

DOWNTOWN LONG BEACH  
**2017** ECONOMIC PROFILE



**DOWNTOWN  
LONG BEACH  
ALLIANCE**



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## WELCOME TO DOWNTOWN LONG BEACH

Downtown Long Beach is made up of 1.38 un-square miles. One visit, and you'll see what we mean. The streets of our Downtown are buzzing with the excitement of new places, new ideas, and new opportunities. The list of businesses coming in and buildings going up continues to multiply.

DTLB is a continually-growing and ever-evolving urban waterfront and is made up of dedicated stakeholders who work diligently to make it more accessible, beautiful, and business friendly. Walk down any block in Downtown and you'll see the immense growth happening here, from popularity to lease signings.

The Downtown Long Beach Alliance (DLBA) is committed to researching and collecting empirical data as we serve as a clearinghouse of information on which business recruitment, retention and job creation decisions are made. Data collection and in-depth analysis are paramount to conducting business and how we strategically designate resources and predict trends.

This profile is an in-depth look at the numbers behind our Downtown, and we're proud to say that business is good.

Sincerely,

KRAIG KOJIAN  
President & CEO

WILLIAM T. MORRIS  
Board Chair 2016-17

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DTLB Location & Commute

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# DOWNTOWN LONG BEACH

1.38 *UN-Square Miles*

Long Beach is a diverse city with many unique neighborhoods and districts – but, there is only one Downtown, which is ever-changing. People see it, feel it and experience it each day. It’s an urban experience shaped from the hearts and minds of a completely authentic population – that’s the DTLB we know and love – never a dull moment, built on authenticity, driven by diversity and celebrating creativity.

