly is still a major barrier, mechanisms such as transfer of development rights and location efficient mortgages are being explored in other communities to jump start development in transit dependent communities. Strategies such as TOD or transit-corridor development (TCD) can reduce the jobs-housing imbalance, alleviate congestion on the arterials, reduce pollution, and promote a pedestrian friendly environment. The Metro Blue Line is an ideal candidate for joint development opportunities as are the heavily traveled commercial transit corridors. Moreover, adding density on the corridors is politically expedient and less likely to be the subject of NIMBY sentiment from single-family residential neighborhoods. The redevelopment of underutilized commercial corridors in Florence-Firestone with diverse uses, both commercial and residential, is a genuine opportunity for long-term economic revitalization.

4.0 RETAIL MARKET ANALYSIS

4.1 MARKET AREA AND CONDITIONS

The market area for Florence-Firestone varies by business category. Most retailers are small and cater to the local market. There are few national or regional retailers and no major shopping centers to draw customers from outside the area except in a few market segments. However, there are three segments that are already drawing business into the area and with proper promotion could expand their reach:

- Custom-made furniture and cabinetry
- Automobile sales, parts, accessories, and repairs
- Latino food purveyors.

Current retail and office lease rates generally range between \$10 per square foot per year and \$12 per square foot per year in Florence-Firestone versus \$25.25 (retail) and \$23.49 (office) countywide. The premium locations near the intersection of Florence Avenue and Compton Avenue command \$18 per square foot per year. Retail space sells for between \$120 per square foot and \$160 per square foot versus a median countywide of \$263 per square foot.

4.2 COMMERCIAL CORRIDORS

Florence-Firestone is bounded and crisscrossed by several commercial corridors, each with a mix of zoning and each with a distinct character that reflects the nature of the primarily small businesses that line them. Relatively few national or regional retailers operate in Florence-Firestone.

Within Florence-Firestone, the northern portion of Central Avenue, most of Slauson Avenue, and all of South Alameda Street are zoned for industrial use, though commercial uses are interspersed in all these industrial zones and predominate along Central Avenue. Despite the presence of retail outlets and restaurants, Slauson Avenue and South Alameda Street have distinctly industrial characters.

The portion of Central Avenue that extends from Slauson Avenue to Florence Avenue is zoned for light industrial (M-1) but it is populated mainly by a variety of commercial uses, including a concentration of automobile brokers, automobile parts dealers and repair shops (23 properties), furniture dealers, service shops, and bodegas. In general, the stretch has a shopworn look as many storefronts are poorly maintained and there are several dilapidated vacant properties. The properties listed on the Assessor's tax roll as active or vacant commercial and industrial uses are enumerated in Table 4-1.

Florence Avenue serves as the major commercial corridor for the area. It carries C-3 Unlimited Commercial zoning from Central Avenue to Hooper Avenue and from the eastern side of the Metro tracks to Crockett Boulevard. Between Hooper Avenue and the Metro Blue Line tracks the area is zoned C-2 Neighborhood Commercial, and this portion is animated by both pedestrian and vehicular traffic. While there are a number of vacant buildings and storefronts, the corridor pulses with energy. In general the storefronts are in reasonable repair, though there are inconsistencies in signage. Many, if not most, retail businesses are single outlets, and shopkeepers frequently display their wares on the sidewalks, posing a code enforcement problem, but adding color to the street scene. Apart from the new La Alameda shopping center located on Florence Avenue east of South Alameda Street, the greatest concentration of national and regional retail outlets is near the intersection of Florence Avenue and Compton Avenue.

Compton Avenue is primarily zoned C-3 Unlimited Commercial, though there are a few areas of M-1 Light Industrial zoning in the vicinity of its intersection with Nadeau Street. Except at its intersection with Florence Avenue, Compton Avenue does not have much pedestrian traffic but it is heavily traveled as three major supermarkets are located on this street. More than a dozen automobile-oriented businesses are located along the length of Compton Avenue.

**TABLE 4-1
COMMERCIAL AND INDUSTRIAL USE DESIGNATIONS – MAJOR CORRIDORS**

STREET	COMMERCIAL USE DESIGNATIONS	% ENROLLED AS VACANT	INDUSTRIAL USE DESIGNATIONS	% ENROLLED AS VACANT
Compton Avenue	128	14.1%	36	11.11%
Florence Avenue	143	9.1%	11	9.09%
Gage Avenue	39	7.7%	13	0%
Slauson Avenue	22	18.2%	46	15.22%
Firestone Boulevard	99	17.2%	9	11.11%
Hooper Avenue	9	0.0%	3	0%
Nadeau Street	23	8.7%	26	3.85%
S. Alameda Street	38	2.6%	75	6.67%
Central Avenue	200	10.0%	32	18.75%
Area Total	701	11.1%	251	9.96%

Source: LA County Assessor's 2009 Tax Roll

Firestone Boulevard, is zoned C-3 Unlimited Commercial from Central Avenue to Juniper Street. There is a wide variety of small businesses, many situated in small strip malls, others in

freestanding older storefronts. A dozen or so automobile-oriented businesses, many on chain-link enclosed lots, are interspersed between strip malls, storefronts, and residential properties. This creates a less-than-inviting pedestrian environment in many places, but the park and school playgrounds offer a modicum of relief.

4.2.1 NUMBER AND TYPES OF PROPERTIES ALONG MAJOR CORRIDORS

Each of the major corridors in Florence-Firestone has a distinct character based on the particular combination of uses, types, and ages of the buildings. Based on the records of the County Assessor’s 2009 Tax Roll, Table 4-2 and the detailed descriptions below indicate that the building stock in the area is relatively old—the majority of buildings on all but one corridor predate 1960. On most corridors, less than 10 percent of the stock has been added since 1990.

**TABLE 4-2
PRE-1960 COMMERCIAL AND INDUSTRIAL BUILDINGS – MAJOR CORRIDORS**

	COMMERCIAL				INDUSTRIAL			
	ACTIVE COMMERCIAL BUILDINGS	PRE-1960 CONSTRUCTION		AUTOMOBILE- ORIENTED USE	ACTIVE INDUSTRIAL PROPERTIES	PRE-1960 CONSTRUCTION		
Central Avenue	178	150	84%	34	19%	26	22	85%
Compton Avenue	175	88	50%	21	12%	34	25	74%
Firestone Avenue	82	56	68%	15	18%	8	6	75%
Florence Avenue	137	81	59%	21	15%	10	9	90%
Gage Avenue	7	3	43%	2	29%	13	12	92%
Hooper Avenue	10	8	80%	2	20%	5	4	80%
Nadeau Street	20	14	70%	2	10%	25	23	92%
Slauson Avenue	20	17	85%	7	35%	39	31	79%
South Alameda Street	27	21	78%	11	41%	44	36	82%

Source: Los Angeles County Assessor’s Tax Roll, 2009.

Central Avenue

The mix of uses along Central Avenue includes 63 stores and 43 mixed-use store/residence combinations. Additionally there are 9 office buildings and 2 office/residential mixed-use properties. Two bank branches are located on Central Avenue. There are 26 auto service shops comprising 35 percent of all those in the district. There is also a concentration of building supply, hardware, lumberyard, cabinet, and plumbing supply stores.

The proportion of commercial properties listed as vacant is below average, but the percentage of industrial vacancies enrolled as vacant is the highest in the area. The oldest commercial building dates from 1900, while the newest was built in 2008. Eighty-four percent of the existing commercial buildings predate 1960. The oldest industrial building was built in 1925, the newest in 2007. Eighty-five percent pre-date 1960; only 4 have been built since 1960.

Compton Avenue

The mix of stores, offices, and light manufacturing concerns that line Compton Avenue include, among others, 39 mixed-use retail/residential combinations, 3 office buildings, and 2 office/residence combinations. Automobile service shops account for nearly 20 percent of the use designations. Three of the area's major supermarkets—Big Saver, Superior, and La Amapola are located on Compton Avenue.

The percentage of properties with commercial use designations listed as vacant is above the area average. There are vacant properties throughout its length, but they are concentrated in the portion between Slauson Avenue and Florence Avenue. The oldest commercial building dates from 1908; the newest was constructed in 2002. Half of the existing stock predates 1960. Of industrial buildings, seventy-four percent predate 1960, with the oldest having been built in 1905.

Firestone Boulevard

Slightly more than a third of the commercial space located on Firestone Boulevard is given over to retail uses. There are eleven mixed-use properties that combine retail and residential uses and one that combines office with retail. There are 9 auto service businesses, 3 service stations, and 2 used-car dealers. With the exception of the Shell and Mobile gas stations, the area is populated by independent retailers. There are also 7 light manufacturing facilities and one warehouse.

The percentage of commercial properties listed as vacant is above average for the area and tend to be clustered near the intersection with Central Avenue and near the Metro line. The percentage of vacant industrial properties (11.1 percent) is slightly above the area average of 10.2 percent. Within Florence-Firestone, the oldest commercial buildings on Firestone Boulevard date from 1922; the newest dates from 2006. Sixty-eight percent of the commercial buildings pre-date 1960. On average, industrial buildings are much newer--the oldest was built in 1947—but even so seventy-five percent predate 1960.

Florence Avenue

Retail stores are the predominate use on Florence Avenue—about a quarter of the total located on major corridors are located on this street. There are 5 general office buildings in active use and one listed as vacant. Additional office space is located in one store-office mixed-use and 19 office-residential mixed-use buildings. There are 3 professional office buildings. Two of the 5 area bank branch offices are located on Florence Avenue as are 9 restaurants/lounges, including several Mexican restaurants and fast food outlets. Automobile-oriented businesses include 7 that offer parts, accessories, and repair; there is also a service station and 16 parking lots. There are also 10 properties categorized as neighborhood shopping centers, which house a variety of small businesses. In addition to the commercial uses, there are 9 light-manufacturing facilities and one food-processing facility (La Princesa). The few national and regional retailers in the area are located on Florence Avenue. A County Library branch is also located here.

Though there are vacant properties, there is no concentration of them and the percentage of properties listed on the tax rolls as vacant is below the area averages for both commercial and industrial properties. Nearly sixty percent of the commercial structures on Florence Avenue pre-date 1960, as do 90 percent of the industrial buildings.

Gage Avenue

Gage Avenue has M-1 zoning from its intersection with Central Avenue to Hooper Avenue, C-3 zoning between Hooper Avenue and Compton Avenue and at its intersection with Holmes Avenue. Between Central Avenue and Holmes Avenue there are 6 industrial properties and a warehousing facility. The area between Hooper Avenue and Compton Avenue is the site of a neighborhood shopping center that contains a major supermarket, bank branch, restaurants, and several retailers.

There are no commercial or industrial properties listed on the 2009 tax roll as vacant. Forty-three percent of the commercial buildings and ninety-two percent of the industrial buildings on Gage Avenue were built prior to 1960. The newest industrial building dates from 1965, while the newest commercial structure was built in 2003.

Hooper Avenue

Except at its intersections with Slauson Avenue, Hooper Avenue is primarily a residential street with 8 commercial and 5 industrial properties. A 7-acre neighborhood shopping center at the intersection of Gage Avenue and Hooper Avenue includes a major grocery store, El Super,

which, like all grocers within Florence-Firestone, caters to Latino consumers. A second grocery store, R-Ranch Market, is located to the south at Hooper Avenue's intersection with Firestone Boulevard (the store fronts on Firestone Boulevard).

Eighty percent of commercial buildings on Hooper Avenue were built prior to 1960; the newest was built in 1995. The percentage of industrial buildings built prior to 1960 is the same. The oldest building dates from 1922, the newest from 2005.

Nadeau Street

Primarily a residential street, Nadeau Street has 6 stores and 12 store/residence combinations, 17 light-manufacturing facilities, and 5 warehousing operations scattered throughout its length between Central Avenue and Santa Fe Avenue. The L.A. County Florence-Firestone Service Center is located at the intersection of Nadeau Street and Compton Avenue.

Seventy percent of the commercial buildings were built prior to 1960; the oldest still in use was built in 1913. The newest building was constructed in 2001. Industrial building stock is even older, the oldest structure dating from 1907 and the newest having been constructed in 1971. Ninety-two percent pre-date 1960. Despite the advanced age of the structures, the percentage of commercial properties listed as vacant is about average for the area, and that for industrial properties is well below average for that group.

Slauson Avenue

While there are retail businesses located on Slauson Avenue, the street is industrial by nature, a character reinforced by the railroad tracks which run along the north side of the street. In addition to garment wholesalers, furniture manufacturers, metal product manufacturers, and recyclers, there are 5 businesses related to automobiles—4 auto service/repair shops and one gasoline service station. There are also 2 fast-food restaurants (Tom's Burgers and McDonald's) and one office building.

The percentage of industrial properties listed on the 2009 tax roll as vacant is well above average for the area, and in the case of commercial properties is twice the average for the area. The oldest commercial and industrial buildings on Slauson Avenue within the boundaries of Florence-Firestone date from 1922. Eighty-five percent of commercial buildings pre-date 1960, while 79 percent of industrial buildings are from that era. The newest industrial building was constructed in 2007.

South Alameda Street

South Alameda Street is primarily an industrial area, but there are 38 parcels with active commercial uses distributed along its length in Florence-Firestone. Commercial uses include 2 neighborhood shopping centers, a fast-food outlet, 3 restaurants/lounges, and 2 animal kennels. There are also 5 office buildings. Thirteen businesses are automobile-oriented. Only one commercial property is listed on the tax roll as vacant. There are 75 industrial properties along the portion of South Alameda Street included in Florence-Firestone; nearly half of them carry light manufacturing designations and seven serve as storage yards.

Only 5 properties are enrolled as vacant, hence vacancy rates are well below the area average. The oldest commercial building dates from 1923; the newest was built in 2007. Seventy-eight percent of the existing commercial buildings and 82 percent of industrial ones were built prior to 1960.

4.2.2 IMPLICATIONS FOR ECONOMIC DEVELOPMENT

Since the commercial building stock along Florence-Firestone corridors typically predates 1960, much of it is functionally obsolete and would require extensive modification in order to accommodate major retailers. As they stand, most commercial buildings are only attractive to small independent businesses, and the moderate to low vacancy rates reflect the number of such businesses in the area. Those buildings situated on the busiest sections of the busiest corridors (e.g. Florence Avenue and Compton Avenue near their intersection) tend to command higher rents and to be better maintained than those properties located in less active commercial areas. But on most corridors, buildings are showing their age and at the minimum require façade improvements.

Industrial buildings tend to retain their economic usefulness longer as their interior space is generally more easily converted for changing tenant requirements and facades tend to be less important to attracting business.

Unless they have been upgraded over the years, older commercial and industrial buildings will generally not meet the current health, safety and energy efficiency standards. The expense of retrofitting to bring buildings up to code can dissuade owner, prospective buyers or tenants from making capital improvements. This ultimately consigns these buildings to lower value, marginal uses (e.g. thrift stores, salvage yards).

4.2.3 NUMBER AND TYPES OF COMMERCIAL PROPERTIES AROUND BLUE LINE STATIONS

Transit-Oriented Districts (TOD) are located around each of the three Blue Line Stations in Florence-Firestone. The number and type of commercial properties are described for each one.

Slauson Station

The Assessor's tax roll identifies a relatively small number (9) of commercial-use properties within the boundaries of the Slauson Station TOD despite the fact that C-3 zoning extends from the Metro station east to Compton and along the eastern boundary. The boundaries of the Slauson Station TOD are shown in Figure 4-1. There is C-2 zoning on Holmes Avenue on the southwestern border. Along Slauson Avenue, the primary uses are industrial. Two key parcels, comprising about 7 acres, are occupied by an LA Department of Water and Power (DWP) yard. The railroad tracks that parallel the north side of Slauson Avenue, the large industrial properties, and numerous vacant properties create a pedestrian- and retail-hostile environment. Slauson Avenue contains 11 vacant properties. Four of these are on the east side of the Metro tracks, 2 are adjacent to the DWP parcels, and 2 are near the intersection with Compton Avenue. There are an additional 3 vacant properties on Compton Avenue.

