



GPAC Meeting #2

Lomita City Hall | July 13, 2023



Meeting Agenda

- Introductions/Overview
- Demographics and Housing Trends
- Employment and Commercial Real Estate Trends
- Questions and Discussion
- Next Steps





Introductions/Overview



Consultant Team Role: Subject Experts

- Kittelson and Associates, Inc.: Transportation and Mobility
- **Economic and Planning Systems: Economics and Fiscal Analysis**
- JZMK Partners: Urban Design
- City Advisors: Zoning
- MD Acoustics: Noise
- Cogstone: Cultural Resources
- Fusco: Infrastructure



EPS



Jason Moody
Principal-in-Charge



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Project Manager



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Project Analyst



REAL ESTATE ECONOMICS



PUBLIC FINANCE



LAND USE &
TRANSPORTATION



ECONOMIC DEVELOPMENT
& REVITALIZATION



FISCAL & ECONOMIC
IMPACT ANALYSIS



HOUSING POLICY



PUBLIC-PRIVATE
PARTNERSHIP (P3)



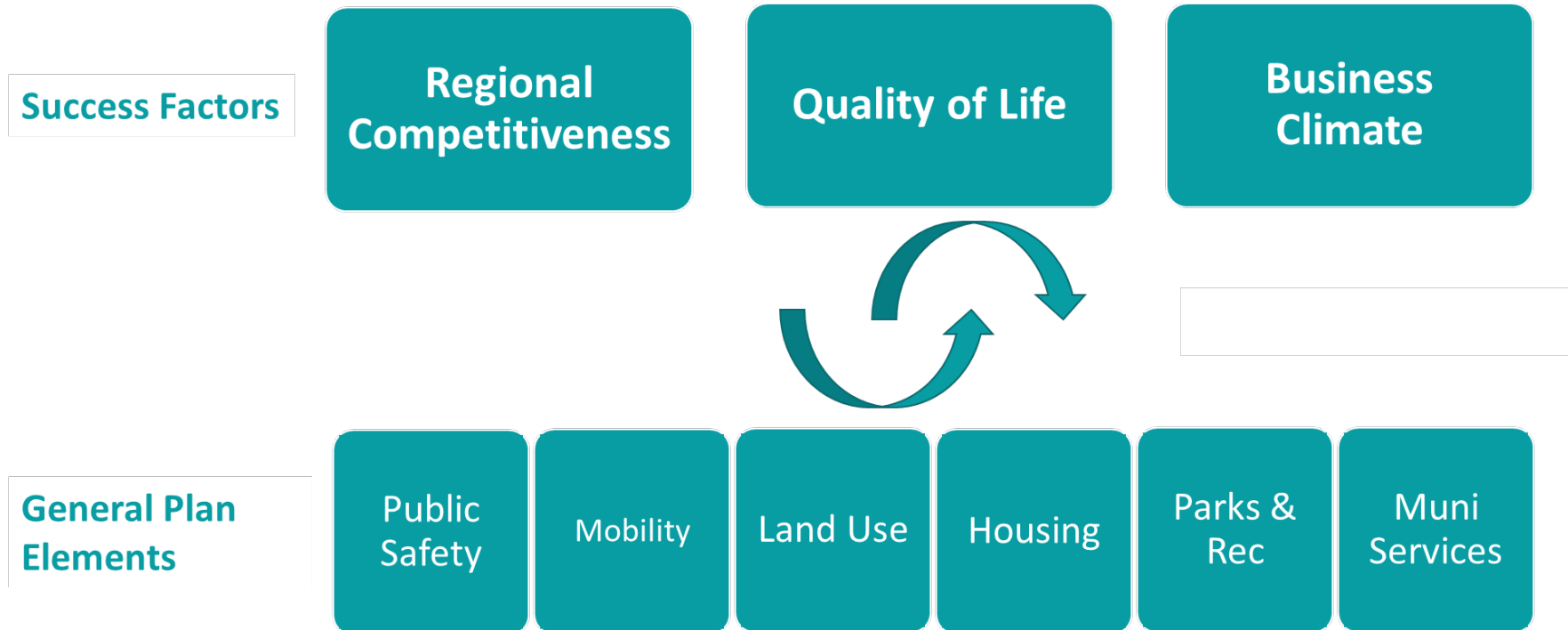
PARKS & OPEN SPACE
ECONOMICS

- EPS is a land use economics consulting firm with offices in Los Angeles, Oakland, Sacramento, and Denver
- Supporting General Plan processes throughout the State, including many with DeNovo team



Role of Economics in General Plan

- **Ensure goals and policies are economically achievable**
- **Promote long-term economic vibrancy / resiliency**
- **Weave economic considerations and goals into all GP Elements**