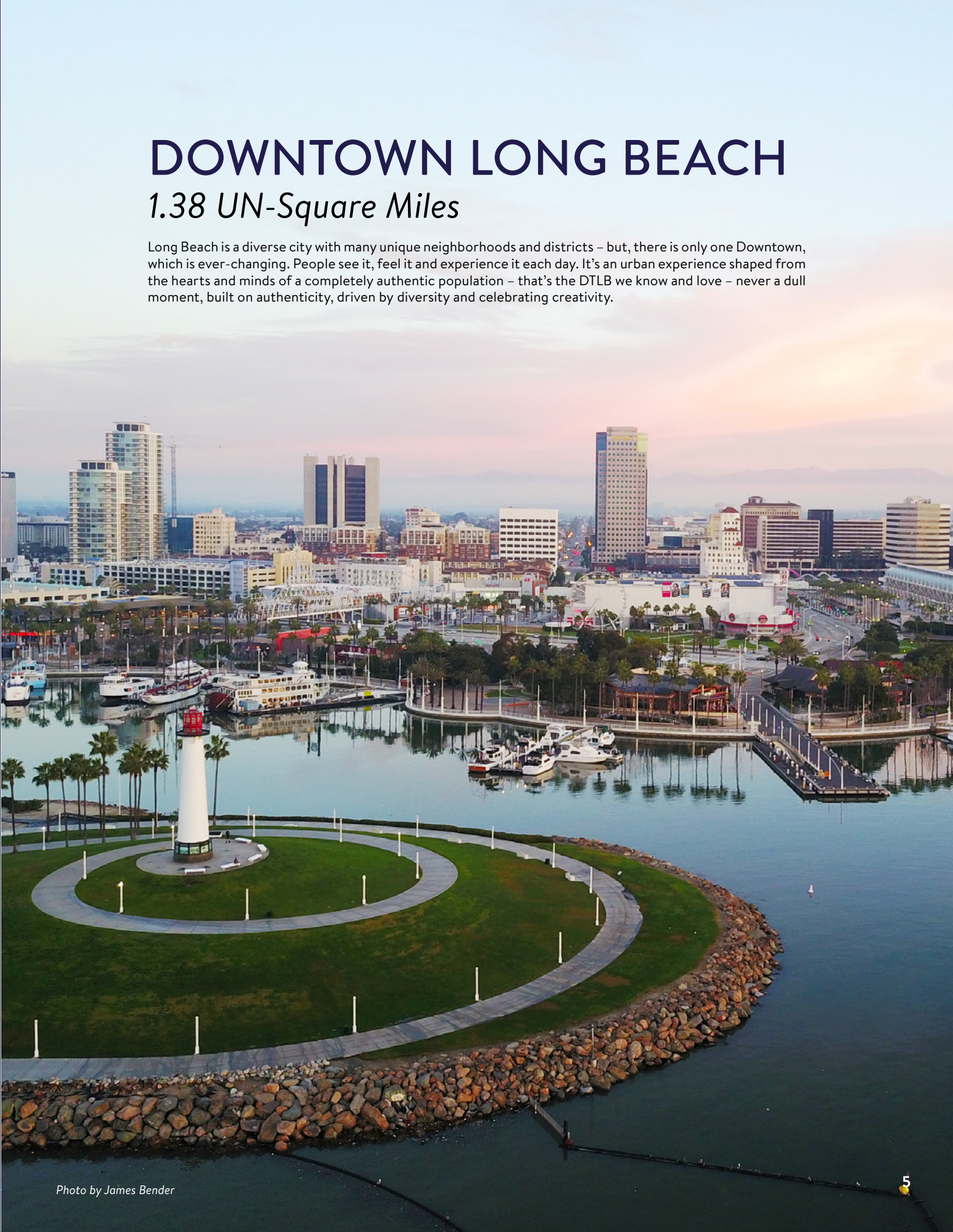


Photo by James Bender



# DTLB LOCATION & COMMUTE

Situated on the LA/OC County line, DTLB is directly connected to a robust matrix of freeways and accessible to airports, including Los Angeles International Airport (LAX), John Wayne Airport (SNA), and our own Long Beach Airport (LGB), which serves more than 3 million passengers annually and operates 41 commercial and 25 commuter daily flights. Certainly not limited by cars, DTLB is serviced by the Metro Blue Line, the nation's most used light rail line with over 80,000 boardings per day. This line provides a direct connection between DTLB and Downtown Los Angeles, allowing users to easily jump between the attractions and amenities of both cities, and all points in between.



The Net Promoter Score for Downtown Long Beach is calculated by asking respondents one question: “How likely are you to recommend Downtown Long Beach to a friend or colleague, on a scale of 1-10?” Scores of 9 and 10 are recognized as promoters. Scores of 7 or 8 are recognized as passives. Scores of 6 or lower are detractors. DTLB stands strong at 49, while anything above 0 is considered “good,” scores near 50 are deemed “excellent”.

DTLB’S OVERALL  
NET PROMOTER SCORE IS

49



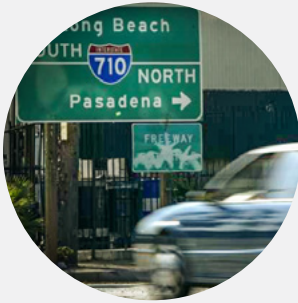
## LONG BEACH AIRPORT

The Long Beach Airport has been named as one of USA Today’s Top Ten US Airport for the past two years. With free Wi-Fi throughout the airport and ample number of charging stations, LGB has become a major travel hub for business and leisure travelers.



## METRO

Completed in 1990, the Los Angeles Metro Blue Line directly connects Downtown Long Beach to Downtown Los Angeles. Major renovations on this line, including replacing many of the rail cars, began in 2014.



## FREEWAYS

Southern California is born and bred on the freeway, and it’s safe to call Long Beach the nexus of the Los Angeles/Orange County Metro Area. Smack dab in the middle of OC and LA, the 710 Freeway ends in Downtown Long Beach and is easily accessible everywhere.



|                              | Distance (miles) | Time (mins) |
|------------------------------|------------------|-------------|
| to Los Angeles Airport (LAX) | 25               | 26          |
| to Downtown LA               | 26               | 32          |
| to John Wayne Airport (SNA)  | 23               | 32          |

Table 1.1 - Distance & commute times from DTLB.  
Source: Google Maps - Broadway/Pine starting destination

Metro

Freeway

Airport





DTLB has  
**SIX**  
vibrant  
neighborhoods

## BUSINESS IMPROVEMENT DISTRICTS

Business Improvement Districts (BIDs) play a role above what a City provides, from guiding new businesses to coordinating events to picking up litter. The DLBA manages two BIDs: the Downtown Parking Improvement Area (DPIA), established in 1973 by business owners, and the Property-Based Improvement District (PBID), which was founded in 1998 by commercial property owners and later expanded to residential property owners in 2013.

DTLB IS COMPRISED OF  
**150** SQUARE  
BLOCKS

### About DLBA

The DLBA is a non-profit community-based organization whose mission is to cultivate, preserve, and promote a healthy safe, and prosperous Downtown. By balancing the interests of residents as well as businesses, the DLBA creates tangible progress by way of vested interest and solidified partnerships across local, municipal and commercial lines.