There are currently only 2 properties listed on the tax rolls with retail uses, one on Slauson Avenue and one on Compton Avenue that combines retail space and residential space. There are 2 automobile service shops, 2 parking lots, and one restaurant. There are 9 commercial uses just outside the boundary on the west side of Compton Avenue, including a Big Saver grocery store.

Florence Station

Florence Avenue serves as the major retail corridor for Florence-Firestone, with retail extending north and south along Compton Avenue at its intersection with Florence Avenue as shown on Figure 4-2. From the western boundary of the Florence Station TOD to the Metro line, Florence Avenue is zoned C-2. Eastward from the Metro, the zoning is C-3, as it is along Compton Avenue. Only 3 properties are listed on the tax rolls as vacant along this stretch of Florence Avenue, one of which is a mixed-use office and residential building. No property is vacant along the portions of Compton Avenue that lie within the TOD.

The businesses are primarily local; however, there are a few national and regional chains in the mix. The majority of the 23 parcels along Florence Avenue are stores. There are also 10 retail/residential mixed-use buildings. There are relatively few automobile-oriented businesses located in this portion of Florence Avenue—2 carwashes and one auto service shop.

FIGURE 4-1
EXISTING LAND USE WITHIN SLAUSON STATION DISTRICT

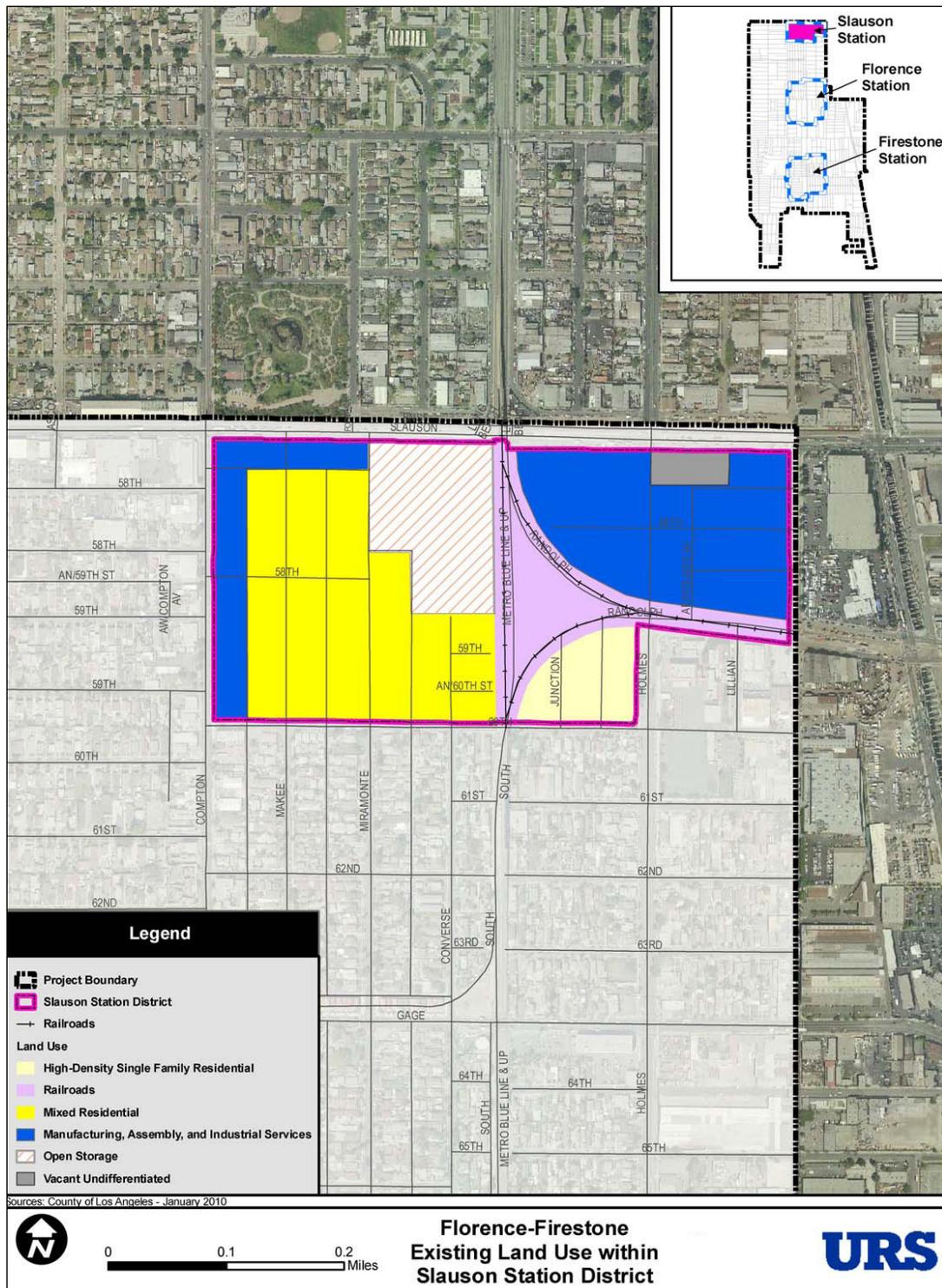


FIGURE 4-2
EXISTING LAND USE WITHIN FLORENCE STATION DISTRICT

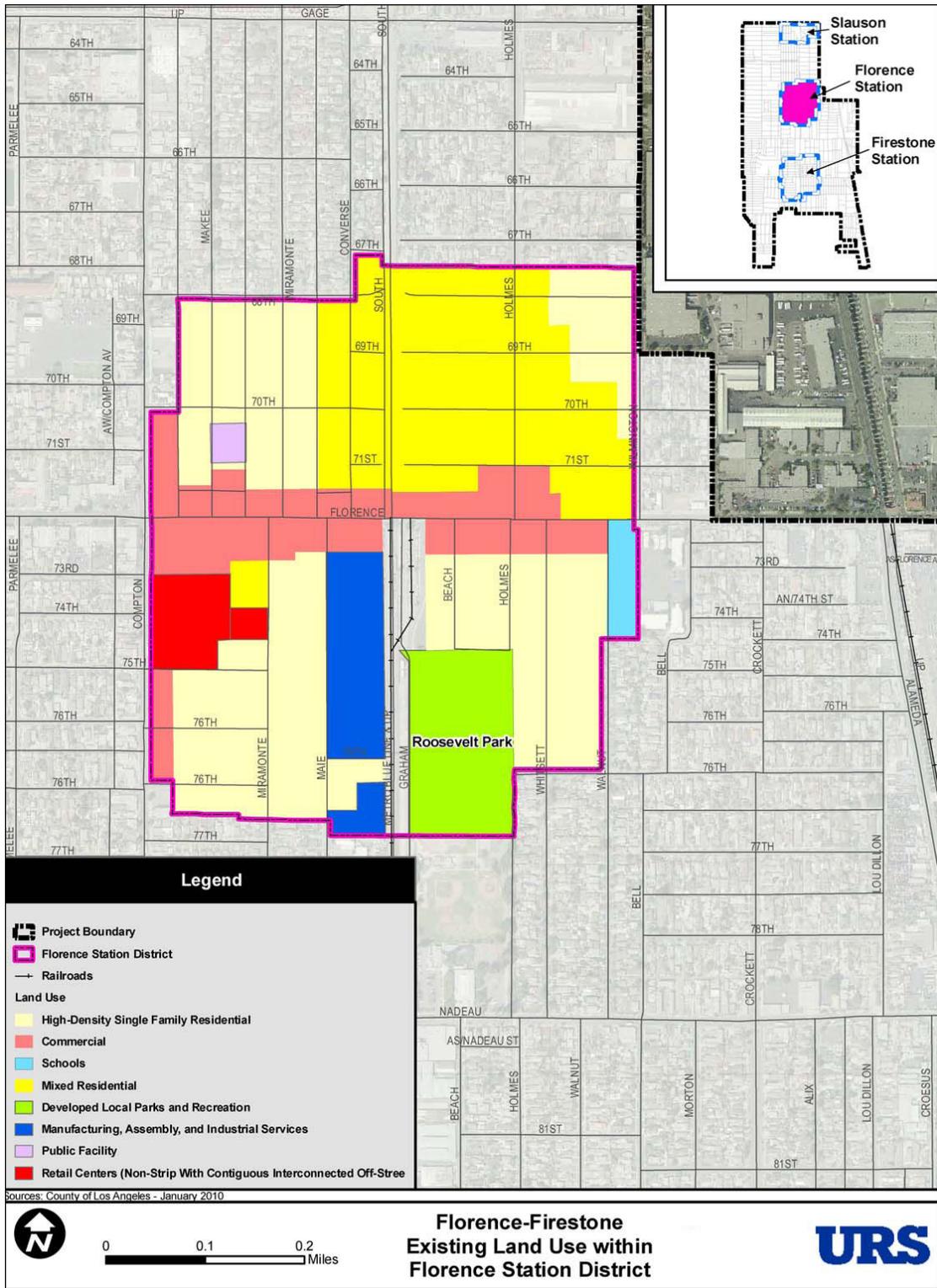
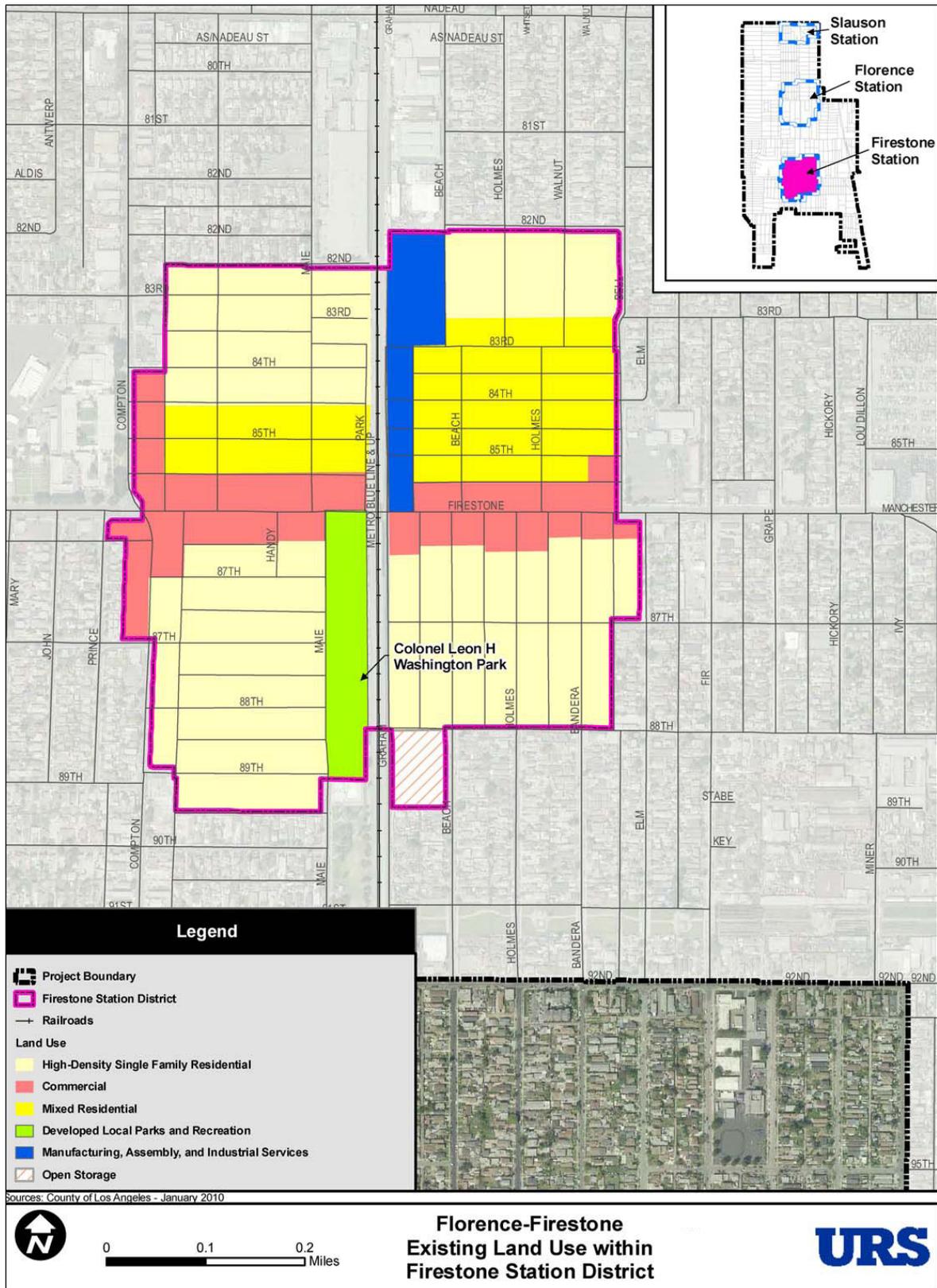


FIGURE 4-3
EXISTING LAND USE WITHIN FIRESTONE STATION DISTRICT



Along Compton Avenue, there are 4 parcels in use for retail shops, the Superior grocery store, and 5 parcels given over to parking lots. Another grocery, La Amapola, is just outside the Florence Avenue Station Area boundary on the west side of Compton Avenue.

Firestone Station

While there are numerous shops along Firestone Boulevard within the boundaries of the Firestone TOD, there are also 14 vacant parcels that are visual detractors. There is no sizeable contiguous stretch of retail except in the one neighborhood shopping center located here. There are 2 gasoline stations located within the TOD and 6 auto service shops, but these are not concentrated within any particular section of the TOD. The boundaries of the Firestone Station TOD are shown in Figure 4-3.

4.2.4 EXTENT AND UTILIZATION OF COMMERCIAL ZONED PROPERTIES

There are 35.1 acres of C-2 zoning in Florence-Firestone (Table 4-3). Thirty-three and one-half acres lie west of South Alameda Street. Of the latter, 12.5 acres are enrolled by the Assessor as in active commercial use, while 13.8 acres are enrolled as active residential properties. Less than one acre is enrolled as vacant property. Of the major corridors, Florence Avenue, Nadeau Street, and Holmes Avenue are the only ones to have C-2 zoning. Of these, Florence Avenue has the highest percentage devoted to commercial uses—89.3 percent inside the proposed Station Area boundaries, and 70.3 percent outside the Station Area boundaries.

There are 135.9 acres of C-3 zoning in Florence-Firestone, with 124.1 acres situated along the major corridors to the west of the railroad tracks on South Alameda Street (Table 4-4). Of these, 59.3 acres are in active commercial use per the Assessor's role. Residential uses occupy 23.9 acres. Twelve acres are enrolled as vacant properties.

The corridor with the most C-3 zoning is Compton Avenue (60 acres). There are almost 30 acres along Firestone Boulevard, 14 acres along Florence Avenue, and nearly 10 acres along Central Avenue. The C-3 zoning along Compton Avenue and within the proposed Florence Avenue Station Area boundary is the area with the highest percentage of active commercial use—84 percent, followed by that along Florence Avenue and within the Florence Avenue Station Area boundary (68 percent). The area with the lowest percentage in active commercial use is along Compton Avenue within the boundary of the proposed Slauson Avenue Station Area (10 percent).

Of the 33.2 acres of C-M zoning in Florence-Firestone, 9.3 acres are enrolled as being in active commercial use. The remainder are in industrial uses or vacant. Vacant commercial, industrial, and government-owned properties are shown in Figure 4-4.