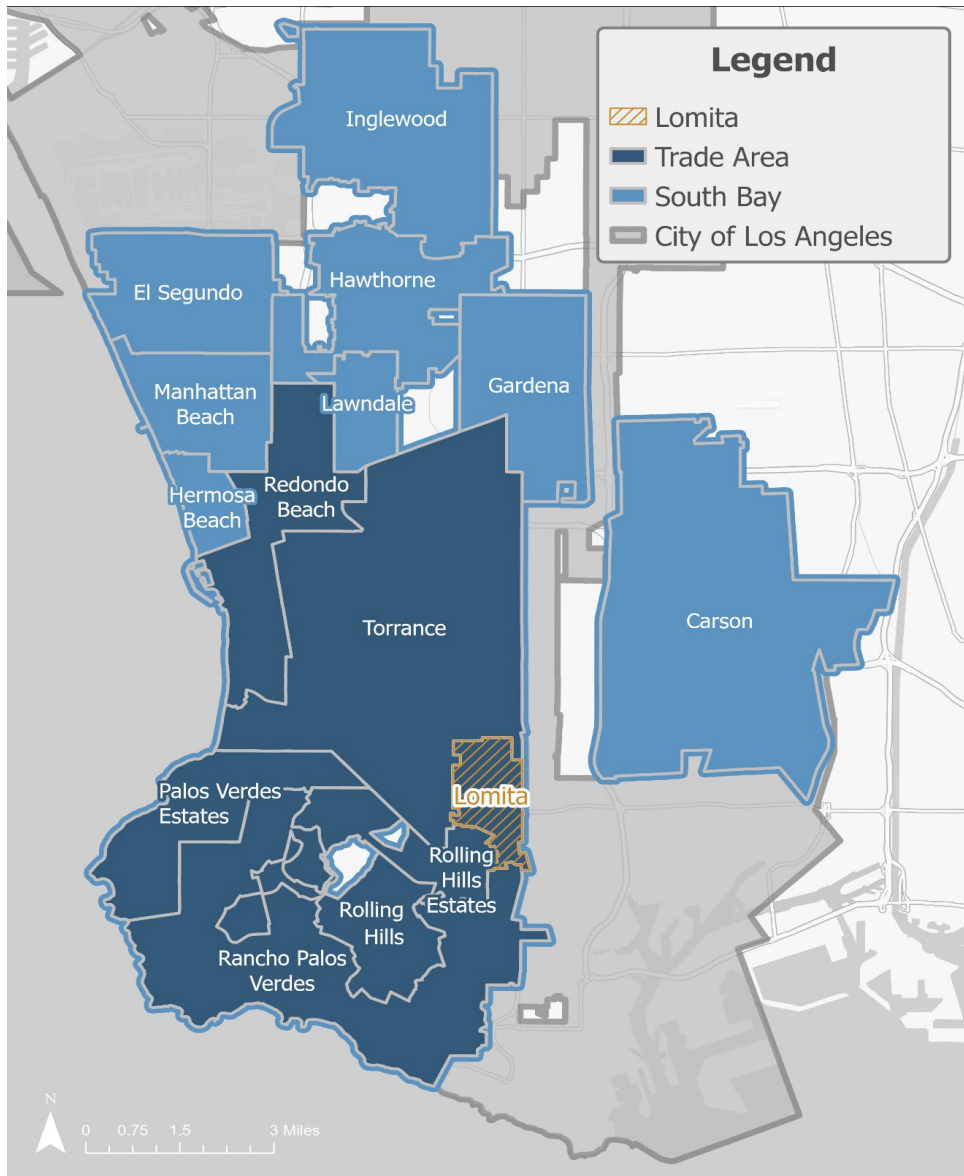


Purpose & Scope of Existing Conditions

- **Goal is to evaluate and characterize:**
 - Local / regional demographic and real estate market trajectory
 - City's economic position and "role" in larger region
 - Opportunities and challenges that can be addressed through land use and other policies
- **Topics Covered:**
 - **Demographics** – population, age, education, income
 - **Economy** – jobs, commutes, growth sectors
 - **Real Estate** – Housing, Retail, Office, Hospitality, Industrial



Geographies Covered



Analysis provides geographic context using “Trade Area” and South Bay subregion

- Reflects communities that have and will have most impact on market trends in City
- More informative than looking at entire LA County
- Data excludes adjacent City of LA neighborhoods and unincorporated areas



Regional Overview

	Population		Jobs		Median Household Income	
	Amount	% of Total	Amount	% of Total	Median Income	% of Regional Median
Trade Area						
Lomita	20,884	3%	3,009	1%	\$85,852	87%
Palos Verdes Estates	13,403	2%	2,352	1%	\$202,569	205%
Rancho Palos Verdes	42,316	6%	4,297	1%	\$158,996	161%
Redondo Beach	70,998	9%	24,088	7%	\$123,874	125%
Rolling Hills	1,436	0%	266	0%	\$250,000	253%
Rolling Hills Estates	8,305	1%	3,188	1%	\$160,724	163%
Torrance	147,156	19%	88,603	26%	\$100,215	101%
Subtotal	304,498	40%	125,803	37%	\$119,777	121%
Remainder of South Bay						
Carson	95,104	12%	49,761	15%	\$92,548	94%
El Segundo	17,243	2%	69,443	20%	\$126,683	128%
Gardena	60,917	8%	21,019	6%	\$68,413	69%
Hawthorne	87,863	12%	24,060	7%	\$63,847	65%
Hermosa Beach	19,787	3%	5,052	1%	\$144,388	146%
Inglewood	108,206	14%	24,764	7%	\$62,845	64%
Lawndale	32,035	4%	5,091	1%	\$72,246	73%
Manhattan Beach	35,585	5%	16,357	5%	\$169,586	172%
Subtotal	456,740	60%	215,547	63%	\$84,884	86%
Grand Total	761,238	100%	341,350	100%	\$98,841	100%

Among South Bay's 15 cities, Lomita ranks:

- 9th in population
- 13th in jobs
- 11th in median household income





Demographics and Housing



Population

Geography	Growth 2000 - 21	Projections 2021 - 40
Lomita	3%	2%
Trade Area	3%	6%
South Bay	3%	8%

Modest growth in the subregion since 2000

- Similar pattern expected for Lomita over the next 20 years
- Trade Area and Region to projected to grow faster in the future



Households and Age

Geography	Household Size (Persons)	% Family Households	Median Age
Lomita	2.64	67%	39.5
Trade Area	2.69	68%	47
South Bay	2.79	69%	42