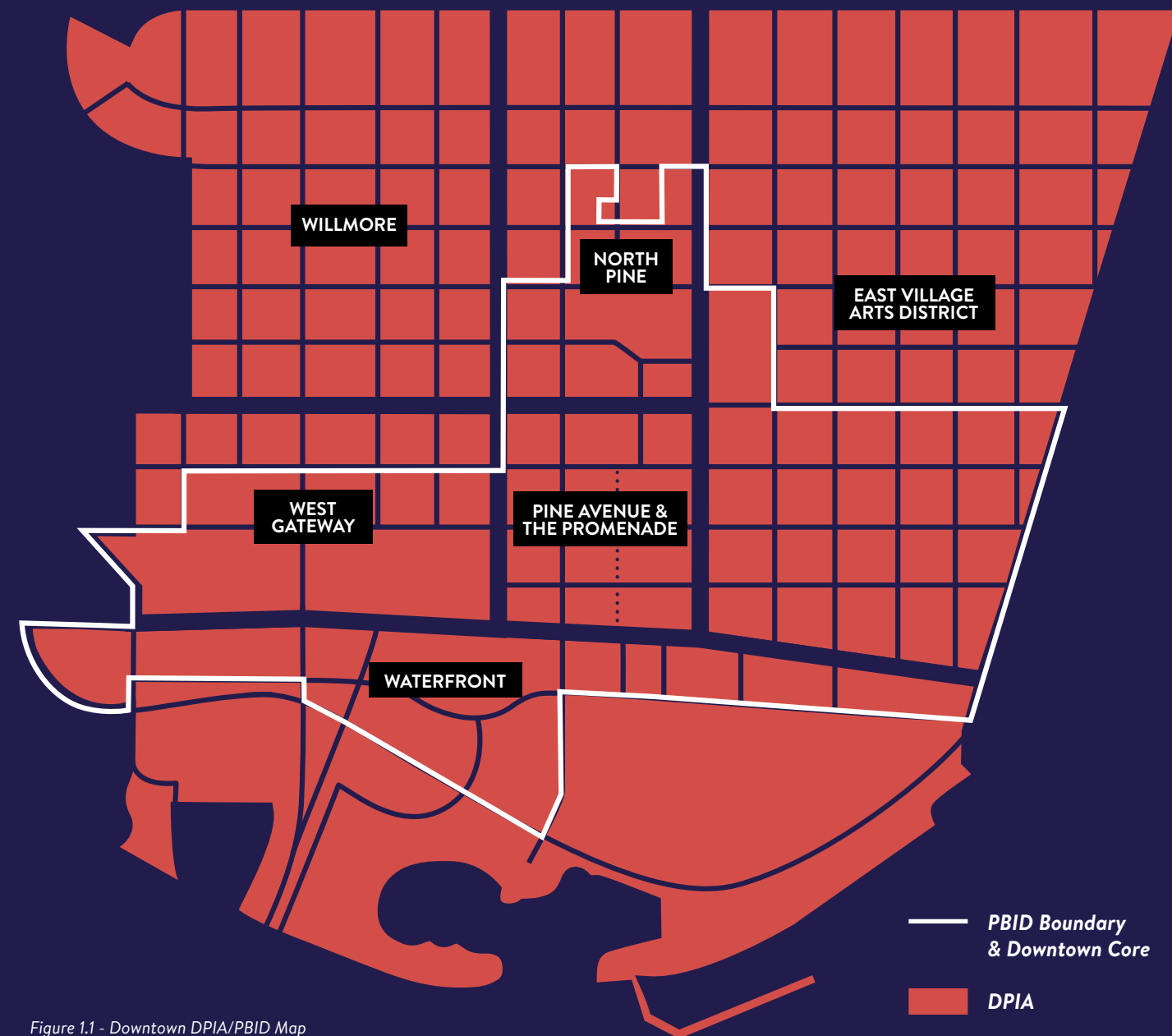


Figure 1.1 - Downtown DPIA/PBID Map

**East Village Arts District** - On the Eastern edge of Downtown, the East Village Arts District boasts high-rise condos, artist lofts and small craftsman cottages, living up to its name by being home to most of Long Beach's art galleries. Walk any block in this area to pass independent boutiques, perfect cups of coffee, and SoCal's first dedicated cider bar.

**North Pine** - One of the fastest growing neighborhoods in Downtown, North Pine became home to 18 new businesses last year alone. Offering historic condos, apartments and single family homes, North Pine's population increase is leading to a revival of some of the most established businesses and buildings in Long Beach.

**Pine Avenue & The Promenade** - The bustling heart of DTLB, Pine Avenue and the Promenade neighborhoods are DTLB's go-to places to see and be seen, eat and drink some of the finest dishes and craft beers in the region. From one of the southland's most lauded gastropubs to the nation's first park named after Harvey Milk, this area is the nucleus of DTLB.

**Waterfront** - DTLB's Waterfront is home to both Shoreline Village and Pike Outlets and offers nationally-known retail and restaurants. Here's where visitors and residents alike take in some of Long Beach's most popular attractions from the Aquarium of the Pacific to Queen Mary photo ops.

**West Gateway** - Home to the Long Beach Civic Center, World Trade Center, Deukmejian Courthouse, and many of the city's high rise offices, the West Gateway is the financial and governmental center of DTLB. With an array of housing options, residents enjoy easy access to their offices and walkability to all DTLB's offerings.

**Willmore** - An up-and-coming residential neighborhood located on DTLB's Western edge, bordering the LA River, historic Willmore is a reflection of Long Beach's past, present and future. This is one of Long Beach's oldest neighborhoods and it has a large concentration of turn-of-the-century homes.





# DOING BUSINESS

We pride ourselves on being business- friendly in Downtown Long Beach. Decreasing the median turnaround time for a business license has long been a goal of both the DLBA and the City of Long Beach. We're proud that turnaround times have decreased from 56 days in 2015 to 14 days in 2016. Also, gross retail receipts in Downtown are coming in at the highest numbers on-record (since 1997). Couple that with the creative sector's quick growth in recent years, and it's easy to see the economic powerhouse that is DTLB.

*Long Beach is committed to helping businesses open their doors quickly.*



66%

OF BUSINESS SURVEY RESPONDENTS BELIEVED THAT THE DLBA WAS AN IMPORTANT ADVOCATE FOR DTLB BUSINESSES.

## Entrepreneur and Small Business Education Series

The DLBA launched its inaugural Entrepreneur and Small Business Education Series and gave local entrepreneurs the opportunity to be awarded up to \$5,000 each toward their business goals with the Small Business & Job Creation Grant. A partnership with California State University, Long Beach, the series consists of 10 modules ranging from Writing Your Marketing Plan to Negotiating a Lease. Throughout the courses, current and future business owners learned valuable tools and skills to push their ideas to greater heights.