TABLE 4-3
C-2 ZONING BY USE AND AREA

FLORENCE-FIRESTONE C-2 ZONES	FLORENCE AVENUE INSIDE FLORENCE STATION AREA BOUNDARY	FLORENCE AVENUE OUTSIDE FLORENCE STATION AREA BOUNDARY	HOLMES AVENUE OUTSIDE FLORENCE STATION AREA BOUNDARY	HOLMES AVENUE INSIDE SLAUSON STATION AREA BOUNDARY	HOLMES AVENUE OUTSIDE SLAUSON STATION AREA BOUNDARY	NADEAU STREET	ALL CORRIDORS
Enrolled active residential	3.7%	0.0%	77.7%	88.0%	51.2%	57.4%	41.3%
Enrolled vacant residential	0.0%	0.0%	0.6%	12.0%	0.9%	3.3%	1.8%
Enrolled active commercial use	89.3%	70.3%	8.6%	0.0%	18.7%	18.5%	37.3%
Enrolled vacant commercial use	7.0%	12.1%	0.0%	0.0%	0.0%	4.2%	4.8%
Enrolled active industrial use	0.0%	3.5%	2.4%	0.0%	0.0%	0.0%	1.0%
Enrolled vacant industrial use	0.0%	1.5%	0.0%	0.0%	10.9%	0.0%	1.8%
Enrolled governmental or institutional use	0.0%	12.7%	10.6%	0.0%	18.3%	16.6%	12.0%
Acres Zoned C-2	5.3	6.3	4.8	1.3	4.8	11.0	33.5

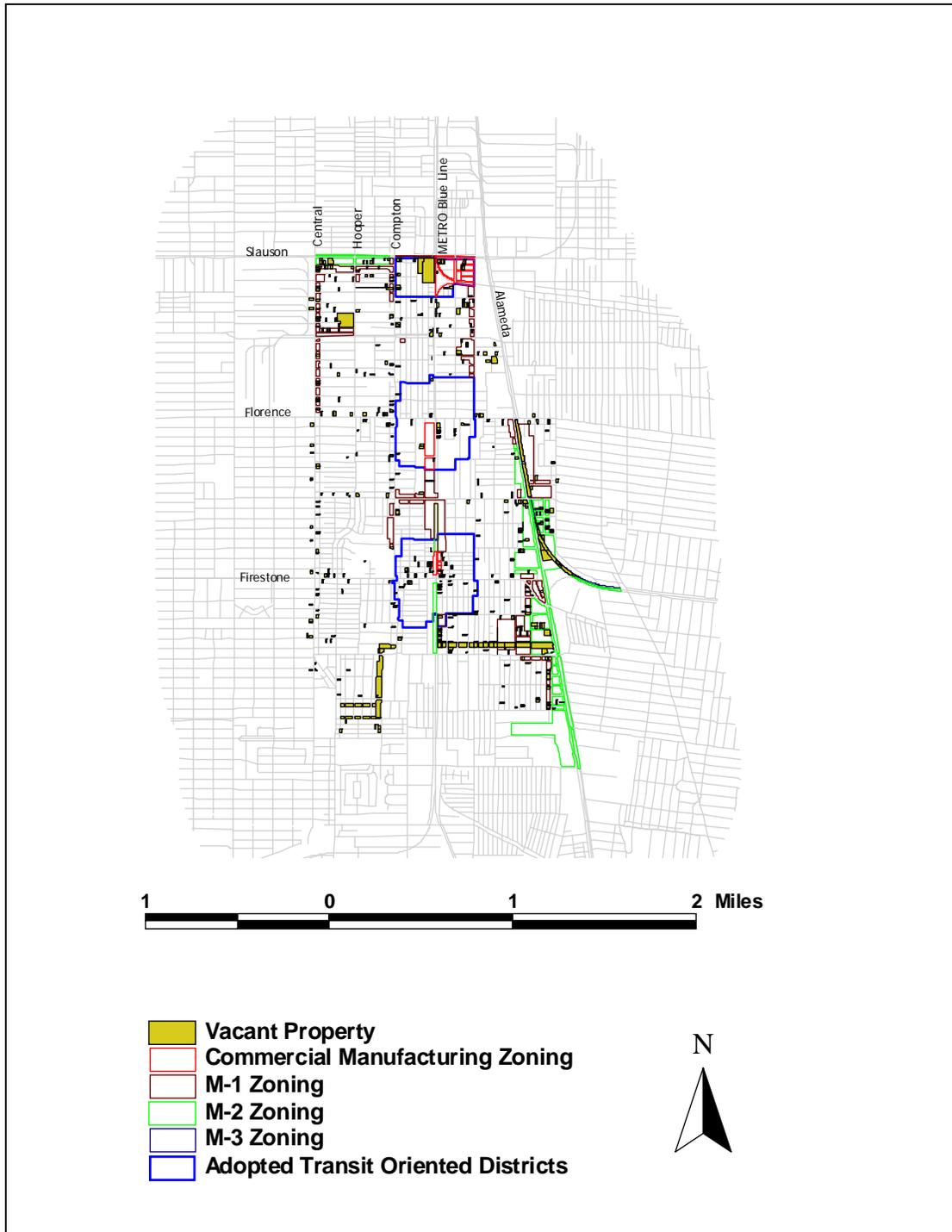
Source: Los Angeles County Assessor's Tax Roll 2009, LA County Planning Department.

TABLE 4-4
C-3 ZONING BY USE CODE AND AREA

FLORENCE-FIRESTONE C-3 ZONING	FIRESTONE BLVD. OUTSIDE FIRESTONE BLVD. STATION AREA BOUNDARY	FIRESTONE BLVD. INSIDE FIRESTONE BLVD. STATION AREA BOUNDARY	FLORENCE AVE. OUTSIDE FLORENCE AVE. STATION AREA BOUNDARY	FLORENCE AVE. INSIDE FLORENCE AVE. STATION AREA BOUNDARY	GAGE AVE. OUTSIDE STATION AREA BOUNDARIES	NADEAU ST. OUTSIDE STATION AREA BOUNDARIES	COMPTON AVE. INSIDE SLAUSON AVE. STATION AREA BOUNDARY	COMPTON AVE. INSIDE FLORENCE AVE. STATION AREA BOUNDARY	COMPTON AVE. INSIDE FIRESTONE AVE. STATION AREA BOUNDARY	COMPTON AVE. OUTSIDE STATION AREA BOUNDARIES	SOUTH CENTRAL OUTSIDE STATION AREA BOUNDARIES	ALL AREAS
Enrolled active residential use	2%	14%	3%	15%	48%	51%	32%	8%	56%	24%	6%	19%
Enrolled vacant residential use	2%	3%	1%	0%	2%	1%	11%	0%	4%	2%	5%	2%
Enrolled active commercial use	44%	47%	61%	68%	39%	15%	10%	84%	19%	47%	60%	48%
Enrolled vacant commercial use	6%	13%	7%	2%	0%	1%	13%	1%	0%	6%	7%	6%
Enrolled active industrial use	2%	5%	15%	3%	11%	28%	35%	0%	1%	9%	5%	8%
Enrolled vacant industrial use	0%	0%	9%	0%	0%	0%	0%	1%	1%	2%	3%	2%
Enrolled governmental or institutional use	44%	17%	5%	13%	0%	3%	0%	5%	18%	10%	15%	15%
Acres Zoned C-3	20.1	9.8	8.6	5.4	6.3	4.0	3.3	7.5	5.8	43.4	9.9	124.1

Source: Los Angeles County Assessor's Tax Roll 2009, LA County Planning Department

FIGURE 4-4
VACANT PROPERTIES WITH COMMERCIAL, INDUSTRIAL
AND GOVERNMENT USE CODES (2009 TAX ROLL)



Source: Los Angeles County Assessor's 2009 Tax Roll

4.3 EMPLOYMENT CHARACTERISTICS

The 471 retail outlets in Florence-Firestone average 5 employees, reflecting the preponderance of small, independent businesses. Eating and drinking establishments employed 10 people on average, while miscellaneous retailers employed 3 people on average. Furniture stores averaged 5 employees as did wholesale trade outlets. All employment characteristics data is from Claritas 2009 estimates.

4.4 MEDIAN INCOME, EFFECTIVE BUYING INCOME AND CONSUMER SPENDING PATTERNS

4.4.1 MEDIAN INCOME

The estimated median income for Florence-Firestone in 2009 was \$33,274, which is below the County median for the same period (\$43,097). The median income for Huntington Park during that time was \$39,955, while in South Gate it was \$46,909. The median income in Florence-Firestone is expected to increase to \$37,473 by 2014 (12.6 percent increase). The 2014 forecast for Huntington Park is \$44,110 (10.3 percent increase), while for South Gate it is \$52,315 (11.5 percent increase). All median income data is from Claritas 2009 estimates.

4.4.2 EFFECTIVE BUYING INCOME

Estimated 2009 median effective buying income during 2009 was \$29,444 for Florence-Firestone. It is forecast to increase to \$32,291 by 2014 (9.7 percent increase). The comparable 2009 figure for the County was \$44,593, while for Huntington Park it was \$33,643, and for South Gate it was \$39,463. Projections for these neighboring communities are \$37,272 and \$43,382 respectively. All effective buying income data is from Claritas 2009 estimates.

4.4.3 CONSUMER SPENDING PATTERNS

The aggregate consumer spending patterns reflect the relatively low income levels. Food for home consumption constitutes the single largest expenditure category, representing 23.9 percent of the average household's spending, The comparable number for the County as a whole was 18.8 percent. All consumer spending patterns data is from Claritas 2009 estimates.

Transportation was the second largest expenditure category for area households—16 percent of household spending, which was slightly lower than the County figure of 17.6 percent, and reflects the relatively low automobile ownership rate and relatively high use of public transit.

Apparel ranked third among spending categories, with 11.6 percent. This was 3.8 percent higher than the comparable County figure. In part this reflects the size of Study Area households—63.2 percent contain 4 or more people, while in the County as a whole only 34.1 percent have more

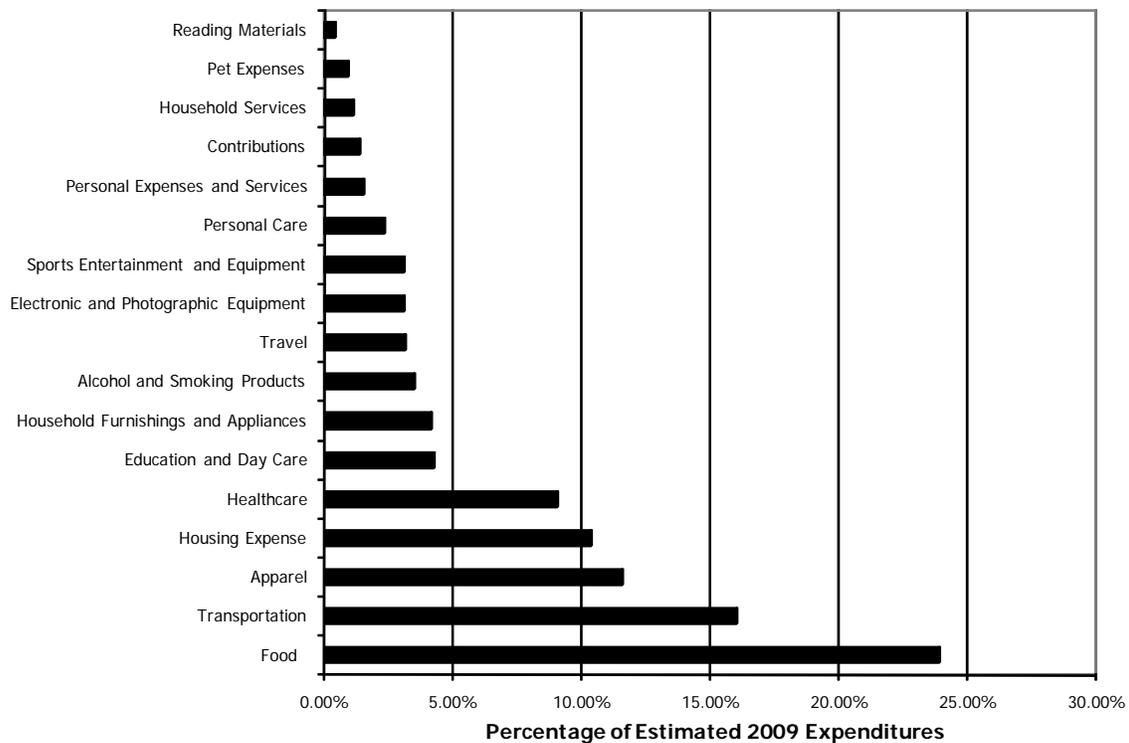
than 3 people. Huntington Park households spent just under 11 percent on this category, while South Gate households spent about 10.5 percent of their income on apparel.

Expenditures for housing are also higher in Florence-Firestone than in County as whole—10.4 percent versus 8.6 percent, respectively. The figures for South Gate and Huntington Park during the period were just slightly lower than that for Florence-Firestone (10.1 percent).

Healthcare expenditures were on a par with those made by households in the County as a whole, with South Gate averaging 9.1 percent. Households in Huntington Park devoted slightly more of their income to healthcare—9.25 percent.

The full expenditure profile (2009) for Florence-Firestone is shown below in Figure 4-5.

**FIGURE 4-5
AGGREGATE HOUSEHOLD SPENDING PROFILE**



Source: Claritas, 2009 Estimates

Spending patterns for 2014 are expected to be similar, with forecasted increases of 1.3 percent for food and 1.2 percent for transportation. Spending percentages in all other categories would decrease slightly, but the rank order is expected to remain the same. Even with projected

increases in income, the expected order would be the same. In South Gate, which has a similar demographic profile but higher median and effective buying incomes, in aggregate, residents spend slightly less on food (2.2 percent difference) and slightly more on transportation (2.4 percent difference) than Florence-Firestone residents.

4.5 RETAIL GAP ANALYSIS BY SECTOR

Total consumer demand in Florence-Firestone for retail products, including food and beverages consumed at restaurants and bars during 2009, were \$528.3M, while the value of products sold during the same time was \$454.2M. The unmet demand of approximately \$74.1M was mainly for goods sold at general merchandise outlets. There were several categories in which Florence-Firestone sales far exceeded the resident consumer demand. All retail gap analysis data is from Claritas 2009 estimates.

To determine how aggregate expenditures compared to sales in surrounding areas, 3-mile and 5-mile radii centered on the intersection of Nadeau and Compton were drawn, and the expenditures and sales for these areas were calculated net of Florence-Firestone figures. The analysis of opportunities for retail expansion follows on a category-by-category basis. A summary is provided in Table 4-5.

4.5.1 MOTOR VEHICLE AND PARTS DEALERS

While the 2009 estimated resident demand for motor vehicles and parts was about \$68.4M, the area sales were nearly twice that at \$131.2M.

The bulk of the difference—roughly \$66M—is attributable to automobile dealers. There are no new car dealers located in Florence-Firestone, but there are 10 used car dealers and auto brokerages, 6 of which are located on South Alameda Street. While there are more car sales here than the demand of Florence-Firestone residents warrants, demand exceeds sales in the area bounded by the 3-mile radius, but outside of Florence-Firestone, by \$203M. Between the 3-mile and 5-mile radii, sales exceeded expenditures by \$183M.

Automotive accessories accounted for a relatively small portion of the opportunity gap—about \$51K. Including the large chain retailers, Kragen and Western Auto, 73 properties were listed on the 2009 tax rolls as dealing in auto parts and/or services. These properties include mainly small independent shops specializing in after-market parts and enhancements, tires, auto glass, muffler repair, and the like. More than two-thirds are located on 3 major streets, with the largest concentration being on Central Avenue (26). Compton Avenue has the next highest number (13), followed by Firestone Boulevard with 10. Sales outweighed expenditures for this category at both the 3- and 5-mile distances.