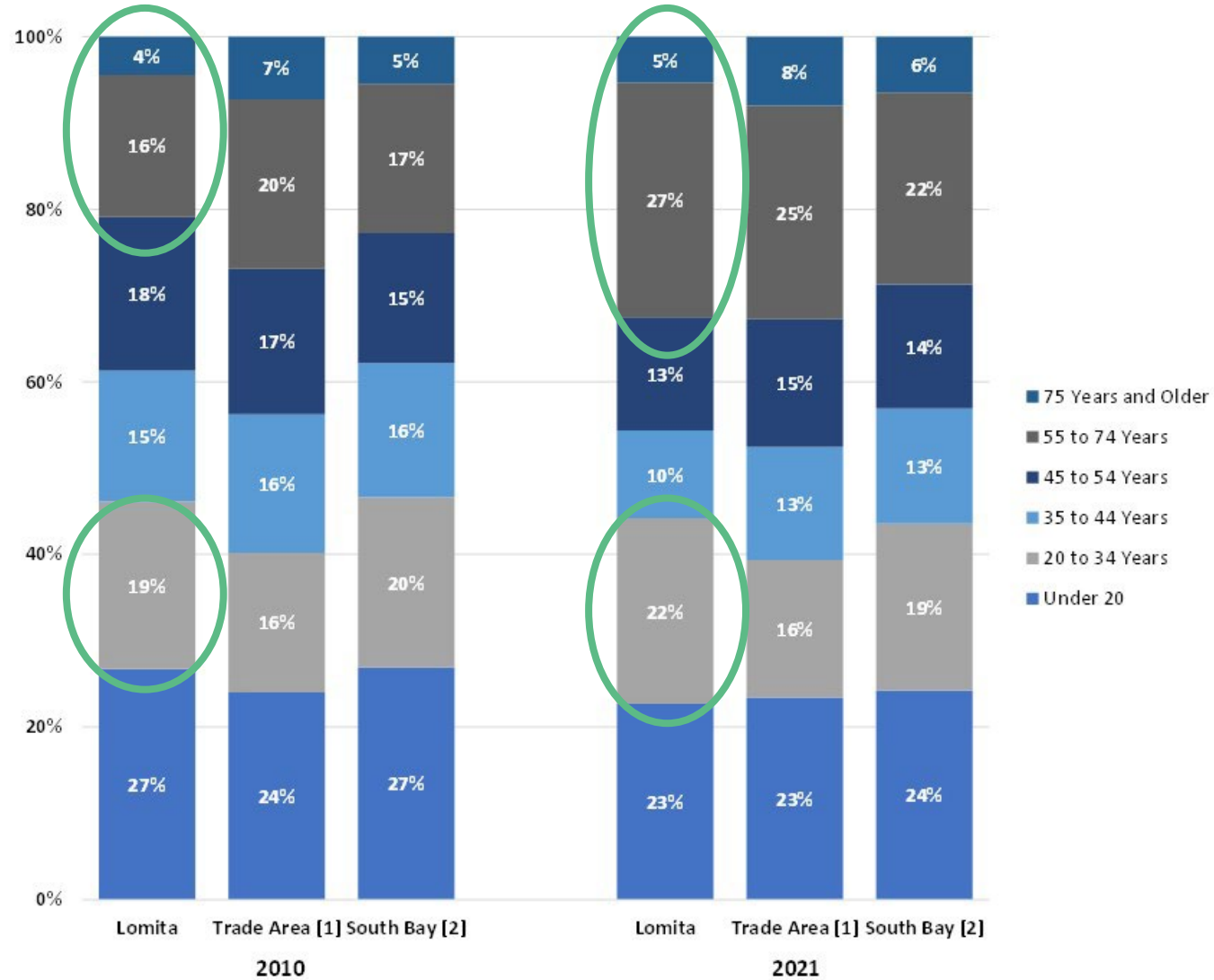
Lomita relative to Trade Area and South Bay has:

- Smallest household size
- Lowest % of family households
- Youngest median age

Challenges may exist for families to locate and stay in the City



Age Cohorts



Growing segments include “aging-in-place” and young adult households

- Increase in 55+ and 20 to 34 cohorts
- Decline in 35 to 54 and under 20 cohort

Declines are in the family household demographic

Housing Inventory

Category	2021		
	Lomita	Trade Area	South Bay
Percent Tenure			
Owner-Occupied	44%	59%	52%
Renter-Occupied	56%	41%	48%
Percent Type			
Single-Family	61%	66%	60%
<i>Owner-Occupied</i>	59%	82%	78%
<i>Renter-Occupied</i>	41%	18%	22%
Multifamily	34%	33%	38%
<i>Owner-Occupied</i>	14%	15%	12%
<i>Renter-Occupied</i>	86%	85%	88%
2-4 Units	15%	20%	24%
5+ Units	85%	80%	76%
Other	5%	1%	2%
<i>Owner-Occupied</i>	73%	60%	61%
<i>Renter-Occupied</i>	27%	40%	39%