## BizPort

In an effort to become ever more accessible to new businesses, the City of Long Beach launched BizPort, its new online business portal. The site serves as a digital ombudsman to help entrepreneurs easily navigate the steps to start, manage, and grow a business. Clarifying and simplifying the startup process for new businesses, BizPort aims to better prepare all entrepreneurs to get through the licensing process more quickly.

## DataLB

Big data has transformed the world's way of doing business. With that in mind, the City of Long Beach partnered with global smart-mapping leader, Esri, in early 2017 to launch a comprehensive data hub called DataLB. As a public engagement tool, DataLB makes the city's geospatial analytics data available online to the public. This data is a critical component for many burgeoning entrepreneurs and developers seeking to invest in DTLB and the City.



225  
NEW BUSINESSES  
OPENED



Figure 1.2 - Breakout of New Businesses in Downtown by Category  
Source: City of Long Beach, Development Services, "Downtown Plan Update 2016 in Review"



## DEVELOPMENT ACTIVITY

### The Downtown Plan

Adopted by the City of Long Beach in 2012, the document serves as a comprehensive development plan and is a key catalyst for growth. The Downtown Plan 2016 Year in Review was released in early 2017 featuring the most significant projects completed or currently under construction. The Downtown Plan's goals are simple: encourage the development of residences, office and retail space, restaurants, hotels, and jobs through a single guiding document. Through incentivizing investors and developers, the Plan helps foster a more connected, more cultured, and more diverse DTLB.

The results of its implementation are tangible with seven completed projects equating to 476 residential units coming online with over 1,700 more in the pipeline. While, in office space, nearly 35,000 square feet (sq. ft.) have been added with 617,000 more approved or under construction.

### Development Progress Under Downtown Plan

|   | Residential | Office    | Retail  |
|---|-------------|-----------|---------|
| Expected Growth 2012-2035 (Units)               | 5,000       | 1,500,000 | 480,000 |
| Percent Completed                               | 9.52%       | 2.28%     | 3.52%   |
| Completed                                       | 476         | 34,321    | 16,907  |
| Percent Under Construction/<br>Approved/Pending | 35%         | 41%       | 18.57%  |

Table 1.2 - Development activity by market type since 2012.  
Source: City of Long Beach, Development Services, "Downtown Plan Update 2016 in Review"

## Public

Procured through a public-private partnership, construction is well underway on a new Civic Center in the heart of our Downtown that will redefine DTLB's skyline upon its completion in 2019 while all public development hasn't been left to the Civic Center, this year also saw the opening of Gumbiner Park and the Downtown Core's first playground opened on the Promenade. With the goal of increasing connectivity between major Downtown attractions, the Seaside Way Pedestrian Bridge is currently under construction and will provide seamless connectivity from the Long Beach Convention Center to the Performing Arts Center.

## Commercial

As DTLB welcomes an increasing population paired with a development boom, the need for more retail and commercial space becomes pertinent. One of DTLB's largest retail properties, The Streets (formerly City Place) has been hard at work on a multi-million dollar facelift, and has welcomed famed architectural firm, Studio One Eleven as one of its newest tenants. Retail in Downtown has experienced a major surge recently, with vacancies lower than they have been in years. Alsatian fine dining restaurant, 4th and Olive is one of many success stories, this one with a focus on hiring injured military veterans. Another is the ever-more-popular Pie Bar on North Pine which has expanded their storefront to a popular daily catering service.



## Residential

Downtown Long Beach has seen continued growth with 379 units coming online in 2016. Last year also saw the groundbreaking of the new Oceanaire residential development by Lennar Corporation. The seven-story building will rise from a vacant lot near the busy intersection of Ocean and Pine Avenues. Upon completion, the development will feature 216 studio, one-, two- and three-bedroom units, in addition to a pool terrace, a fitness center and a clubhouse.

Adaptive reuse project, The Edison celebrated its grand opening in November 2016 with 156 urban loft apartments coming online and has continued to attract strong interest with a 47% occupancy and rates hovering at \$3.36/sq. ft.

The Current came online in Spring 2016 with 223 luxury units and is currently at 90% occupancy commanding rates of \$3.67/sq. ft. In the coming year, The Current is going to be breaking ground on the project's second phase (Shoreline Gateway)—a 35-story tower. This new development will offer residents new permanent housing and will mark our skyline's highest building.





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- Office Space
- Ground Floor Retail Market
- Workforce



**1,532**  
Businesses in  
DTLB

## BUSINESS ENVIRONMENT

Business is booming in Downtown. Home to over 1,500 businesses, DTLB welcomed 152 net new businesses in the last year. Growing business means growing jobs and DTLB has seen a resurgence in total private employment over the past couple of years. DTLB employment experienced a 6.5% year-over-year increase, surpassing the city-wide employment growth rate of 3.9%.

### DTLB Business

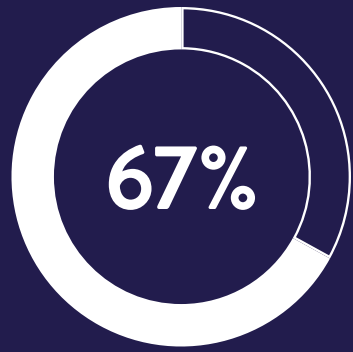
Downtown businesses are a mix of small businesses generating revenue through service or retail-based offerings and large employers, such as Molina Healthcare and the City of Long Beach. In the near future, we'll become home to offices of the Port of Long Beach, making it clear that DTLB is the economic hub of Long Beach.