TABLE 4-5
RETAIL SALES GAP ANALYSIS SUMMARY

Business Category	Florence-Firestone Gap (Surplus)	3-Mile Radius Gap (Surplus)	5-Mile Radius Gap (Surplus)	Opportunity
Motor Vehicle and Parts Dealers-441	(62,842,243)	203,323,195	(181,111,283)	Yes w/ branding
Furniture and Home Furnishings Stores-442	(18,657,335)	(80,739,147)	(94,575,918)	Yes w/ branding
Appliances, TVs, Electronics Stores-44311	2,414,132	(35,808,063)	(5,740,336)	No
Computer and Software Stores-44312	2,555,774	13,981,254	15,556,189	No – Office Depot
Camera and Photographic Equipment Stores-44313	460,468	3,046,976	5,013,396	Possible
Building Material and Supply Dealers-4441	9,965,773	(63,182,336)	(72,992,598)	No
Lawn, Garden Equipment, Supplies Stores-4442	2,730,614	12,194,237	31,118,720	Yes
Food and Beverage Stores-445	(9,757,184)	27,061,959	(279,685,218)	Yes w/ branding
Health and Personal Care Stores-446	17,902,283	47,167,502	17,914,598	No – Wal-mart
Gasoline Stations-447	46,499,705	158,044,536	207,655,969	No
Clothing and Clothing Accessories Stores-448	(14,548,961)	(122,162,359)	(661,307,705)	No
Sporting Goods, Hobby, Musical Inst Stores-4511	6,003,415	27,217,633	(31,174,457)	No - Wal-mart
Book, Periodical and Music Stores-4512	2,894,598	10,259,853	21,680,040	Possible
General Merchandise Stores-452	51,190,212	290,234,113	186,264,782	No - Wal-mart
Miscellaneous Store Retailers-453	304,012	(30,053,653)	(42,640,495)	No
Foodservice and Drinking Places-722	8,024,683	78,101,530	59,307,769	Yes

Source: Claritas, 2009 Estimates

Expenditures for other types of vehicles, including motorcycles, recreational vehicles, and the like, exceeded Florence-Firestone sales by about \$3.5M. The opportunity gap in this category expands with distance. Between Florence-Firestone and the 3-mile radius, an additional \$20.9M gap exists, and between the 3-mile and 5-mile radii, expenditures exceeded sales by \$31.5M. Given these data, there may be an opportunity for an "Other Motor Vehicle" dealership. Furthermore, although there is already an excess supply relative to Florence-Firestone demand for automotive dealers (used cars in particular) and automotive accessory stores, it may be possible to take further advantage of the already evident agglomeration benefits through a targeted marketing campaign.

4.5.2 FURNITURE AND HOME FURNISHINGS STORES

Florence-Firestone sales exceeded estimated resident expenditures by about \$18.6M, and were attributable to non-chain retailers and custom manufacturers and upholsterers.

With the concentration of furniture manufacturers in the area just outside Florence-Firestone's northwest boundary and within the 3-mile radius, the surplus of sales over resident expenditures is about \$80.7M. Between the 3- and 5-mile radii, there is another \$94.6M surplus.

The concentration of retailers and specialty stores in close proximity to one another tend to draw customers from throughout the region, and a targeted marketing campaign could strengthen the businesses already in Florence-Firestone.

4.5.3 ELECTRONICS STORES

Expenditures for electronic products and household appliances exceed area sales in every category. However, that demand was met for most products within either the 3- or 5-mile radius. Within Florence-Firestone, appliance and electronic dealers are small independents.

Some of the locally unmet 2009 demand (\$2.6M) for computers and software will likely be absorbed by the new Office Depot located in the La Alameda shopping center, while excess demand for video game hardware and software will benefit the new Game Stop store in La Alameda and the newly reopened one on Gage Avenue.

There is a small gap in camera and photographic equipment within Florence-Firestone (less than \$500K), but the gap increases significantly in both the 3-mile and 5-mile radii. Generally, these retailers require a minimum of \$2.7M in sales, or 5 times the local demand. While there are already 2 photographic equipment shops in the surrounding area (one in Huntington Park and one in South Gate), there is enough unmet demand in the 3- to 5-mile radii to support at

least one more photographic equipment retailer. The income profile of Florence-Firestone may not attract regional retailers, but this might be an opportunity for a locally owned independent store.

4.5.4 BUILDING MATERIALS AND GARDEN SUPPLY STORES

With 2009 estimated area resident expenditures of \$36.9M and sales of \$24.2M, there is an apparent opportunity gap of \$12.7M.

There are numerous independent retailers in the area offering a full range of products including building materials and lumber dealers, hardware stores, ceramic tile dealers, cabinet shops, plumbing and heating supplies, window suppliers, hardwood floor dealers. There are also 2 garden nurseries.

Of the \$12.7M gap, about \$11.5M is attributable to demand for home center sales. The gap increases by \$24.7M between Florence-Firestone and the 3-mile radius, however on average home centers require approximately \$45M in sales. Within the 3-to 5-mile range, there are surplus sales of \$5.8M, due in part to the presence of a Home Depot in Huntington Park.

For lawn and garden stores (including nurseries), a \$2.7M gap exists in Florence-Firestone, while gaps of \$12.2M and \$31.1M are evident in the 3-mile and 5-mile radii respectively, hence there is ample opportunity for at least one lawn and garden store within Florence-Firestone and several within the 5-mile radius. Independent garden centers compete fairly well against home centers, claiming about 44 percent market share.²

4.5.5 FOOD AND BEVERAGE STORES

Sales of groceries within Florence-Firestone during 2009 exceeded the estimated resident expenditures by around \$6.2M. Figures for the 3-mile radius show a sales gap of \$89.4M, which suggests that Florence-Firestone absorbed some of this gap while most expenditures flowed to areas between 3- and 5-miles away, where there was a surplus of \$208.4M in 2009.

There are three larger chains operating in Florence-Firestone, all with a focus on Latino foods. Superior Market, which operates 35 outlets in the counties of Los Angeles, Orange, Riverside, San Bernardino and Kern, has an outlet on Compton Avenue within the proposed Florence TOD boundary. El Super is located on Gage Avenue and is one of the 16 stores operated by the El Super chain. The Gage Avenue store was previously part of the Mexican chain Gigante. Big

² H. Carman, *The California Nursery Industry, 2007-2008: Value, Growth and Economic Impacts*. California Association of Nurseries and Garden Centers: April, 2009.

Saver, located on Compton Avenue at Slauson Avenue, is one of a 3-outlet chain that also caters to Latino customers.

There are also 2 relatively smaller markets in the area. R-Ranch Market, which is located at the corner of Firestone Boulevard and Hooper Avenue, and La Amapola, which is across the street from Superior on Compton Avenue. The latter is one of a 3-store family-owned chain which has a regional draw.

In addition to the supermarkets, there are numerous small bodegas and specialty markets—neighborhood carnecerias, pollerias, tortillarias and panaderias—scattered throughout the area. These small specialty markets sell about \$500K over and above the local demand. Since there are substantial grocery sales surpluses in the 3-mile and 5-mile radii, it appears that customers are coming from a wider distance, seeking out these ethnic markets. Despite the current surplus, marketing focused on “foodies”—cooks who seek out authentic ethnic ingredients and butchers—could help to further expand the regional draw for these area retailers. Proximity to the Metro Blue Line should also be a plus if the intervening space contains a welcoming pedestrian and commercial environment.

Beer, wine, and liquor sales by Florence-Firestone retailers exceeded the estimated resident purchases by \$3.3M in 2008. Surpluses also existed in the 3- and 5-mile radii suggesting that there is no real room for expansion in this category.

4.5.6 HEALTH AND PERSONAL CARE

Estimated 2009 area resident expenditures for products sold by pharmacies, cosmetics stores, optical goods stores, and health and personal care stores amounted to \$28M in 2009, while area sales totaled \$10.9M, leaving an estimated gap of \$17.9M. Of this gap, the lion's share was attributable to pharmacies (\$14.9M).

Prior to the opening of the La Alameda shopping center, the only major pharmacy in Florence-Firestone was Rite Aid, which is located on Florence Avenue. Much of the \$14.9M gap evident in 2009 will have been absorbed by the CVS now located in La Alameda.

Gap analysis indicates there is sizeable unmet demand in both the 3-mile and 5-mile radii, but it is questionable whether another major pharmacy would consider a new site within Florence-Firestone as a Wal-Mart is scheduled for construction within the 3-mile radius and their pricing on pharmaceuticals is highly aggressive.

The prospect of a Wal-Mart opening in the adjacent area also suggests that the gaps that exist for optical goods (\$1.3M) and other personal care goods (\$1.6M) will be closed by that development.

4.5.7 GASOLINE STATIONS

Though the figures for 2009 area expenditures (\$60.4M) and area sales (\$13.9M) indicate a sizeable gap in this category, several major retailers are located in Florence-Firestone (Mobil, Shell, Exxon, and Texaco). Furthermore, not all estimated resident expenditures are normally made close to home, many are made en route. Low-income consumers generally seek out the lowest prices either through word-of-mouth or over the Internet, and this is particularly true during periods of high gasoline prices. Though there is still a gap out to the 3-mile radius, there are surplus sales in the 3- to 5-mile radii, so it is doubtful that new stations would be developed in Florence-Firestone. There is an opportunity to capture some of the spending leakage in this category, however, by developing convenience stores at existing stations that do not currently have them.

4.5.8 CLOTHING AND CLOTHING ACCESSORIES

Sales clothing and accessories exceeded estimated resident spending by \$14.6M in 2009. Most of these sales were made by small, independent retailers. Apart from shoe stores, there are no national or regional apparel retailers in Florence-Firestone.

Small gaps existed in men's wear (\$320K), jewelry (\$152K) and leather goods (\$219K), but all gaps disappeared within either the 3- or 5-mile distances.

4.5.9 SPORTING GOODS, HOBBY, BOOK, AND MUSIC STORES

The gap between resident expenditures for and Florence-Firestone sales of products in this category was fairly large—an estimated \$8.9M—with most of it attributable to sporting goods and stores specializing in hobbies, games, and toys (\$6.0M). An additional gap of \$27M existed for these shops at the 3-mile distance, but a surplus in the area between 3- and 5-miles absorbed all but \$2M of the total. That fact, coupled with the opening of the Big 5 sporting goods store in the La Alameda shopping center and plans for a nearby Wal-Mart, suggest that the local gap has been or will soon be closed certainly for sporting goods and toys, and most likely for hobbies as well.

Gaps exist in Florence-Firestone and in both radii for books and prerecorded music. There was an approximate \$1.8M gap within Florence-Firestone for bookstores in 2009. Within the 3-mile

perimeter, there was an estimated gap of \$8.9M, and another \$14.0M gap in the area between the 3-mile and 5-mile radii. The respective gaps for pre-recorded music were \$1.1M, \$880K, and \$6.6M. These figures indicate that, despite the planned Wal-Mart, there is room for independent retailers to seek out specialty niches in Florence-Firestone.

4.5.10 GENERAL MERCHANDISE STORES

Though gap analysis of the 2010 data suggest Florence-Firestone resident expenditures in excess of sales amounting to \$51.2M, the development of the planned Wal-Mart has the potential to absorb the total amount. Given that development, it is unlikely that another general merchandise retailer could be attracted to Florence-Firestone.

4.5.11 MISCELLANEOUS STORE RETAILERS

Overall the estimated resident expenditures for this category of retailers was less than the estimated area sales, certain subcategories showed surpluses—florists, and gift and novelty stores.

These surpluses were counterbalanced by a \$1.2M gap in office supplies. This gap has likely been filled, however, with the opening of Office Depot in the La Alameda shopping center.

4.5.12 FOOD SERVICE AND DRINKING PLACES

The estimated expenditures by Florence-Firestone residents in 2009 exceeded the area sales by approximately \$8.0M. This includes a surplus of \$1.5M sales by limited service eating places, which was counterbalanced by gaps of \$5.1M for full-service restaurants and \$3.6M for special food services, (e.g., catering).

In Huntington Park in 2009, full service restaurant sales exceed resident expenditures by \$11.5M, but gaps existed for all categories out to the 3-mile and 5-mile radii lines, with combined gaps totaling \$48.1M for full-service restaurants, \$24.3M for limited-service food places, and \$48.7M for special food services. These data suggest that there is room for new businesses within Florence-Firestone in all of these categories except that of limited food service. Florence-Firestone already has a wide variety of these types of restaurants. National retailers McDonald's, Chuck E. Cheese, Burger King, Jack in the Box, and Winchell's, Wingstop, and Jamba Juice are already located here in addition to a few regional and many independent fast food purveyors.

There is only a slight gap locally for bars and lounges serving alcoholic beverages (\$827K).

4.5.13 ENTERTAINMENT

There are limited entertainment venues in Florence-Firestone. Based on demographic and income characteristics of Florence-Firestone, we estimate resident spending on ticketed entertainment (e.g., movies, concerts, sports events) at \$6.1M, most of which is being expended in neighboring communities. The nearest multi-screen theater is located in Huntington Park, less than a mile from the intersection of Florence Avenue and South Alameda Street. There is also a 20-screen theater located in the City of South Gate.

While local demand for ticketed entertainment appears sufficient to support a movie theater within Florence-Firestone, the major issue will be siting. The larger chains generally prefer to collocate with shopping and restaurants. It is our understanding that a theater was considered for the La Alameda shopping center but ultimately was not included, purportedly due to concerns about attracting gang activity.

Few sites suitable for a movie theater are currently available within Florence-Firestone. It would be preferable to locate a theater near the Metro Blue Line in one of the proposed Station Areas. This would offer easy access via the Blue Line from other areas with Blue Line access both within and without Florence-Firestone. Such a site also would be within walking distance from homes located in the Station Areas. The MWD site at the corner of Slauson Avenue and Miramonte Boulevard might be an option.

4.6 SUMMARY OF FINDINGS FOR RETAIL MARKET ANALYSIS

Taking the area income, income projections, and demographic profile into account, the gap analysis indicates seven retail categories and one entertainment option that could be expanded or introduced. Table 4-4 provides a summary of the retail sales gap analysis. The concern noted in the Florence-Firestone Vision Plan concerning the limited number of supermarkets in the area will shortly be addressed by the construction of a Gonzales Northgate Market just outside Florence-Firestone boundary at the intersection of Slauson Avenue and Avalon Boulevard. The planned construction of a Wal-Mart just to the south of Florence-Firestone may also address this concern if groceries are included in that store.

As noted above, data suggest that several extant categories could be expanded to build upon agglomeration effects—in particular automobile-oriented businesses, furniture and home furnishing accessories, and specialty food retailers. Any of these retail uses could be accommodated either within existing buildings or on individual vacant lots. Most would likely be independent small business, much like those that now populate the area. Success of these businesses would depend on specific location choices and business management practices, but

the probabilities for success could be strengthened by coordinated promotion efforts and advisory and educational programs provided through the community college district and Small Business Association programs.

With respect to automotive businesses, there is a large opportunity gap of nearly \$56M within the 5-mile radius for other motor vehicle dealers, which includes motorcycles and recreational vehicles. Depending on the type of vehicles being sold, there are numerous vacant locations that could accommodate such a business. One opportunity site would be the vacant Next Auto Center property on Firestone Boulevard, but there are other smaller properties that could both accommodate such a business, particularly on Central Avenue, where it would benefit from the proximity of 26 existing automotive service shops.

There is also the opportunity within this category for additional parts and accessories dealers and after-market customizers because of the concentration of these businesses already in the area. As noted in Section 5.4.2, this might be accomplished through a coordinated marketing campaign touting Florence-Firestone as the go-to place for these services.

Similarly, through there is already a surplus of area sales over resident expenditures for furniture and home accessories, there is probably room for expansion in this category. The concentration of custom manufacturers, upholsterers, and retailers in Florence-Firestone and the adjacent furniture district on the area's western border already exerts a strong magnetism. This, too, would benefit from a coordinated promotion to increase the area's identity as a destination specialty shopping area.