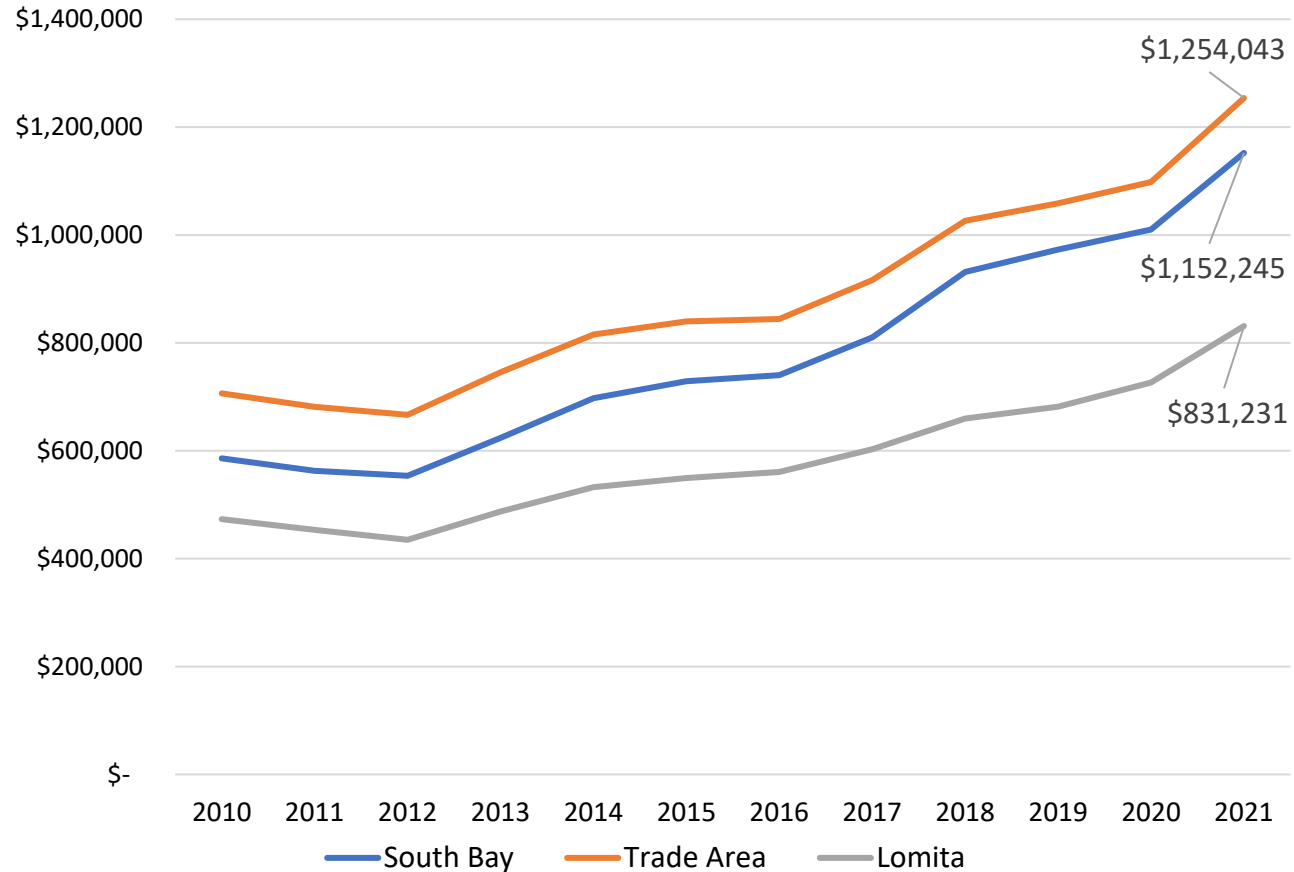
Lomita relative to Trade Area and South Bay:

- Lowest vacancy rates
- Highest proportion of rental units
- Highest proportion of single-family homes for rent

Housing is in demand, but may not be serving needs of all households/ demographic groups



Single-Family Housing



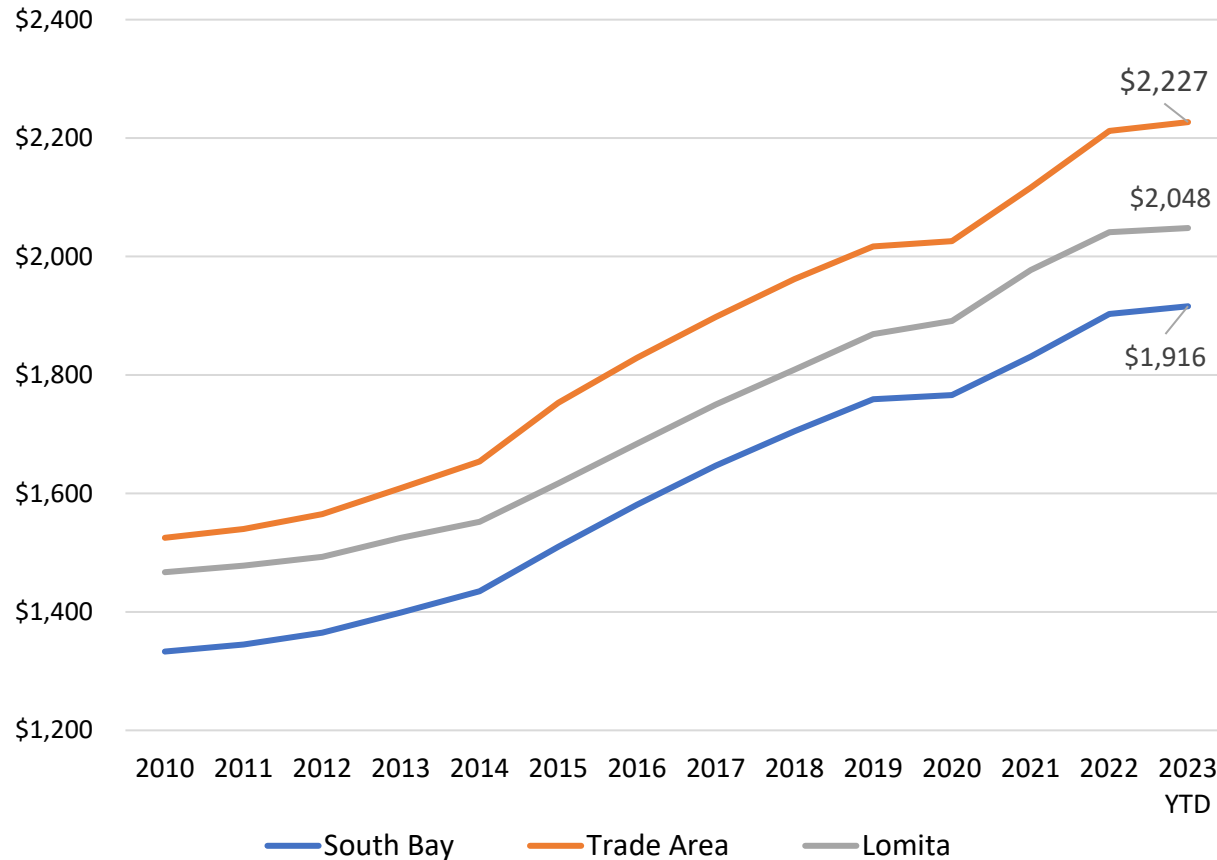
Lomita relative to Trade Area and South Bay:

- Home prices are lower
- Homes are smaller (by bedrooms)

Prices likely impacted by small / older inventory



Multifamily Housing



Lomita has higher multifamily rental rates than South Bay overall

- Much of regional multifamily rental inventory located inland where rents are lower
- Does not reflect single-family homes for-rent