### Small Business Development Center

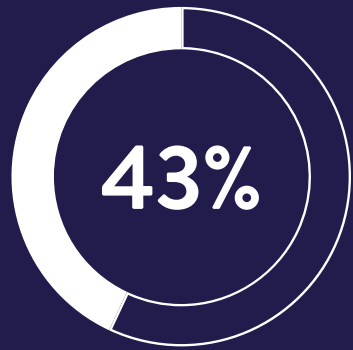
Hosted by Long Beach City College, the DTLB office of the Small Business Development Center is essential for keeping current businesses alive and thriving and welcoming budding entrepreneurs into the Downtown with more than hope. It begins with the essential beliefs that every great business starts with a bright idea and every existing business shouldn't be afraid to grow. Helping connect or hone existing businesses while fostering new businesses, DTLB's small businesses are not only the city's economic engine but are backed with support that goes beyond municipal benefits.



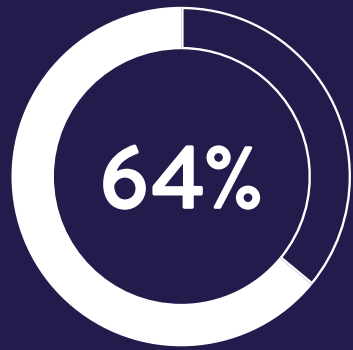




OF BUSINESSES SURVEYED  
REPORTED BEING IN BUSINESS  
LONGER THAN **3 YEARS**



OF BUSINESSES SURVEYED  
EXPECT TO **GROW** THEIR  
**WORKFORCE** WITHIN 1 YEAR



OF BUSINESSES SURVEYED  
EXPECT TO **GROW** THEIR  
**OVERALL BUSINESS** NEXT YEAR

## Industry Outlook

In 2016, the DLBA commissioned Beacon Economics, an internationally recognized independent research and consulting firm, to conduct an in-depth employment profile on Downtown Long Beach; the results were proof that the future is Downtown. Amongst the key findings, they found the transportation and warehouse industry to be the largest contributor of new jobs over the past year in Downtown Long Beach. Establishments engaged in this industry expanded payrolls by 955 jobs between the third quarter of 2014 and the third quarter of 2015, a 16% gain.

### DTLB Industry Clusters

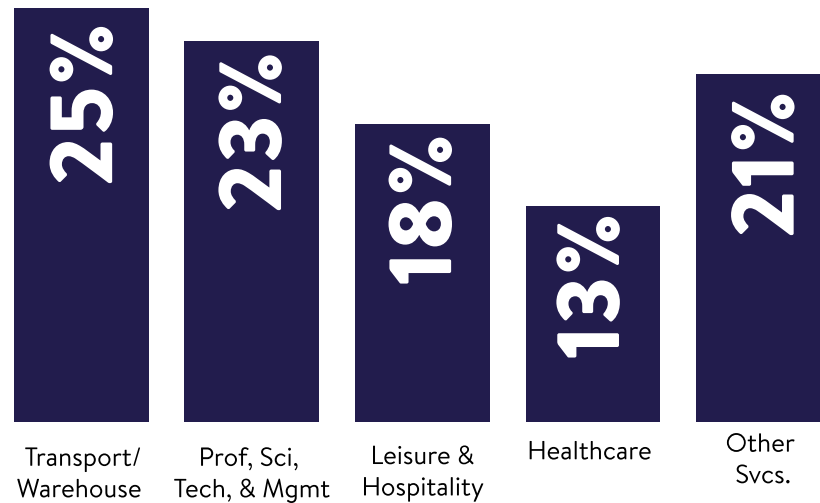


Figure 2.2 - Private employment breakdown in DTLB.  
Other Svcs = Financial Svcs, Admin Support, Retail Trade, Construction, Wholesale, Manufacturing, Information, and Education.  
Source: Beacon Economics, "Downtown Long Beach Employment Profile Report"



## Major Players

Jobs in Downtown Long Beach grew 6.5% from Q1 2008 to Q3 2015, surpassing the citywide growth rate of 3.9% and the Los Angeles County growth rate of 2.2%. DTLB also plays host to the corporate headquarters of several major players in the local economy that fall into the professional and tech sector. Beacon's analysis found these establishments are among the fastest growing in the city. According to the profile, "These high-end office jobs have significantly boosted the profile of Downtown Long Beach, as a growing array of businesses are working in the area to administer, oversee, and manage company operations throughout the City and broader Los Angeles area."