A third area in which there is already a surplus, but which could be expanded upon with proper promotion is food stores. The area's local markets offering authentic, Latino foods are already drawing customers from outside the area, but they are mainly found by word-of-mouth or via Internet comment boards as most do not advertise and fewer still have any formal internet presence. With advertising, the specialty butchers and polterers, panaderias, taquerias, and tortillarias could entice even more ethnic food fans to the area. There is a sizeable opportunity gap for catering businesses within the entire 5-mile radius. Both specialty food retailing and catering businesses can provide local residents the opportunity to start small businesses, and could be accommodated in the existing building stock. These areas will be addressed further in the strategy section.

Another retail opportunity lies in full-service restaurants as there is a dearth of these in the area. It is unlikely that the major restaurant chains would locate here, but there are parcels and rental spaces available within the area that could easily accommodate independent

restaurants. Strategic positioning of these facilities with respect to food purveyors could strengthen the branding and promotion of Florence-Firestone as an ethnic food destination.

Businesses that could be introduced or expanded and supported by local demand include gardening and nursery supply concerns. The gap analysis shows a \$39.2M gap within the 5-mile radius. Regardless of whether the Wal-Mart planned to the south of Florence-Firestone will offer garden supplies, there is ample room for an independent dealer. The many vacant lots on the major corridors in the area provide ample siting opportunities as size requirements for this type of business depend on the retailer's business model. Many such businesses thrive on parcels as small as a quarter of an acre, though those offering a full range of garden supplies, yard furniture, and decorative accessories require as much as 2.5 to 3 acres, parking areas included.

Other opportunities for independent retails include a photographic equipment store. Though there are currently two stores nearby—one in South Gate and one in Huntington Park—an estimated \$8.5M of resident expenditures that is not being met within the 5-mile radius. Only about \$500K of this is attributable to the Florence-Firestone Study Area, but a well-positioned retailer might easily draw from the wider area.

Two more categories, where spending exceeds sales not only within Florence-Firestone but at the 3- and 5-mile distances, are for books and prerecorded music. Independent businesses might make a go of it in either of these two categories if they define a market niche to serve. Otherwise, small businesses have difficulty competing against the volume buying and pricing power of the major retailers (e.g., Borders, Barnes and Noble, and online retailers such as Amazon) and suffer from the highest failure rates in retailing. To be profitable, these types of businesses require high traffic volume, whether car or foot traffic, so are best located in busy commercial areas. The probable location for such businesses would be on East Florence within the boundaries of the proposed Station Areas and could be accommodated in a space between 1,000 and 4,000 square feet. Major retailers require retail spaces ranging between 5K and 45K square feet depending on location (i.e., at a neighborhood, community, or regional mall; in an interior or exterior mall location; in a freestanding building).

The final category is movie theaters. As discussed in Section 4.4.14, there is a possibility—though not a high probability—of siting a multi-screen theater within one of the 3 proposed Station Areas. The space and parking requirements for such a facility—in the range of 3 acres—limit the potential sites. The site with greatest potential is currently serving as a storage yard for MWD, which is about 7 acres.

Implications for Economic Development, Land Use, and Zoning

The commercial corridor property, income and spending pattern data coupled with the retail gap analysis indicate that the retail needs of Florence-Firestone residents are currently being adequately accommodated within the area. There is neither sufficient purchasing power nor the expectation of rapidly increasing incomes to support the development of another large scale shopping center or the siting of upscale retailers. Furthermore, such development would likely displace the area's small, independent retailers, which currently provide employment and proprietor incomes for area residents.

The current economic conditions and data regarding the extent and utilization of commercial properties indicate that there is sufficient commercial zoning in place to meet Florence-Firestone's needs into the foreseeable future, though the age of the building stock suggest there is a need to refurbish, adaptively reuse or replace some buildings. Economic development efforts should focus on fostering small businesses, providing support and financial assistance when possible for business development (see Section 6.0) and on ensuring that the zoning ordinances provide sufficient flexibility for businesses to adapt to changing economic circumstances and evolving business models. In addition to transit-oriented-districts, the County might consider instituting form-based or another variant of mixed-use zoning along those portions of the major corridors that lie outside TOD boundaries.

5.0 INDUSTRIAL

5.1 HISTORY

The industrial areas of Florence-Firestone are centered on the railroad which traveled along Alameda Street from downtown Los Angeles to the ports of Los Angeles and Long Beach. The industries that fueled the neighborhood were tied to the war effort and the auto industry which grew with the discovery of oil in Los Angeles. The community surrounding the industrial factories was converted from agricultural to residential to house the local factory workers. The Goodyear Tire and Rubber Company built a plant between Slauson Avenue and Florence Avenue in 1917, adjacent to the northwestern boundary of Florence-Firestone along Central Avenue. In 1928, the Firestone Tire and Rubber Company constructed a plant at the northeast corner of Alameda Street and what became Firestone Boulevard, and General Motors built a plant in 1936 at the southeast corner of Alameda and Tweedy in the City of South Gate. In this era, the balance between jobs and housing was healthy.

By 1950, the Alameda Street corridor was heavily developed with industrial uses, including several junk and salvage yards and automobile dismantling operations.³ The daily trains interrupted east-west traffic and contributed to the noise pollution and heavy industry environment of the corridor. In August of 1989, the Alameda Corridor Transportation Authority (ACTA) was created to consolidate all rail operations to and from the ports of Los Angeles and Long Beach and downtown Los Angeles along Alameda Street, and to build a trench to allow high-speed movement of those trains. The project was completed in April 2002 and has significantly eased traffic and improved the aesthetic quality of the corridor. It was hoped that it would also increase property values to encourage reinvestment in or redevelopment of the heavy industrial properties.

5.2 DESCRIPTION OF EXISTING CONDITIONS

Industrial land uses include manufacturing, warehousing, transportation, wholesale trade, and logistics. Industrial uses can be classified into Heavy Industry which is more intensive, often noisy, and has a larger environmental impact, and Light Industry which has a lower-impact. Heavy Industry includes large-scale manufacturing operations, transportation and logistics, refineries, and scrap metal facilities. Light Industry includes clothing design and manufacturing, furniture design and manufacturing, packaging and assembly, warehouse/distribution, and wholesale sales. Light industry also includes a variety of “neighborhood industrial services” that benefit from the close geographic relationship to customers, wholesalers, and related services.

³ Glazer, Mitch, Alameda Corridor Study, 92nd Street to 103rd Street, Florence-Firestone Community, 2nd Supervisorial District, 2003, County of Los Angeles Department of Regional Planning

Such uses include automobile service and painting, lumberyards, and specialty construction materials.⁴

The existing industrial uses in Florence-Firestone are primarily housed in outdated buildings which front the sidewalk or sit in yards surrounded by concrete or corrugated metal fences. These properties are generally under-parked and poorly maintained. Very few properties have landscaped buffers. Too often, residential uses are sandwiched between industrial uses or share a back wall. Oftentimes these are heavy industrial uses or neighborhood industrial uses that take place in open yards where the air becomes contaminated and blows into the adjacent residential properties. Scrap metal and auto dismantling businesses share the Alameda frontage with auto repair retailers and are one of the dominant industries.

5.3 DEMAND FOR INDUSTRIAL AND WAREHOUSING DISTRIBUTION SPACE

Short-term demand is weak for industrial or warehouse distribution space. The first quarter of 2010 is the fifth quarter in a row with negative absorption in the MidCities submarket, which includes Florence-Firestone. Industrial property owners are lowering rates in order to maintain existing tenants whose leases are up. The average triple-net lease rates in the first quarter of 2010 were \$.47 per square foot for wholesale or distribution space and \$.79 per square foot for research and development or flex space in this submarket.

The factors driving current lease rates are the recession, which has caused low retail sales and low cargo volumes, and thus lower demand for warehousing space. As vacancy rates have increased and supply outweighs demand, rents are decreased to attract tenants. Buyers of industrial properties are seeking higher cap rates to offset the increased risk of vacancy and lower rents. The economic forecast is positive and the economy is expected to begin recovery by the end of 2010 which will begin to increase demand for space and rents.

In a Grubb and Ellis market analysis of the Los Angeles industrial market, the region's interdependence with the emerging Asian economies and the region's large consumer base are cited as reasons for long-term demand for industrial space, making the Los Angeles region one of the strongest industrial markets in the nation.⁵ Grubb and Ellis' forecast for 2010 is that the economic recovery combined with sellers adjusting their expectations will increase the number of industrial sales transactions. They are predicting an increase in the cap rate for 2011 approaching 8 percent.

⁴ Los Angeles' Industrial Land: Sustaining a Dynamic City Economy, Department of City Planning and Community Redevelopment Agency of the City of Los Angeles, December 2007, p 8.

⁵ Grub and Ellis, Los Angeles Investment Forecast 2010, <http://www.grubb-ellis.com/Forecast2010/ReportLoader.aspx>.

5.4 ANALYSIS OF INDUSTRIAL ECONOMIC IMPACT DATA

Employment and industry characteristics were derived from the most recent 2009 Claritas estimates. Industrial businesses make up 16 percent of businesses in Florence-Firestone, provide 14 percent of the jobs, and 19 percent of the sales.

5.4.1 BUSINESSES AND EMPLOYEES PER BUSINESS BY INDUSTRY

There are 1,380 employees in 186 industrial businesses located in Florence-Firestone with an average of 7 employees per firm. Table 5-1 lists industries found in the industrially zoned land in Florence-Firestone by the number of employees. The industries with the highest average number of employees per firm are Primary Metal Manufacturing with 19; fabricated Metal Product Manufacturing with 15; and Lumber and Wood Product Manufacturing, except Furniture, with 12.

The industry with the largest number of businesses in Florence-Firestone is Merchant Wholesalers, Durable Goods with 90, followed by Transportation and Warehousing with 19, and Fabricated Metal Product Manufacturing with 18. The data does not break down the category of wholesalers into subcategories so there are no figures for the recycled materials wholesalers, which we know from observation to be a significant category in Florence-Firestone.

**TABLE 5-1
INDUSTRY BY NUMBER OF EMPLOYEES AND BUSINESSES**

Industry	Total Employees	Total Businesses	Employees/ Businesses	Businesses 20+ Employees
Merchant Wholesalers, Durable Goods	443	90	5	4
Fabricated Metal Product Manufacturing	268	18	15	5
Primary Metal Manufacturing	136	7	19	3
Machinery Manufacturing	110	12	9	1
Transportation and Warehousing	91	19	5	1
Lumber and Wood Product Manufacturing, Except Furniture	71	6	12	1
Furniture and Fixtures Manufacturing	41	5	8	1
Printing and Related Support Activities	32	8	4	0
Other Manufacturing Industries	188	21	9	2
Total	1,380	186	7	18

Source: Claritas, 2009 Estimates

5.4.2 SALES PER BUSINESS BY INDUSTRY

The largest industries measured in sales per business are Lumber and Wood Product Manufacturing, except Furniture; Primary Metal Manufacturing; and Furniture and Fixtures Manufacturing. Table 5-2 lists the industries found in the industrially zoned land in Florence-Firestone by sales per business.

**TABLE 5-2
INDUSTRY BY NUMBER OF BUSINESSES AND SALES**

Industry	Total Businesses	Sales (in Millions)	Sales/ Business
Lumber and Wood Product Manufacturing, Except Furniture	6	14.6	2.4
Primary Metal Manufacturing	7	14.4	2.1
Furniture and Fixtures Manufacturing	5	7.5	1.5
Fabricated Metal Product Manufacturing	18	19.3	1.1
Machinery Manufacturing	12	10.8	0.9
Other Manufacturing Industries	21	17.5	0.8
Merchant Wholesalers, Durable Goods	90	67.7	0.8
Transportation and Warehousing	19	9.0	0.5
Printing and Related Support Activities	8	2.6	0.3
Total	186	163.4	0.9

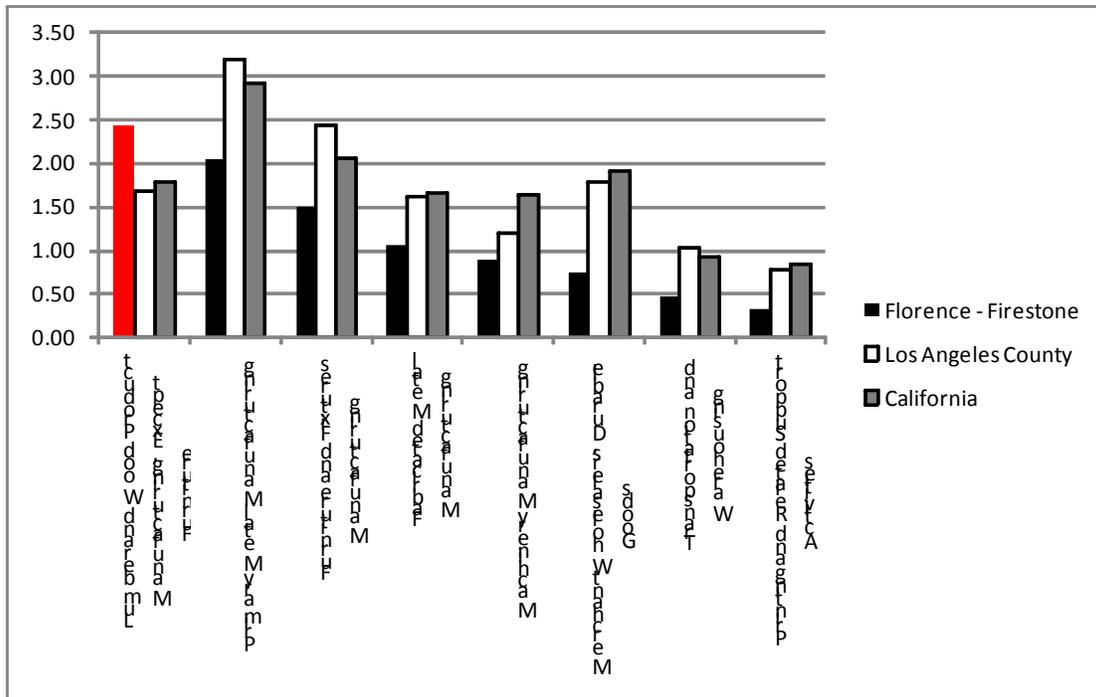
Source: Claritas, Business-Facts: 2 Digit SIC Summary, 2009 Estimates

5.4.3 COMPARISON OF BUSINESS INDICATORS

Based on the average sales and number of employees per business, the industrial businesses in Florence-Firestone are underperforming the average for their counterparts in the County of Los Angeles and the State of California, with the exception of sales for the 5 businesses in the Lumber and Wood Product Manufacturing (except Furniture) industry. The businesses in Florence-Firestone have fewer sales per business and fewer employees per business, as shown in Figures 5-1 and 5-2.