Suggests there is demand to live in the City, where opportunities exist

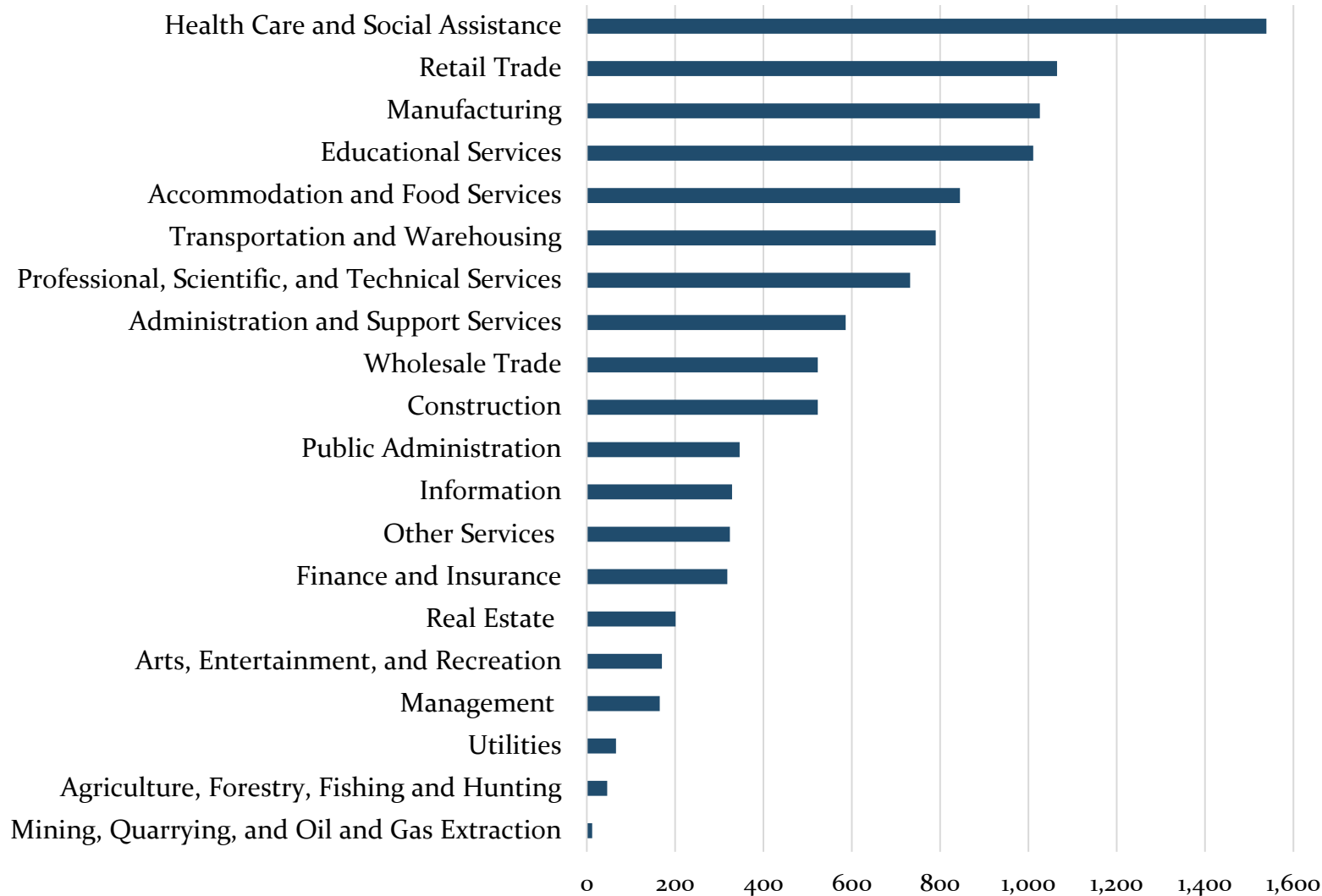




Economy and Commercial Real Estate



Employed Residents



Lomita is located in a jobs-rich region

- 40% of residents work within 10 miles of City;
- 60% commute less than 30 minutes