### City of Long Beach Largest Employers

| PUBLIC             |        |
|--------------------|--------|
| LBUSD              | 12,143 |
| LB Memorial        | 5,146  |
| City of Long Beach | 5,074  |
| CSULB              | 2,881  |
| VA LB              | 2,480  |
| LBCC               | 2,456  |
| St. Mary's         | 1,420  |
| CSULB Foundation   | 1,420  |
| USPS               | 708    |

| PRIVATE           |       |
|-------------------|-------|
| Boeing            | 3,556 |
| Molina Healthcare | 1,184 |
| Toyota            | 732   |
| Jet Blue          | 660   |
| Scan Health Plan  | 650   |
| Espon             | 521   |
| AAA               | 493   |
| The Queen Mary    | 484   |
| Target            | 413   |

Table 2.1 - Largest public & private employers in Long Beach.  
Source: City of Long Beach, Financial Management Business Services Bureau

Figure 2.1 - Downtown business survey responses on economic outlook.  
Source: 2016 Annual Business Survey, Commissioned by DLBA through CSULB Office of Economic Research





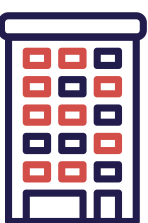
## OFFICE SPACE

DTLB's business and service professionals are accommodated in approximately 4.3M sq. ft. of office space, of which, 92% of the market (roughly 3.9M sq. ft.) is made up of Class A & B buildings. Last year welcomed 97 new businesses utilizing Downtown office space including organizations like WeWork occupying 33,000 sq. ft., WTC workspaces occupying 18,400 sq. ft., and Pelican Products occupying 7,500 sq. ft. The strong demand and opportunity to increase their return on investment has led a number of Class B buildings to undergo massive renovations and align with demands and desires of the new workforce. More than a small facelift, buildings like The Hubb, Downtown Plaza Building, the World Trade Center and Catalina Landing have all made significant investments equating to more than \$14 million.

### Office Rental Rate Comparison

|                 | Q4 2015 | Q4 2016 | Delta (\$) | Delta (%) |
|-----------------|---------|---------|------------|-----------|
| Class A         | \$2.66  | \$2.88  | \$0.22     | 8%        |
| Class B         | \$2.00  | \$2.12  | \$0.12     | 6%        |
| Class C         | \$1.56  | \$1.75  | \$0.19     | 12%       |
| Overall Average | \$2.07  | \$2.33  | \$0.26     | 13%       |

Table 2.2 - Monthly rental rates comparison for commercial office space in DTLB by class.  
Source: CoStar Group

97   
NEW BUSINESSES OPENED  
WITHIN DTLB COMMERCIAL  
OFFICE SPACE IN 2016.

## Creative Office Space

From graphic designers to coworking spaces, offices across DTLB are becoming places that reflect the diversity of DTLB's workforce and its creative capital. These office spaces—open, colorful—include amenities like libraries, outdoor hangout areas, collaboration tables, and art pieces to inspire employees.

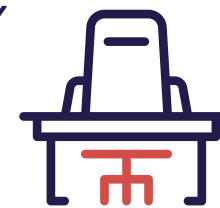


## Office Space Rental Rates

While the vast majority of office space throughout the Downtown consists of Class A and B market grades, each remain competitive with market rates, ranging from \$1.80 to \$3.50/sq. ft.—a 14% increase since 2012.

OVERALL OFFICE SPACE  
RENTAL RATES HAVE

14%



SINCE 2012

**“The \$5 million remodel completely redesigned the entrance to the building and added outdoor useable space in the form of an outdoor work-park.”**

**Toliver Morris**  
President & CEO  
William Morris Commercial

60,000 sq. ft.  
of new leasing



## THE HUBB

The Hubb is the newest cool creative office campus in Downtown Long Beach. In a partnership, Ocean West and Singerman real estate had aims to overhaul the building from the get-go, when they purchased it in 2015. The \$5 million remodel completely redesigned the entrance to the building and added outdoor useable space in the form of a private wifi-enabled outdoor work-park. It attracted 60,000 sq. ft. of new leasing before the remodel was complete, including New York-based co-working company, WeWork.

Adding to the creative environment that The Hubb's tenants crave, a 100-foot mural was commissioned to cover the formerly blank white wall of the parking structure overlooking the work-park. Bringing new life to an 80's-era building inspired ground-floor restaurants of the building to give themselves facelifts as well, with George's Greek Cafe and King's Fish House both getting new coats of paint and remodeled patios.



# GROUND FLOOR RETAIL MARKET

Health food stores, fashion boutiques, print shops, and more. Downtown Long Beach’s ground floor retail equates to about 2.8 million sq. ft., with the major hubs listed below.

Demand is high for opening up shop Downtown; 2016 closed out at 95% occupancy, a 4% increase from 2012. With new availability of ground-floor retail at mixed-use projects, The Current and The Edison, and renovations of existing locations like The Streets (formerly City Place) and The Pike Outlets, rates have increased 29% in the last five years with current rates standing at \$2.11/sq. ft.

## Gross Sales Receipts

It’s safe to say DTLB is a shopping and dining paradise. Since 2012, there has been a 51% increase in gross sales, equating to \$357 million spent at Downtown retail locations in 2015. We’ve welcomed storefronts of national brands at The Pike Outlets and 180 restaurants, including regionally lauded locations like Beer Belly and Dog Haus.