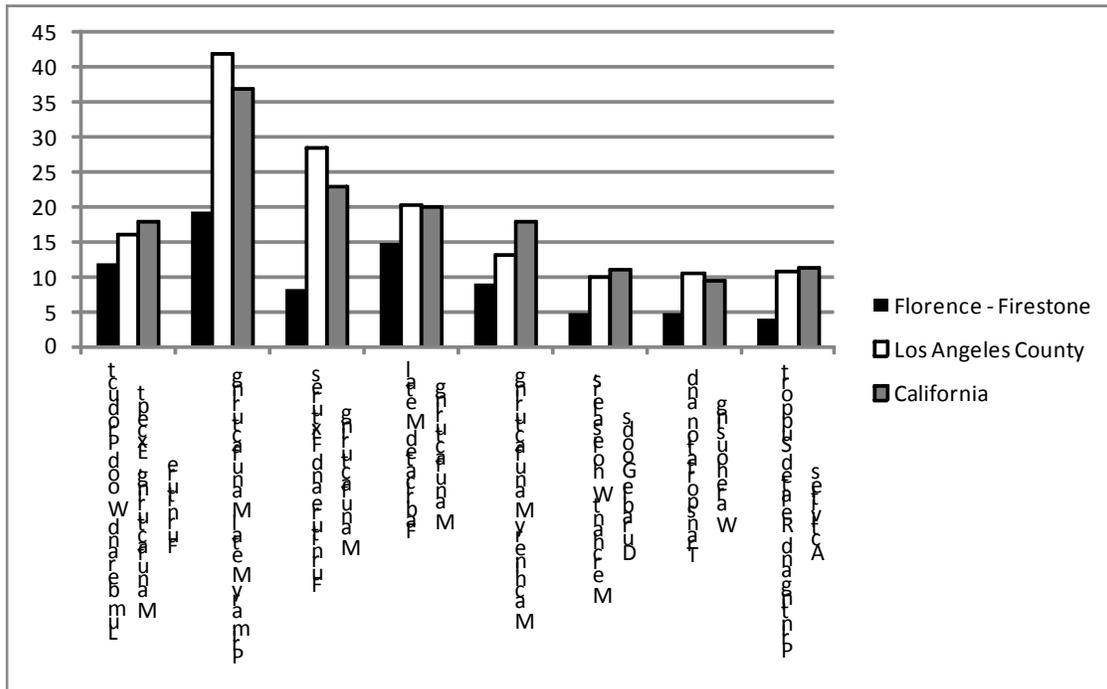
In general, industrial businesses in Florence-Firestone are smaller than average and therefore have room to grow. They should benefit from business assistance programs to enhance their sales or provide them with access to capital to grow to a more competitive size. Each business would have to be evaluated individually to determine its capacity and needs.

FIGURE 5-1
COMPARISON OF SALES IN MILLIONS PER BUSINESS BY INDUSTRY



Source: Claritas, Business-Facts: 2 Digit SIC Summary, 2009 Estimates

FIGURE 5-2
COMPARISON OF EMPLOYEES PER BUSINESS BY INDUSTRY



Source: Claritas, 2009 Estimates

5.5 MAJOR ASSETS AND LIABILITIES

Transportation accessibility is one of the major assets for industrial businesses in Florence-Firestone. The north-south South Alameda Street carries truck traffic to and from the 101, 10, 105, 91, and 405 freeways, and the Port of LA. Slauson Avenue is the major east-west corridor, carrying industrial traffic connecting businesses in the community to the 710 and 110 freeways. Florence Avenue and Firestone Boulevard also travel east-west, but these streets house fewer industrial businesses.

Availability of large parcels of industrially zoned land is another major asset of Florence-Firestone. This does not mean that they are currently for sale, but that they are owned by one owner, making a potential redevelopment project more feasible.

The major liability of Florence-Firestone is that the industrial land was used for industrial purposes for years before environmental regulation, which probably means that there are soils or even water contamination to remediate. This expectation tends to hinder land sales and redevelopment. Proximity to residential neighborhoods, dust generated from open-air storage

of metal scrap and other recyclables affecting air quality, and visual blight are also major liabilities.

5.6 ANALYSIS OF MARKET CONDITIONS

Industrial vacancy rates are higher than normal and rents are lower than normal due to reduced demand for industrial space. As a result, new development isn't financially feasible for speculative industrial space at this time. It may, however, be feasible for an owner-operator who wishes to expand and can afford to develop a suitable property.

5.6.1 VIABILITY OF NEW INDUSTRIAL DEVELOPMENT

Purchase of an industrial property in Florence-Firestone for demolition and redevelopment for a new industrial use, even a high-end one, isn't financially feasible. The maximum construction loan based on expected lease rates is less than the cost of demolition, remediation, and construction before land cost. This leaves 2 options—renovation of existing structures, or purchase and development by an owner-operator for whom the value of the property is not tied to the real estate income stream. Public grant funding may be advised for the redevelopment of a key property to spur private investment in the surrounding properties. Such an investment should be part of a well-designed industrial revitalization plan and not driven solely by opportunity.

5.6.2 OPPORTUNITY FOR GREEN INDUSTRY

California's working definition of a Green Economy is any activity or service that performs at least one of the following:

- **Generating and storing renewable energy**
- **Recycling existing materials**
- **Energy efficient product manufacturing, distribution, construction, installation, and maintenance**
- **Education, compliance, and awareness**
- **Natural and sustainable product manufacturing**

Two industries with a significant presence in Florence-Firestone fit into that definition, the Recycling Material Merchant Wholesalers and Motor Vehicle Parts (Used) Merchant Wholesalers. The Recycling Material Merchant Wholesaler industry is comprised of businesses primarily engaged in the wholesale distribution of automotive scrap, industrial scrap, and other recyclable materials. Included in this industry are auto wreckers primarily engaged in dismantling motor vehicles for the purpose of wholesaling scrap. The 2007 North American Industrial

Classification System (NAICS) Code for this industry is 423930. The Motor Vehicle Parts (Used) Merchant Wholesaler industry is comprised of businesses primarily engaged in the merchant wholesale distribution of used motor vehicle parts (except used tires and tubes) and establishments primarily engaged in dismantling motor vehicles for the purpose of selling the parts. The 2007 NAICS Code for this industry is 423140.

While these two industries qualify as green, looking at their properties does not inspire thoughts of environmental stewardship or cleaner, more sustainable occupations. They are also noted for their noncompliance with building codes and conditional use permit requirements.

Industry Outlook

IBISWorld, an industry analysis group, reports that the United States Recycling Material Merchant Wholesaler industry will generate revenue in 2010 of \$56.6 billion from 6,859 businesses and spend \$2.5 billion on wages to 81,060 employees. Annual profits are projected to be \$3.8 billion. The industry has grown an average of 2.4 percent annually between 2004 and 2009 and is projected to grow at an average annual rate of 9.6 percent between 2009 and 2014. Employment is anticipated to increase as well.

Scrap metal is the largest sector of this industry, contributing nearly three-quarters of the revenue, followed by recycled paper. The key external drivers of the scrap metal sector are downstream demand for primary metal manufacturing, real GDP growth, the domestic price of steel, and the availability of other metal resources such as iron and steel scrap. This is a mature industry with high revenue volatility and high investment requirements. It is heavily regulated and faces strong competition.

The industry just weathered a downturn during the last half of 2008 as a result of the credit crunch. West Coast metals recyclers felt it the most as their revenues are strongly tied to demand from China and India and scrap buyers in those countries were cancelling contracts. Export prices for ferrous scrap rose again in 2009 and are expected to continue to climb as the world economy recovers between 2009 and 2014. This will increase economic activity at the auto dismantling/junk and salvage and scrap metal businesses along Alameda Street and Slauson Avenue which could lead to an increase in employment and wages.

5.6.3 OPPORTUNITY FOR ECO-INDUSTRIAL USES

Eco-industrial synergies result when a business strives for zero waste by utilizing the waste or by-product of another business's manufacturing process as raw material for its manufacturing process or use or sell its own manufacturing process by-products as raw materials. Recyclable

Material Merchant Wholesalers are middlemen in the eco-industrial process. Primary Metal Manufacturers are recipients of the processed products of the steel industry whose electric arc furnaces or mini-mills turn the ferrous scrap metal into steel sheets or wire. The Florence-Firestone community is not a viable location for a local steel mill, but it does provide one of the necessary links in that exchange. Other recruitment opportunities exist for other upstream and downstream users of by-products from existing recycling businesses. Another example is how local auto repair businesses re-use the used parts from the auto dismantling industry on Alameda Street.

5.6.4 ANALYSIS OF OPPORTUNITY SITES

The Community Development Department has identified five blocks on Alameda Street as opportunity sites as a part of their economic development plans for Florence-Firestone. These sites were selected because of the predominance of businesses that are considered part of the green economy. However, the existing green businesses—the auto dismantling/junk and salvage, and scrap metal businesses—have not invested much in their appearance, nor have they been in compliance with building codes and conditional use permit requirements.

In the short-term, the expected growth in the Recycling Material Merchant Wholesaler industry will encourage existing businesses to remain in business at their current locations, on four of the five Opportunity Sites. In the long-run, they may be persuaded to move to San Bernardino County along Alameda Corridor East and take advantage of rail shipping. In preparation for that day, plans should be laid to increase the number and quality of green jobs and livable wages, and to increase the local supply of a trained workforce so that Florence-Firestone benefits even more from this centrally located industrial land.

Opportunity Sites

Opportunity Site #1

Site #1 is located on the east side of Alameda, south of Short Street and west of Santa Fe Avenue. Its southern border is a large property in the City of South Gate. It currently contains auto dismantling/junk and salvage and scrap metal businesses. This site is located in Supervisorial District 1.

Opportunity Site #2

Site #2 is located between Lou Dillon Avenue and South Alameda Street and East 83rd Street and East 84th Street. It is currently dominated by an auto sales business. This site is located in Supervisorial District 1.

Opportunity Site #3

Site #3 is located between 88th Street and 87th Street and Juniper Street and South Alameda Street. It currently contains scrap metal and retail sales businesses. This site is located in Supervisorial District 2.

Opportunity Site #4

Site #4 is located immediately north of Site #2 between East 83rd Street and Nadeau Street and Croesus Street and South Alameda Street. It is currently dominated by auto dismantling/junk and salvage businesses. This site is located in Supervisorial District 1.

Opportunity Site #5

Site #5 is located immediately south of Site #3 between 89th Street and 88th Street and Juniper Street and South Alameda Street. It currently contains auto dismantling/junk and salvage, auto repair, manufacturing, and scrap metal businesses. This site is located in Supervisorial District 2.

These sites are expected to have some soils or water contamination and will require some environmental assessment before they change ownership or are redeveloped. If a redevelopment project area can be established, the Polanco Act would be helpful in addressing potential contamination issues because, if followed properly, it severs liability for past contamination to the new owner.

A sixth opportunity site is occupied by Kramer Metals, a scrap metal business on Slauson Avenue and Randolph Street immediately east of the Slauson Blue Line Station. This business would be located more appropriately in one of the other opportunity sites so that the vacated property could be redeveloped as housing or as a business park that would generate a higher concentration of jobs that could take advantage of the Blue Line station.

Opportunity Site #6

Site #6 is located on Slauson Avenue between Randolph Street and Holmes Avenue and 58th Place. It currently contains scrap metal, manufacturing businesses. This site is located in Supervisorial District 1.

5.7 SUMMARY OF FINDINGS FOR INDUSTRIAL MARKET ANALYSIS

In summary, the industrial market analysis indicates that the market for new industrial development is weak, with the possible exception of an owner-operator whose purchase and investment is dictated by the strength of their business to generate income to cover the cost of acquisition and redevelopment of an existing industrial property. The strongest economic generator available in the industrial market is to work with existing businesses to strengthen their revenue-generating and employment capacity. CUP enforcement is necessary to protect local residents and improve the curb appeal of the industrial district in order to attract new investment when current owners seek to sell their property. If there is interest from some of the property owners, an EPA Brownfields assessment grant may be useful to quantify the extent of contamination of key properties.

Implications for Economic Development, Land Use, and Zoning

Industrial economic development efforts are best directed in two directions in the near-term, business expansion efforts aimed at existing businesses and establishing a redevelopment agency to assist business attraction through land acquisition and development. Successful manufacturing companies are always looking for land to expand their operations; Florence-Firestone needs to prepare for capturing its fair share of those growing businesses, particularly in new technology and green industry. Its location offers access to the ports of Long Beach and Los Angeles which is attractive to businesses in import or export trade.

Land is currently zoned to allow both heavy and light industrial uses and conditional use permits provide some government oversight to some industrial uses. The penalties for noncompliance have proven to be too lenient to some industries which choose to pay rather than comply. A discussion with the offending businesses may be useful prior to increasing penalties and a study of what other jurisdictions have found successful is also advised.

Pockets of industrial businesses that exist within Florence-Firestone that pose a nuisance to their neighbors will need to be evaluated to determine whether that use should continue to be

supported. A concurrent evaluation of the border between industrial and residential land uses along the Alameda Corridor is recommended. Ideally, land use and zoning changes in the two areas would retain the current balance of land uses. With the establishment of a redevelopment project area encompassing the blighted blocks of industrial and commercially zoned land, resources would exist for acquisition of the rezoned parcels as they come to market. Setbacks and landscaping requirements should also be established for properties adjacent to residential neighborhoods.

6.0 ECONOMIC DEVELOPMENT STRATEGIES

There are no overnight remedies for the high unemployment rate and entrenched poverty in Florence-Firestone. The major obstacles are the low educational attainment of the populace coupled with the lack of English language skills. These are both correctable, but the correction will take time and will require deploying concurrent strategies, one aimed at effecting mid-term improvements and one focused on the long-run.

Many programs are available for the task, but not all have been strategically applied in Florence-Firestone. Applicable programs are described below, followed by suggestions on how they might be combined to Florence-Firestone's best advantage.

6.1 GENERAL ECONOMIC DEVELOPMENT STRATEGIES

6.1.1 IMPLEMENTATION OF STRATEGIC PLAN FOR ENHANCING EMPLOYMENT OPPORTUNITIES FOR RESIDENTS OF FLORENCE- FIRESTONE

On May 13, 2010, the Los Angeles County Workforce Investment Board (LA County WIB) Executive Committee approved the Strategic Plan for Enhancing Employment Opportunities for Residents of Florence-Firestone and allocated funds in the FY11 budget to hire a consultant to begin the implementation process. This plan was developed in response to the needs articulated at a Florence-Firestone Economic Symposium held in June 2009. The Florence-Firestone Employment Planning and Coordinating Group was formed and met almost weekly between February and April 2010 to develop the strategic plan. Member organizations include the LA County WIB, LA County Community Development Commission and other County departments, East Los Angeles College, Florence-Firestone Chamber of Commerce, Arbor/Florence-Firestone Employment Resource Center, and Arbor Education and Training. The strategic plan was designed to meet the needs of business owners; the employment, training, and education needs of adults, youth and young adults; and to remove barriers to employment and create opportunities for economic self-sufficiency.

6.1.2 EMPLOYEE TRAINING

Given the demographic makeup of the Florence-Firestone area, it is apparent that education is the key to increasing the earning potential of area residents, who in general require further training to qualify for higher skill, higher paying jobs. The jobs currently in the area are relatively low-skill, low-wage manufacturing and retail jobs. Despite other advantages Florence-Firestone may have in attracting industry, the lack of a skilled workforce is a marked disadvantage. Technical training programs designed to build on skills already present and

update them for the changing industrial environment will be instrumental in building a valuable and attractive workforce.

The current expansion of the East Los Angeles College Educational Center at South Gate will provide residents with an opportunity for easily accessible classes and allow them to seek better paying jobs in neighboring communities. Over the long run, increasing the educational attainment of area residents will increase Florence-Firestone's attractiveness to new industries.

The County should approach the East Los Angeles College District about offering a program tailored to the needs of the largely Spanish-speaking residents of Florence-Firestone. Course design might include short-duration intensives designed to fit into the schedules of employed students.

6.1.3 SMALL BUSINESS ASSISTANCE PROGRAM

In addition to workforce training, we recommend a strong small business assistance program. Businesses in the Florence-Firestone area are largely small, independent concerns. Though some appear to be thriving, many are clearly operating at the margin. Regardless of their circumstances, small business owners can benefit from the programs sponsored by the U.S. Small Business Administration and administered by the Small Business Development Centers (SBDC). Currently Florence-Firestone appears to be "in between" programs. While there is an SBA district office in Glendale and an SBDC regional office situated at Long Beach Community College, the service area for that SBDC office only extends as far north as South Gate. No other regional office has a service area that includes Florence-Firestone. We suggest that the County approach the SBDC Regional Office in Long Beach about devising a program specifically for Florence-Firestone, or at a minimum extending their service area to include Florence-Firestone, perhaps offering business training classes and consulting services a few times a month at the Community Service Center on Nadeau Street. SBDC advisors counsel entrepreneurs on starting new businesses, and small business owners on basic business management topics. They will also help find funding to build businesses. SBDC advisors have at their disposal information on local, state, and federal funding and can facilitate meetings between business owners and bankers. Florence-Firestone has the advantage of having a Wells Fargo branch office in the area. Wells Fargo has an SBA Preferred Lender Program.