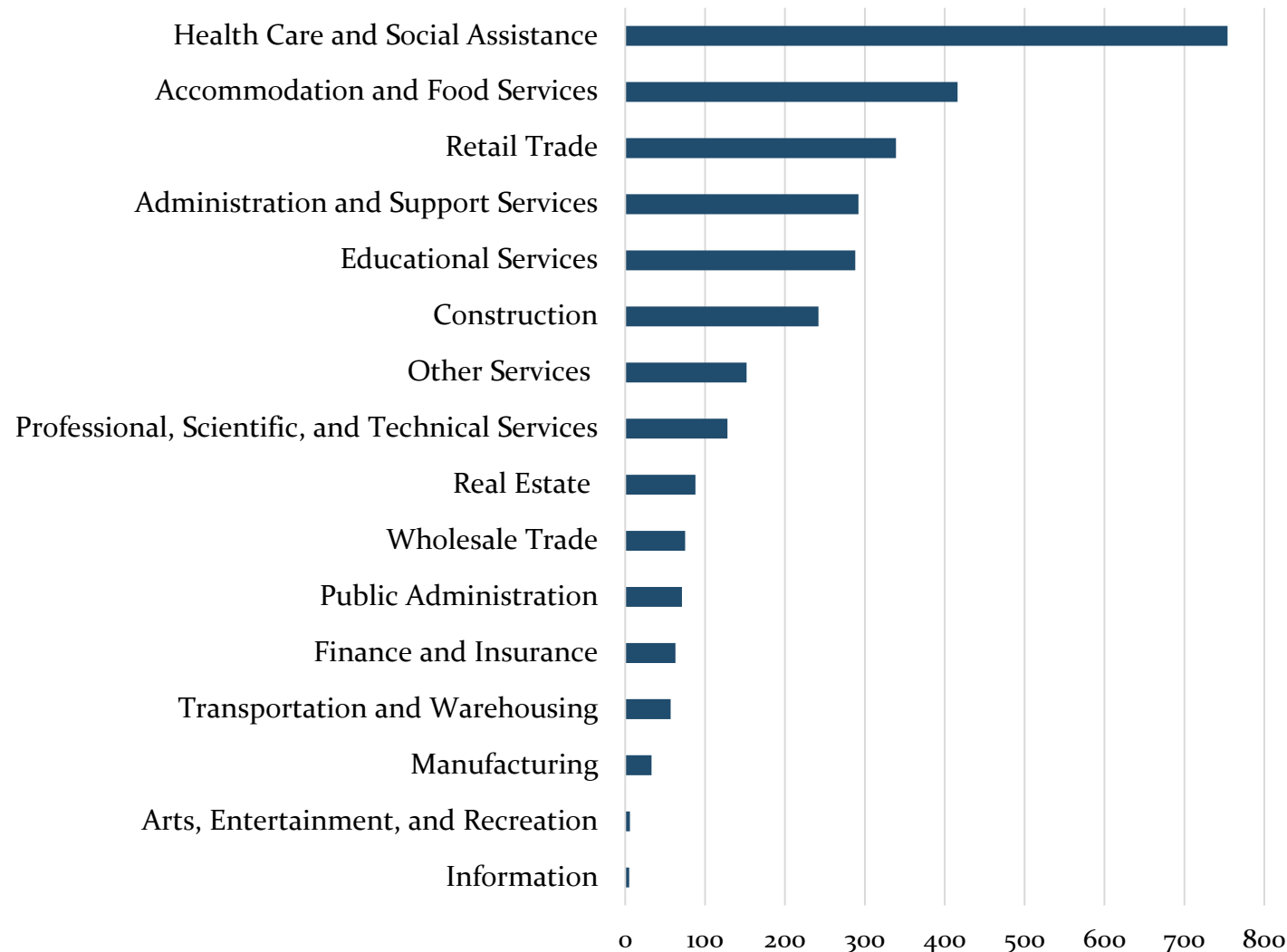
Jobs in Lomita

Key Sectors include:

- Health Care (25%)
- Retail (11%)
- Hospitality / food services (14 %)

City losing higher-paying jobs (since 2010):

- Information (-85%)
- Finance & Real Estate (-45%)
- Professional services (-8%)



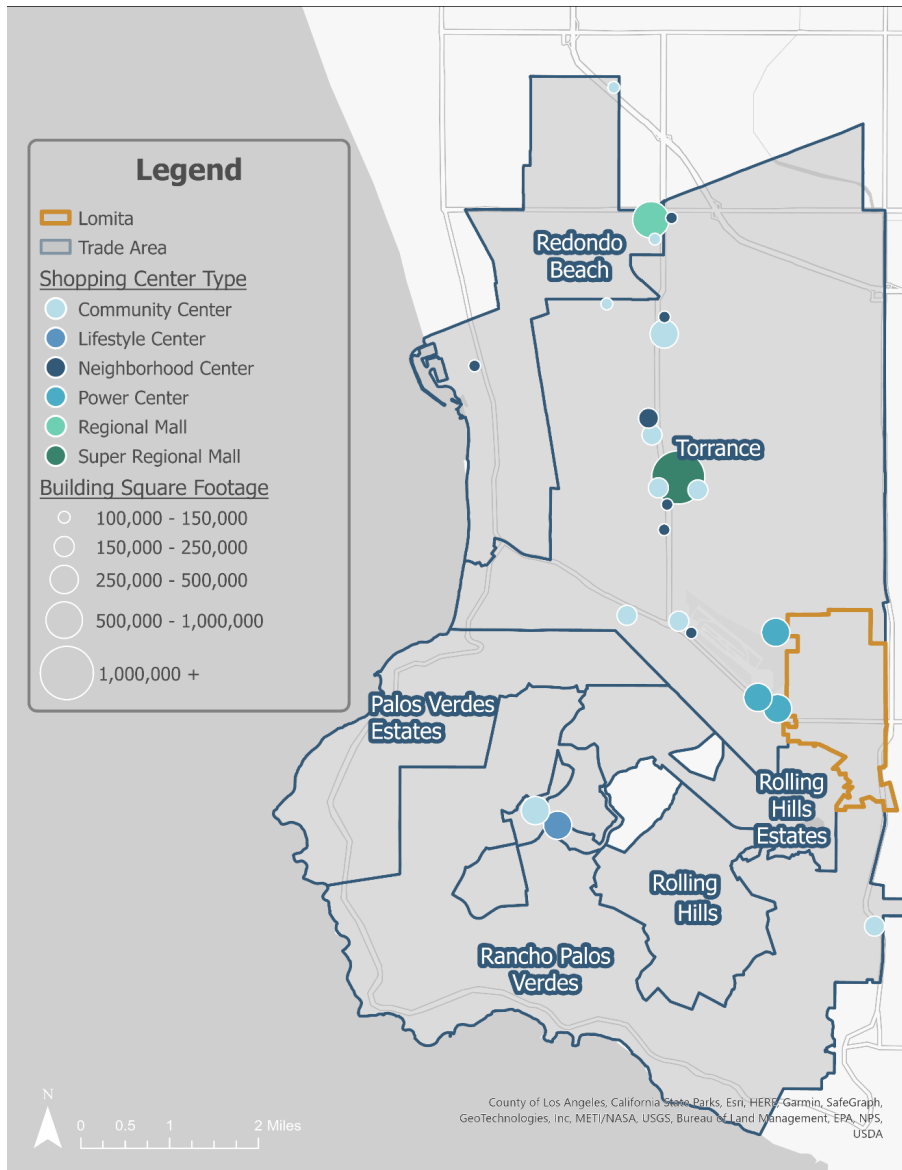
Commercial Land Use Trends

Real Estate Product Type	Total Building Square Feet (as of Q2 2023)	
	Amount	% of Total
Retail	1,132,714	74.5%
Office	265,300	17.5%
Hotels	65,292	4.3%
Industrial/Flex	<u>56,416</u>	<u>3.7%</u>
Total	1,519,722	100%