## Annual Gross Retail Sales Trends

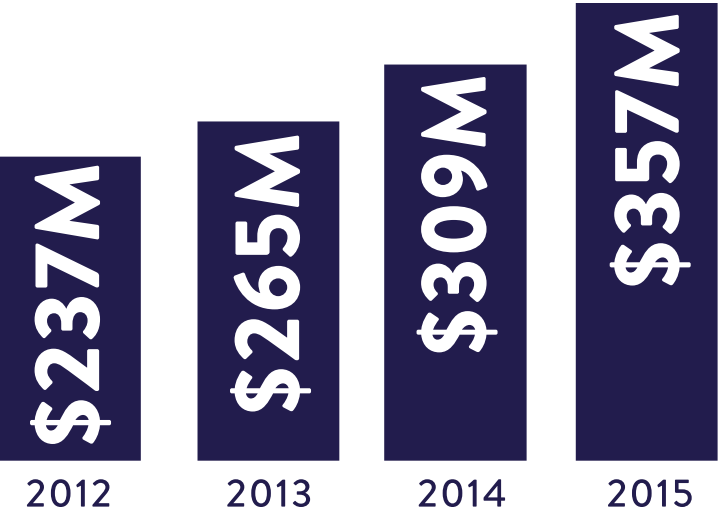
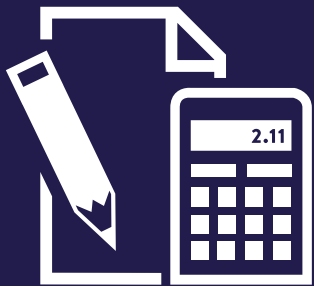


Figure 2.3 - DTLB overall gross retail sales receipts (2012-2015).  
Sources: City of Long Beach, Economic & Property Development Department, Retail Sales Tax Receipts



CURRENT LEASE RATES ARE **\$2.11/SQ. FT.** AND HAVE INCREASED

**29%**  
SINCE 2012





## Spending Behavior and Consumer Desires

Downtown has seen growing incomes and higher buying power with overall spending potential increasing by 67% since 2013. This increase in spending potential translates to demand for high quality products; thus a desire for new brands like those of Trader Joe’s, Target, and Apple.

To gain a better understanding of DTLB residents’ spending behavior and consumer desires with regard to retail, grocers, and stores, DLBA conducted its annual resident and pedestrian survey in partnership with S. Groner Associates (SGA). The survey received over 800 completed responses from Downtown residents and 300 completed responses from pedestrians. We’ve learned DTLB is comprised of a population who are strong advocates and big fans of their neighborhood, but equally dedicated to calling for better shopping options. Groceries, household items, and electronics dominated what DTLB residents feel their community needs.

### Reported Monthly Spending Behavior

|               | Resident | Worker | Vistor | Total |
|---------------|----------|--------|--------|-------|
| Retail        | \$100    | \$118  | \$56   | \$274 |
| Service       | \$73     | \$25   | \$1    | \$99  |
| Restaurant    | \$292    | \$189  | \$13   | \$495 |
| Entertainment | \$53     | \$110  | \$82   | \$245 |
| Total         | \$518    | \$442  | \$153  |       |

Table 2.3 - Monthly spending behavior of residents, workers & visitors by category.  
Source: 2016 Annual Downtown Resident & Pedestrian Intercept Survey

Survey findings highlighted that middle income earners reported an average monthly retail spend of \$505 and high income earners reported a monthly retail spend of \$653. In addition, reported spending in Downtown varied from demographic groups such as residents, workers and visitors.

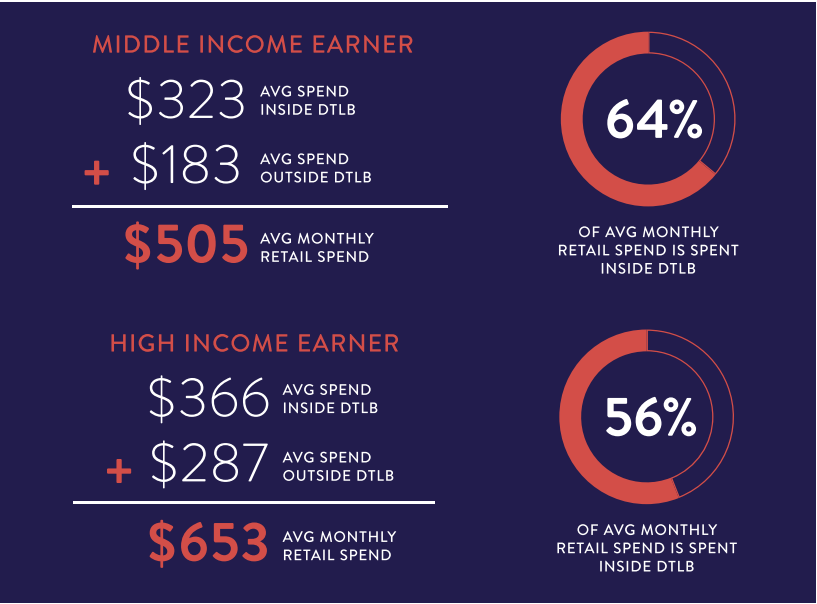


Figure 2.4 - Average spending of middle and high income earners inside and outside of DTLB.  
Source: 2016 Annual Downtown Resident & Pedestrian Intercept Survey

## WORKFORCE

Those in the know have their sights set on DTLB as employees who work here are amongst the highest paid in the entire city – workers in DTLB earn 31.3% more than those citywide at an average of \$67,800 annually.