SBDC advisors can help small business owners identify and apply for federal, state, and local programs which offer funding for new and expanding businesses. Funds available from each of the programs listed below may vary from year to year:

Los Angeles County Community Development Commission Business Loan Programs

- **County Business Loan and Business Expansion Programs:** Currently, startups and small- and medium-sized businesses are eligible to apply for loans that range between \$25,000 and \$1,000,000. Applicants must show financial need and demonstrate a public benefit (e.g., job creation) that would accrue from their planned new business or expansion, in addition to providing evidence of good credit and the ability to repay the loan. There is also a requirement for collateral.
- **County Development Loan Program:** Loans are available to companies which meet the HUD CDBG requirements and are able to provide sufficient collateral. Loans may be used for the acquisition of property, purchase of equipment or machinery, tenant improvements, and working capital. The terms vary from 5 to 20 years, depending on the use of funds.
- **County Float Loan Program:** Short-term loans that range in size from \$1,000,000 to \$10,000,000 are available to facilitate projects that promote economic growth in Los Angeles County. Projects are also expected to demonstrate a public purpose, (e.g., job creation, job retention, and elimination of blight conditions). The maximum term for these loans is 2½ years and collateral is required.

Small Business Administration Loan Guarantee Program

The SBA works with lenders and small businesses to facilitate loans by lessening the lender's exposure to loss through non-repayment. The SBA backs loans made under these with guaranties on a portion of the loan amount. Business owners must be able to meet the lending institution's requirements, but must also meet the requirements of the SBA 7(A) Program. To determine eligibility for SBA 7(A) loans, applicants are assessed on four factors:

- Size criteria establishing the business as "small" within its class (e.g., manufacturing, wholesaling, retailing, services, etc.);
- For-profit status, nature of the business, and business practices;
- How the proceeds are to be utilized; and
- Miscellaneous factors, (e.g., the character and solvency of the applicant's, prospects for success of venture).

The following are among the SBA's 7(A) Loan Guarantee Programs:

- **SBA Express Loans:** Loans up to \$350,000, which may either be taken as revolving lines of credit or as term loans;
- **Community Express Loans:** Loans up to \$250,000 for businesses located in low- or moderate-income areas or owned by individuals in a disadvantaged business classification (i.e., minority, woman, veteran); and
- **CAPLines:** Short-term loans and revolving lines of credit for up to \$2 million for eligible expenses of existing businesses. Terms can run up to 5 years.

6.1.4 MICRO-LENDING PROGRAMS

Micro-loans can make an enormous difference in the viability of a small business by permitting the purchase of a crucial piece of equipment, improvement of the façade or interior appointments of the place of business, or by providing working capital at a critical time. The SBA has a micro-loan program through which loans are made by nonprofit organizations. The terms are short, none longer than 6 years, and the maximum loan amount is \$35,000.

Perhaps the best known micro-lending institution is the Grameen Bank, which was established by Nobel Laureate Muhammed Yunus. Grameen has developed an American subsidiary, Grameen America, which initially opened banks in the New York City boroughs of Brooklyn, Queens, and Manhattan. More recently, the bank opened West branch in San Francisco. Grameen intends to open facilities in 50 U.S. cities with the aim of helping 1,000,000 entrepreneurs. Florence-Firestone seems a logical location, and Grameen has already established a relationship with the California State University Channel Islands Institute for Social Business. Grameen will consider a location if there is a "substantial underserved population" and if wider community can provide initial funding of \$2 million.

We recommend that the County form a consortium of interested parties and approach Grameen about establishing a bank in Florence-Firestone, as the area residents certainly meet the profile of Grameen's target clients. The loans made by Grameen are small, but they require no collateral and empower recipients to build their own success. The risk to investors is minimal, as Grameen's repayment record is excellent.

6.1.5 CALIFORNIA INDUSTRIAL DEVELOPMENT BONDS

Industrial development bonds (IDB) provide manufacturing and processing companies low-cost, low-interest financing for capital expenditures. Eligible capital expenditures include the

acquisition of land, building construction, building renovation, and the purchase of machinery and equipment.

The California Industrial Development Financing Advisory Commission (CIDFAC) is a state agency within the California State Treasurer's Office. What makes CIDFAC unique in state government is that it approves the issuance of IDBs as a partner with local governments. The local government can be a city, county, economic development authority, redevelopment agency, or a joint powers authority. The local entity oversees the application through the various issuance processes. Under state law, IDBs are issued by the local entity, but must be approved by CIDFAC. As part of its services, CIDFAC provides technical assistance to local agencies and independently reviews IDB applications for compliance with federal and state statutes and public benefit provisions such as job creation.

The Small Business Program (SBP) was developed in response to concerns raised by small business owners who said they were unable to access IDB financing because of the amount of time required to issue bonds. In response to those concerns CIDFAC developed a streamlined, "one-stop-shop" process for small businesses. The approval and allocation are received simultaneously at CIDFAC. The SBP provides a mechanism for small businesses to finance all their capital expenditure needs, up to \$4 million, including land acquisition, building construction or renovation, and the purchase of equipment.

6.1.6 SPECIAL ZONE DESIGNATIONS

Special zone designations offer multiple benefits to business owners. Florence-Firestone currently has two special zone designations, HUBZone and Recycling Market Development Zone, which appear to be underutilized and are described in the following sections. Two additional zone designations could aid the County's economic development efforts, the Foreign Trade Zone and the State Enterprise Zone. Florence-Firestone was previously designated an Enterprise Zone which provided tax credits to businesses that hired local residents. If the County will be submitting an application for a new designation, Florence-Firestone should be included. The Foreign Trade Zone and State Enterprise Zone are also described in the following sections.

HUBZone

The HUBZone designation gives firms located in Florence-Firestone preferential consideration in federal government contracting. To qualify for this program, businesses must maintain their primary office in the zone and a minimum 35 percent of their employees must live with zone. In addition to preferential consideration, HUBZone status also provides access to federal loan

programs that specifically target HUBZone firms. The HUBZone program is administered by the U.S. Small Business Administration. Introducing SBDC services at the Community Services Center would heighten awareness of the HUBZone status and benefits to local business owners. At present only one firm located in Florence-Firestone is listed as a HUB contractor.

Recycling Market Development Zone

Florence-Firestone is part of the County of Los Angeles Recycling Market Development Zone, which is administered by Los Angeles County Public Works, Environmental Programs Division. It administers programs that assist residents and businesses throughout the County to recycle traditional (metals, paper, and plastic) and non-traditional (construction and demolition debris, home-generated sharps waste, and electronic waste) materials. By targeting technical assistance and financing opportunities, the County sought businesses that would manufacture goods from recycled materials.

Foreign Trade Zone

A second preferential designation is that of Foreign Trade Zone (FTZ). Florence-Firestone is not currently a FTZ. A FTZ designation would be of value should the Recycling/Repurposing District be established, and given Florence-Firestone's location along the Alameda Corridor, there is solid argument to be made for annexing areas adjacent to the corridor to either one of the FTZs at the Ports of Los Angeles (Zone 202) and Long Beach (Zone 50).

Businesses located in an FTZ enjoy certain tax advantages. Goods shipped to FTZs are not subject to customs charges until they formally enter U.S. Customs territory for sale. If they enter the zone, are processed, and then shipped out again for sale in foreign markets, they are exempt from customs duties. This helps level the playing field between U.S. manufacturers and foreign producers, and is especially helpful to those companies that assemble products from foreign parts for sale in overseas markets. Several activities that would likely occur with a recycling/repurposing district—cleaning, testing, destructing, sorting, grading—are among those allowable within FTZ boundaries.

Enterprise Zone

The Enterprise Zone designation affords business owners certain tax advantages including credits for hiring, sales or use tax credits, tax deductions for allowed business expenses, interest payments, and net operating losses. Other benefits of operating in an Enterprise Zone include job referral services, subsidized on-the-job-training for employees, and eligibility for technical and financial assistance. Additionally, certain Community Development Block Grants

(CDBG) are targeted to Enterprise Zone firms. The Enterprise Zone designation may be of value in attracting businesses, particularly if the establishment of the Recycling/Repurposing District comes to fruition.

6.2 FLORENCE-FIRESTONE SPECIFIC ECONOMIC DEVELOPMENT STRATEGIES

The following recommendations specific to Florence-Firestone are based on our findings. Each section contains a table in which a strategy or program is listed along with the purpose or objective to be achieved and how it can be achieved.

6.2.1 RETAIL STRATEGIES

Retail gap analysis indicates that relatively few gaps exist in Florence-Firestone. Most of the goods and services included in the area's aggregate spending profile can be obtained either within the district or within the relatively short distance of 5 miles or less.

While there are no large gaps to attract major retailers to Florence-Firestone, there will undoubtedly be entrepreneurs who will find a retail niche to occupy—the retail areas to the west of South Alameda Street have for the most part been “home-grown” in this way. Small independent retailers have tailored their businesses to buying patterns of the predominately Latino community; catering to local tastes in food; clothing, home furnishings and the like; and providing essential services such as mobile phone services, automobile parts and maintenance services—all major components of the aggregate spending profile. Many local businesses will continue to service mainly local clientele, but there are several categories that are already drawing customers from beyond Florence-Firestone boundaries. These are existing strengths that can be built upon by a concerted program aimed at branding and promoting Florence-Firestone as the destination area for these specialized goods and services. Such a program would first entail engaging business owners and acquainting them with the benefits of joining the effort, which would include not only advertising but façade improvement, signage standards, and code enforcement elements.

Place Branding and Promotion Campaign

To implement the Florence-Firestone Vision Plan, the strategies must be linked through place branding such that the branding becomes a key driver in the economic revitalization of the community as companies want to become a part of what's happening in Florence-Firestone.

The branding process can be considered as a key element in five dimensions of the local economic development package:

- **Repositioning:** Assessments of Florence-Firestone's current advantages and resources, its disadvantages, and its opportunities can all be framed within the development of an evolving place identity.
- **Visioning:** The development of relationships between investors, residents, businesses, and public agencies should be considered in terms of the emergence of Florence-Firestone's place identity. Partnerships among these stakeholders should be considered from the standpoint of their unique character, and championed for the unifying vision these relationships provide. In turn, it is these partnerships that will champion and manage the place brand.
- **Strategy:** The detailed plan for implementing the economic development strategy should be framed in terms of the development of Florence-Firestone's evolving story. Implementation of the economic development strategy and place branding strategy should be a simultaneous and fully integrated effort.
- **Activities:** Funded activities undertaken to brand the identity of Florence-Firestone should be part of the same strategic rollout as funded activities undertaken for economic development.
- **Marketing:** Promotion and media placement should focus on the life of Florence-Firestone, as it is enriched by the economic development activities, and how the place has evolved over time.

Inputs, Outputs, Desired Outcomes

The work of developing a successful place brand should be divided into three categories described as inputs, outputs, and desired outcomes. *Inputs* include defining objectives, target audiences, and articulating the brand image; *Outputs* include a list of clear values and unique advantages; *Desired Outcomes* are the benchmarks by which the branding program is evaluated.

There are three retail business aggregations that are good candidates for this branding and promotion campaign. Each is already drawing customers from beyond Florence-Firestone borders:

- **Automobile Parts, Service, and Customization Businesses.** The many businesses in this category are primarily concentrated along Central Avenue, Firestone Boulevard, and South Alameda Street, but many others are dispersed

throughout the area. The County should encourage these types of businesses to locate in close proximity to one another, and to advertise this as a convenience to customers from across the region and play on the area's historic association with automobiles.

- **Latino Specialty Food Markets.** Food is a major attraction, and authentic ethnic foods can draw customers from long distances as the specialty markets in Florence-Firestone are already doing. More can be made of this, however, by promoting their location within the proposed Station Areas and in close proximity to the Metro Blue Line. This effort could be strengthened by the development within one of the TODs of a "Mercado," a collection of rental vendor stalls with a shared dining area. Such a development could provide affordable space for startup or small restaurants, bakeries, and other food purveyors. It could also serve as a special events venue for both public and private functions.

- **Furniture and Home Furnishings.** Given the close proximity to the furniture manufacturing district border at Central and Slauson avenues, many local businesses offer custom furniture, repair and upholstery services, or sell home furnishing accessories. Like the automobile services, they could benefit from close proximity to one another and a coordinated advertising campaign that emphasized the convenience of having many shops concentrated in a relatively small area.

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Florence-Firestone Branding and Promotion	To develop a synonymous economic and place identity to promote Florence-Firestone as a destination for these specialized goods and services: <ul style="list-style-type: none"> ■ Auto parts, repair, and customization ■ Latino specialty foods ■ Furniture and home furnishings 	Establish a branding committee to develop the inputs, outputs, and desired outcomes for the Florence-Firestone place branding program. Develop identity signage with cluster of businesses. Develop a Business Improvement District for to fund additional safety and sidewalk cleaning efforts.

Implementation partners include the Florence-Firestone Chamber of Commerce, Florence-Firestone Workforce Investment Board, Florence-Firestone Community Enhancement Team, and the Los Angeles County Community Development Commission.

Transit-Oriented District Commercial Revitalization Program

Establish a commercial revitalization program within the three proposed TODs utilizing three strategies, marketing, image improvement, and community building. This program should have an advisory committee for each TOD, with business participation from a variety of businesses such as a restaurant, clothing store, grocery, and hair salon.

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Transit-Oriented District Commercial Revitalization Program	To retain and grow the local retail and commercial businesses in the TODs.	<p>Provide ongoing education to business owners and managers about marketing their businesses.</p> <p>Target the TODs with code enforcement of signage and sidewalk encroachment, graffiti removal, and vacant lot/abandoned property abatement.</p> <p>Establish a TOD Advisory Committee of business owners and managers for each TOD in order to build the community of businesses.</p>

One element of marketing is educating businesses and vacant property owners about the necessity of making shopping districts in the TODs look attractive and feel safe to shoppers and the steps that can be taken to accomplish this. This goes hand-in-hand with code enforcement and signage improvements. Displays that encroach upon the public sidewalk are often not only visually unappealing, but they discourage the pedestrian traffic that is the life blood of successful retail districts. Finally, community building is also needed to encourage business owners and managers to get to know each other and to discuss issues such as how crime and blight are affecting them.

Implementation partners include the Florence-Firestone Chamber of Commerce, the Florence-Firestone Workforce Investment Board, Los Angeles County Sheriffs Code Enforcement, and Los Angeles County Department of Public Works.

Targeted Façade Improvement Program in Transit Oriented Districts

Focus existing commercial façade improvement funds in the three Transit-Oriented Districts. This façade improvement campaign should concentrate on creating appealing retail environments along the major thoroughfares with the TODs. In the long-run the campaign should be expanded to those areas where core specialty retail is concentrated (i.e., automobile

services on Firestone Boulevard, specialty food markets on Florence Avenue, and furnishings dealers on Slauson Avenue).

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Targeted Façade Improvement Program in Transit-Oriented Districts	To improve the pedestrian appeal of the TOD and ultimately increasing retail sales.	<p>Establish design themes for each TOD with input from the local business community.</p> <p>Conduct outreach to key blocks in each TOD to encourage participation in the façade improvement program in partnership with the TOD Advisory Committee.</p>

Notes: Implementation partners include the Los Angeles County Department of Regional Planning and the Community Development Division.