- Retail is Lomita's predominant commercial sector (75% of total space)
- Given City's size and land use patterns, opportunities for growth are likely limited, requiring focused policies and actions



Retail



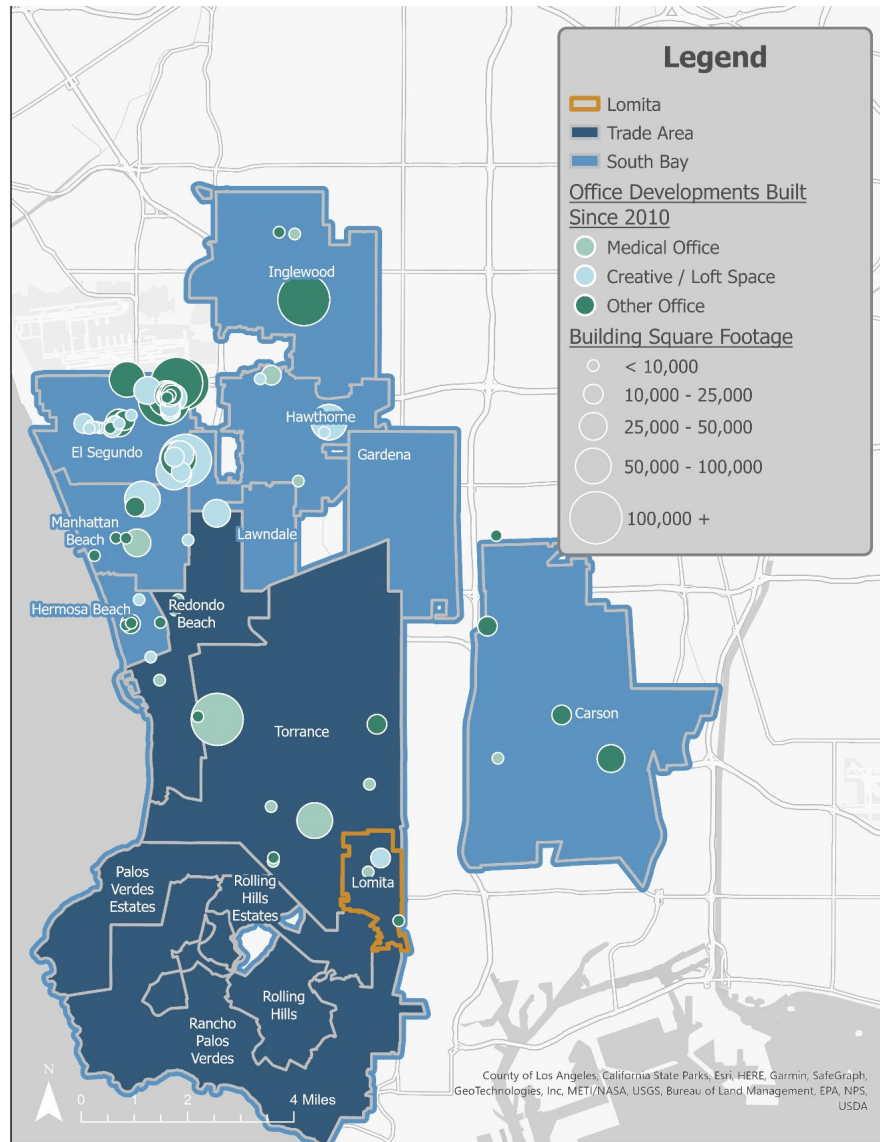
Lomita is small retail actor in the subregion

- Torrance and Redondo Beach dominate Trade Area retail offerings
- New Target and Grocery Outlet will stem some of Lomita's retail leakage