Centralized Parking Plan

As plans are made for the development of inviting, walkable retail areas with amenities such as street trees, efforts should address parking requirements, parking lot design standards, and the development of centralized parking—shared lots or structures—at key locations. Further development of strip malls with parking situated between sidewalks and storefronts should be prohibited.

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Centralized Parking Plan	To provide visitors with one-stop parking while they shop at multiple locations, to increase foot traffic in commercial areas, and to decrease the number of short automobile hops between shops and the attendant pollutant emissions.	<p>Examine current parking requirements with respect to their effect on renovation, redevelopment, or adaptive reuse of existing commercial structures, as well as their effect on encouraging pedestrian traffic and use of transit facilities.</p> <p>Rewrite codes as necessary to achieve objectives of economic revitalization and transit-oriented development.</p> <p>Identify target sites for public or shared parking lots or structures. Develop parking facilities.</p>

Implementation partners include Los Angeles County Department of Regional Planning and the Community Development Division and the Florence-Firestone Chamber of Commerce.

Development of Transit-Oriented District Plans

Currently the Blue Line stations are unattractive facilities that do little to assure riders that the areas they are entering are safe. There is little pedestrian traffic except for those boarding or detraining the Blue Line or waiting for a bus connection. The success of any TOD development depends on the perceptions of neighborhood residents and their ongoing support of businesses that locate there. It is a bit of a chicken-and-egg problem: retailers will not be attracted to the TODs unless they think their clientele is already there or will be soon. Local clientele will not be attracted to shop at TOD locations unless they perceive it as safe and that their shopping needs will be conveniently met.

From the business perspective, even in areas where transit ridership is high, proximity to public transit is not, as yet, seen as particularly attractive. Other factors are more important to business, including available square footage of commercial space with good street visibility and clustering of other businesses in the same general area.

It is imperative to keep in mind that without local support businesses in the TOD will fail. So it is essential to tailor TOD commercial spaces so that the stores and services that cater to the Florence-Firestone populace can be accommodated. At present most shops are comparatively small by shopping mall standards—2,000 to 3,000 square feet (some are even smaller)—hence plans should emphasize flexible spaces that can be altered as the needs of tenants change.

Existing businesses that serve the daily needs of area residents should be approached about locating in TOD commercial spaces. In the cases of the proposed Florence and Firestone TOD locations, the proximity to supermarkets—Big Saver and Superior, respectively—should prove an asset. Commuters tend to chain trips and the location of a mix of restaurants, food markets, bakeries, drug stores, personal services, and other daily consumer stops at the TODs will promote success for both property managers and tenants.

Clustering restaurants and specialty food markets in TODs can serve two markets—first and foremost the local residents and regional shoppers, should the area elect to brand itself as a Latino food destination.

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Transit-Oriented District Plans	To provide sufficient activity within walking distance of Metro Blue Line stations, encourage use of transit facilities by Florence-Firestone residents, and to attract transit users from other areas to shop in Florence-Firestone.	<p>Improve Blue Line stations to make them safer and more attractive environments.</p> <p>Work with implementation partners to support existing retail, foster redevelopment and new development as appropriate to create safe, inviting, and vibrant pedestrian-friendly commercial districts.</p>

Implementation partners include the Los Angeles County Metropolitan Transportation Authority, the Los Angeles County Community Development Commission, the Los Angeles County Department of Regional Planning and the Community Development Division, Florence-Firestone Chamber of Commerce, Florence-Firestone property, and business owners and commercial developers.

6.2.2 INDUSTRIAL STRATEGIES

The industrial market analysis indicates that redevelopment in Florence-Firestone is not financially feasible at this time or in the near-term future without heavy public investment. The following programs and policies have been designed to be implemented to improve the economic activity in the industrial corridors until the demand for new industrial space improves.

Establish and Promote the Florence-Firestone Green/Recycling Zone

The Green/Recycling Zone on Alameda was first articulated by the Florence-Firestone Employment Planning and Coordinating Group in the Strategic Plan for Enhancing Employment Opportunities for Residents of Florence-Firestone. The industries targeted with this strategy are the Recycling Material Merchant Wholesalers and Motor Vehicle Parts (Used) Merchant Wholesalers. Many of the automobile parts, service, and customization businesses which are recommended for enhancement in the retail strategies have a direct link to the recycling businesses.

As explained in Section 6.1.1, the place branding process begins with an assessment of the industrial corridor's current advantages and resources, disadvantages, and opportunities. This has been addressed in Section 5.5, Major Assets and Liabilities and Section 5.6.2, Opportunity for Green Industry. The largest hurdle to overcome is the discrepancy between the visual image of the existing recycling businesses and the image of "green" industry as clean and non-polluting.

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Florence-Firestone Green/Recycling Zone	To develop a synonymous economic and place identity to promote the Alameda industrial corridor in Florence-Firestone as a successful green business location.	Establish a branding committee to develop the inputs, outputs, and desired outcomes for the Florence-Firestone Green/Recycling Zone. Meet with recycling businesses to discuss improving their "green" image. Pursue Conditional Use Permit compliance with recycling businesses.

To implement the Florence-Firestone Green/Recycling Zone, the economic development strategies must be linked through place branding such that the branding becomes a key driver in the economic revitalization of the community as companies want to become a part of what's happening in the Florence-Firestone Green/Recycling Zone.

Inputs, Outputs, Desired Outcomes

The work of developing a successful place brand should be divided into three categories described as inputs, outputs, and desired outcomes. *Inputs* include defining objectives, target audiences, and articulating the brand image; *Outputs* include a list of clear values and unique advantages; *Desired Outcomes* are the benchmarks by which the branding program is evaluated.

Implementation partners include the Florence-Firestone Chamber of Commerce, the Florence-Firestone Workforce Investment Board, Los Angeles County Sheriffs Code Enforcement, and Los Angeles County Department of Public Works.

Green/Recycling Zone Façade Art Program for Area Youth and Schools

The visual blight within the industrial corridors from illegal signage and improper open-air storage of materials detracts from the image the Green/Recycling Zone is designed to promote. The illegal signage and improper storage of materials will be addressed via code compliance through the Conditional Use Permit process. However, the reason businesses use unpermitted signage, such as rooftop signs, wall-painted business signs, neon illuminated signs, and portable signs within the public right-of-way, is that it is the least expensive marketing strategy. It is a marketing strategy designed to make their business visible to potential customers driving by.

The Green/Recycling Zone Façade Art Program for area youth and schools is recommended as a strategy to serve the same purpose as the unpermitted signage, to make the businesses visible in an attractive way, replacing the need for unpermitted signage.

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Green/Recycling Zone Façade Art Program for Area Youth and Schools	To upgrade the appearance of recycling and salvage companies.	Develop a low-cost façade art contest for area youth and schools. Meet with businesses to solicit their participation in this program.

Implementation partners include the Florence-Firestone Workforce Investment Board, Los Angeles County Arts Commission, East Los Angeles College, Los Angeles County Community Development Commission, and the Los Angeles Unified School District.

Business Assistance Program

The market analysis revealed that on average industrial businesses in Florence-Firestone are smaller than the state and County average as measured by number of employees and revenue. A business assistance program aimed at business growth through business outreach and increasing local access to business assistance services will help to increase the competitiveness of local businesses. Reapplying for the State Enterprise Zone designation will provide tax credits to zone businesses that hire local workers.

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Business Assistance	To grow and retain existing businesses.	Establish business outreach program to inform businesses about services available to help them grow their business. Conduct mini-assessment to identify specific needs. Increase resources and support to WorkSource Centers. Research feasibility of a business-friendly one-stop business support center. Reapply for State Enterprise Zone Designation.

Implementation partners include the Florence-Firestone Workforce Investment Board, Los Angeles County Community Development Commission, Florence-Firestone Chamber of Commerce, East Los Angeles College, and the State of California Employment Development Department.

Workforce Development

The economic prosperity and quality of life in Florence-Firestone is highly dependent on the skills and education attainment of its future labor force. Local and regional labor markets have deteriorated across the nation because of the recession. As of May 2010, the unemployment rate in California was 12.4 percent, compared to 9.7 percent for the nation (Labor Market Information, California Employment Development Department). Critical to the development of

high-quality jobs in Florence-Firestone is the availability of an educated workforce. The need for a skilled labor pool and workforce training cannot be overemphasized. To address the growing challenges and their impact on job seekers, low-income, and underemployed and dislocated workers, a concerted strategy is needed to update the skills of the existing labor force and prepare the emerging workforce for positions in high-growth industries.

Several key organizations in partnership with the Los Angeles County Workforce Investment Board have developed a strategic plan for enhancing employment opportunities for residents of Florence-Firestone. The local base of jobs is too small to employ the large number of residents so the following strategies are aimed at improving the education and skills base of residents.

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Workforce Development	To improve the ability of residents to pursue and compete for employment.	<p>Implement occupational, classroom, and/or on-the-job training through Workforce Investment Act-funded efforts.</p> <p>Organize and/or support monthly job fairs to better connect residents to employment, training, and educational opportunities.</p> <p>Develop and implement a targeted outreach and education campaign to promote available employment and training services and educational opportunities, particularly at ELAC's South Gate campus.</p> <p>Develop and implement a Florence-Firestone "Local Hire" strategy for employment opportunities related to economic development projects.</p>

Implementation partners include the Florence-Firestone Workforce Investment Board, Arbor/Florence-Firestone Employment Resource Center, East Los Angeles College, Florence-Firestone Chamber of Commerce, and Los Angeles County Community Development Commission.

Redevelopment Project Area Designation

The best source of funding for catalyst development projects is tax increment financing available in designated redevelopment project areas. Florence-Firestone has never had a redevelopment project area and would benefit greatly from one. The Los Angeles County Community Development Commission has begun to study the cost and timeline for implementation and is currently seeking funding to complete the initial studies required to quantify the blighted conditions. For a \$300,000 to \$450,000 investment, millions of dollars

would be available for economic development and affordable housing development projects that could be used to leverage private investment for the development of the TODs and attract new high-wage employers to the industrial area. For this to happen, the redevelopment plan must be consistent with the Vision Plan for Florence-Firestone; its purpose of must be to implement those aspects of the Vision Plan that overlap.

PROGRAM	PURPOSE OF PROGRAM	HOW TO IMPLEMENT THE PROGRAM
Redevelopment Project Area Designation	To provide tax increment funding to eliminate blight in Florence-Firestone.	Conduct initial assessment of blight study. Define blighted areas for inclusion in the redevelopment project area. Prepare Redevelopment Plan.

Implementation partners include the Los Angeles County Community Development Commission, the Los Angeles County Department of Regional Planning, and the Florence-Firestone Community Enhancement Team.

7.0 MARKET ANALYSIS CONCLUSION

This study was commissioned to develop an industrial business development and attraction strategy and a retail demand and attraction plan that address the key economic development issues identified in the Florence-Firestone Vision Plan to help inform land use strategies. The Vision Plan identified four economic issues, lack of jobs, lack of diversity of jobs, lack of commercial diversity, and limited opportunities for job training and occupational education. The Los Angeles County Workforce Investment Board (LA County WIB) concludes that for the time being, the majority of the residents of Florence-Firestone will be traveling outside the community to work. Therefore, their recently approved *Strategic Plan for Enhancing Employment Opportunities for Residents of Florence-Firestone* addresses the employment, training, and education needs of adults, youth, and young adults, and ways to remove barriers to employment and create opportunities for economic self-sufficiency. The current economy threatens the success of attraction plans in the current planning horizon, therefore the recommended economic development strategies focus on intermediate strategies that will prepare the community for future attraction of both industrial and retail businesses.

Current Market State within Florence-Firestone

The current market state of Florence-Firestone can be summarized as a workforce with a low educational attainment and resulting low incomes and a community with decades of deferred maintenance, conflicts between adjacent land uses, obsolete retail and industrial building stock,

and high rental housing rates due to excess demand resulting in affordability issues and reduced disposable income. The per capita income level of the community makes it less attractive to those businesses the residents desire so they shop where those businesses have located. This is why the recommendations in this report encourage nurturing existing businesses so that they may grow to fill the desires within the community as their business acumen and access to capital expands.

Market Opportunities and Constraints that Impact the Feasibility of Commercial and Industrial Development

La Alameda has absorbed the greatest retail market opportunity that existed both in land and retail expenditure gap. The neighborhood shopping center planned on the southwest corner of Slauson Avenue and Central Avenue and the Wal-Mart planned near Jordan Downs will absorb much of the remaining retail market opportunity. The constraints that are limiting new development today are land aggregation and income levels in the community.

Market opportunities for industrial development will improve with the economy. Most businesses are waiting to make investments that require expansion into larger locations. The constraints limiting new development today are large enough parcels for development or good truck turnaround capacity and truck access that is not a nuisance to the neighbors. This makes the some of the industrial land in Florence-Firestone infeasible for redevelopment.

Consumer Expenditure Patterns and Areas of Leakage and Future Opportunities

The analysis of consumer expenditure patterns and areas of leakage identified seven retail categories and one entertainment option that could be expanded or introduced. This list should expand as the median income increases through a decrease in the unemployment rate, an increase in incomes through education and job skills improvements, an increase in residents with higher incomes into new market rate housing, or a combination of the above.

1. Other motor vehicle dealers
2. Auto parts and accessories
3. Specialty food retailing and catering
4. Full service restaurants
5. Gardening and nursery supply
6. Photographic equipment
7. Books and prerecorded equipment
8. Movie theaters

Strategic Recommendations Regarding Current and Future Commercial, Retail, and Industrial Development

Current opportunities for commercial, retail, and industrial development can be supported through the strategies outlined in the report. They encompass improving the image and curb appeal of the commercial and industrial corridors (*Florence-Firestone Branding and Promotion, Targeted Façade Improvement Program in Transit-Oriented Districts, Florence-Firestone Green/Recycling Zone, Green/Recycling Zone Façade Art Program for Area Youth and Schools*); improving the business acumen of the local business owners (*Transit-Oriented District Commercial Revitalization Program, Business Assistance*); improving the job skills (*Workforce Development*); improving the supportive infrastructure (*Centralized Parking Plan, Transit-Oriented District Plans*); and improving resources for business attraction (*Redevelopment Project Area Designation*).

Future opportunities for commercial, retail, and industrial development will be developed through strategic land use and zoning changes.

One recommendation is to provide incentives for new commercial development in the TODs where it has been targeted. Another is to identify transit rich corridors and commercial nodes to target mixed use development and change the land use and zoning. A third recommendation is to identify optimal locations for future shopping centers based on raising the per capita income level of the community. Then rezone the land to commercial. Ideally the area would already contain a mix of uses from retail to industrial to residential in a generally blighted state so that the community would support the future redevelopment into an attractive shopping center like La Alameda.

As an example, a new retail shopping center near or in one of the TODs could be implemented with a redevelopment agency that can raise funds to buy and bank land in the chosen location while an increase in the density of market rate residential housing is developed in order to improve the income level near the planned shopping center. An opportunity exists for such long-range planning in the southwest quadrant of the Florence Station TOD by changing the industrial and single-family land use and zoning designations to commercial and high-density residential.

The jobs provided by the existing industrial businesses outside the Alameda Corridor have value in the community; therefore the community would benefit if the land remains job-producing. However, the buildings and infrastructure that attracted them are obsolete. The new uses will need to be able to operate with service trucks rather than tractor-trailers and the buildings should have setbacks with landscaping and buffer their neighbors from the noise and activity

within. Some sites may be too narrow to accomplish this without expansion onto the adjacent properties to be successful. The adjacent properties are usually residential further complicating this scenario. Therefore, the recommendation for land use and zoning changes to industrial properties outside the Alameda Corridor is to evaluate each block for reuse as a future business park, shopping center, mixed use corridor, or community park and rezone accordingly. For example, the industrial zoned block east of the Slauson Station TOD could provide a buffer for the station to the surrounding industrial uses if converted to a business park with setbacks, landscaping, and light industrial or small office uses.