Primary opportunities for retail capture lies in Downtown and along PCH



Office



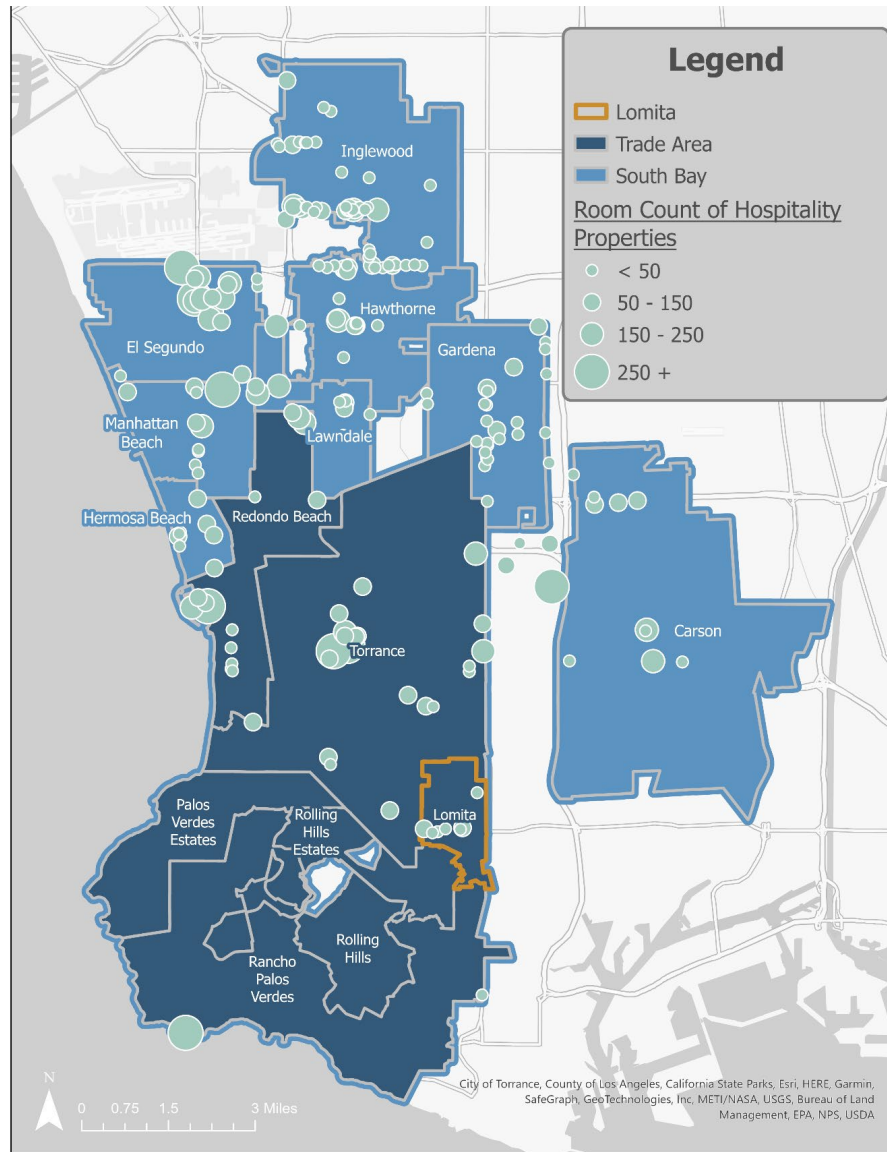
Office space has expanded regionally

- Nearly half of new office space has been in the creative/loft and medical office categories

Opportunities to leverage existing healthcare cluster and include creative office in mixed-use Downtown space



Hospitality

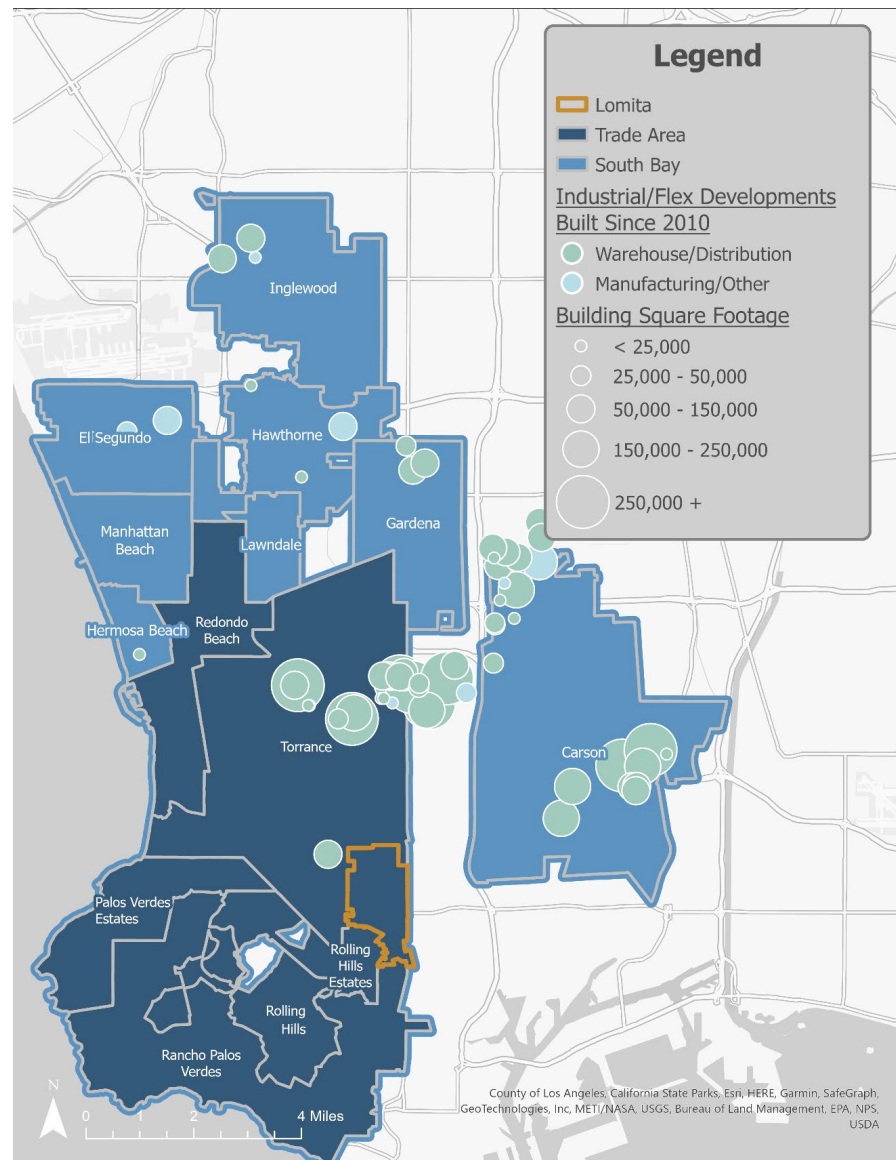


South Bay is a large hospitality market in the Los Angeles region

- Despite strategic location, Lomita's hotel stock is small and aged

In long-term, Lomita could leverage PCH adjacency for new hotel uses

Industrial/Flex



Industrial / flex space is predominant non-residential space the Trade Area and Region

- Mainly in warehouse/distribution sector, leveraging freeway and Port access

Lomita's land use patterns limit opportunity for growth in this sector





Discussion / Q&A / Next Steps



Areas of Opportunity

Leveraging Existing Community Strengths

- Increase in jobs locally and regionally
- Attractive rental market
- Mixed-use placemaking vision for Downtown

Addressing Challenges to Long-Term Sustainability

- Limited homeownership inventory
- Retail leakage
- Concentration of lower-paying industries



Next Steps

- Incorporate inputs and comments received into overall Existing Conditions findings
- Prepare fiscal trends and impact analysis related to land use alternatives (to inform fiscal sustainability)
- Incorporate economic development goals and policies into GP Elements

Next GPAC Meeting on Land Use and Mobility (August 8th)