### Private Sector Average Annual Income

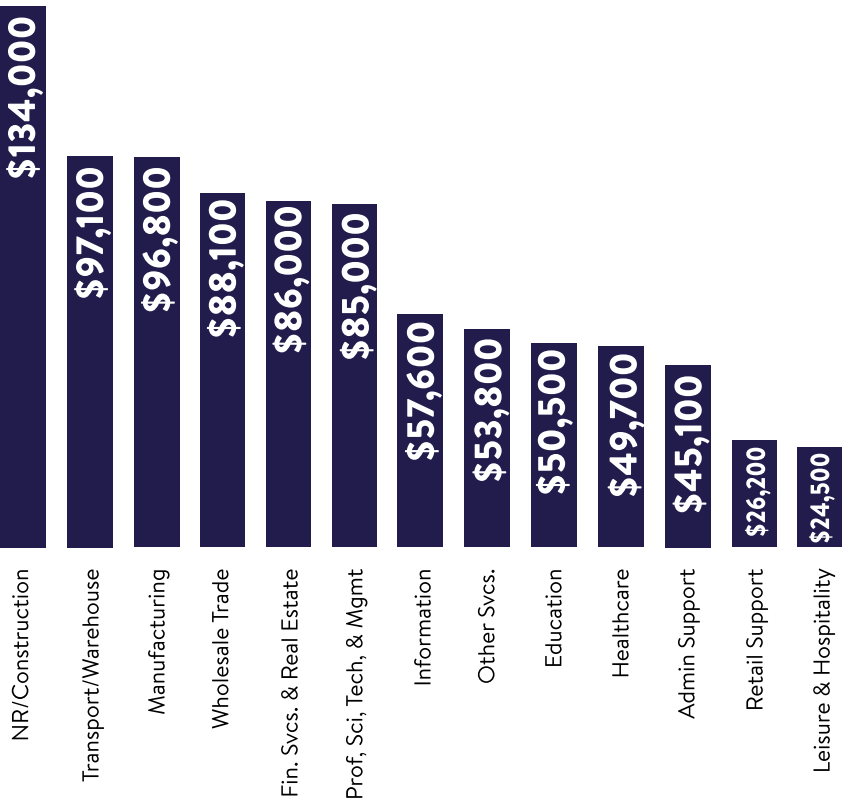


Figure 2.5 - Average annual income of private employees in DTLB by industry.  
Source: Beacon Economics, “Downtown Long Beach Employment Profile Report”



DTLB WORKERS EARN

# 31%

MORE THAN THE  
AVERAGE WORKER  
CITYWIDE

### Working in DTLB

Recent transplant to Downtown Long Beach and millennial, Emron Lee, has lived and worked in Downtown Chicago and Downtown Miami. “I was shocked to see how DTLB had grown since I had last visited,” he says. “It’s great to see how many people are learning to live car-free in Southern California.” Indeed, 20-34 year-olds have been buying fewer cars and preferring to live in walking-distance of their workplaces according to a recent survey by TD Bank.

Lee walks to work at the Parking Management office at The Pike Outlets from his Downtown apartment daily and takes in the sights of the city. “I feel like I notice something new everyday, a new mural or a storefront I hadn’t seen before.”



It’s great to see  
how many people  
are learning to  
live car-free.



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- Housing
- Demographics
- Psychographics
- Education

## HOUSING

Our Downtown is nothing if not for the people who call it home. The surge in DTLB’s population is testament to the popularity of urban living. And while you can hardly open a newspaper without reading about California’s housing shortage, here in Downtown Long Beach we’re building. As the housing trends move more and more to urban centers, we’ll be ready in DTLB.

### Residential Market



Downtown Long Beach is now home to more than 32,000 residents, a 17% increase since 2010. A population boom is certainly a sure thing as new developments come online. Historically, Downtown has maintained a high occupancy of 96% or higher. Because of the added inventory from the recent openings of The Edison and The Current, housing occupancy has dipped to 94%, however, there are signs occupancy is trending back up. High occupancy rates continue to demonstrate the need for more housing and the success of newer developments showcasing Downtown Long Beach residents’ desires for highly amenitized or luxury-style apartment living.

Housing rates for studios, one-, two-, and four-bedroom units have increased between 4% and 13% since 2014. Overall, rental rates have increased 26% since 2012, with a range of \$0.67 per sq. ft. to \$3.62 per sq. ft.

### Residential Rental Rate Comparison

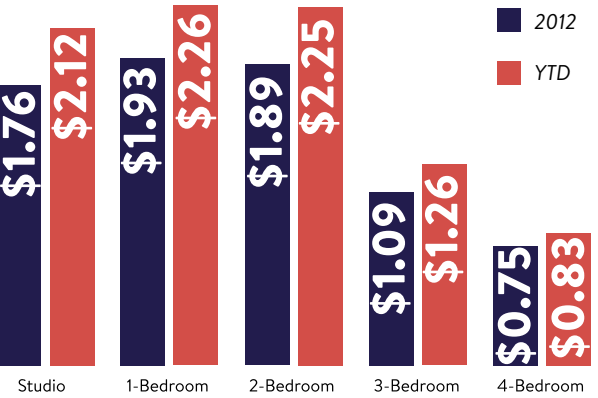
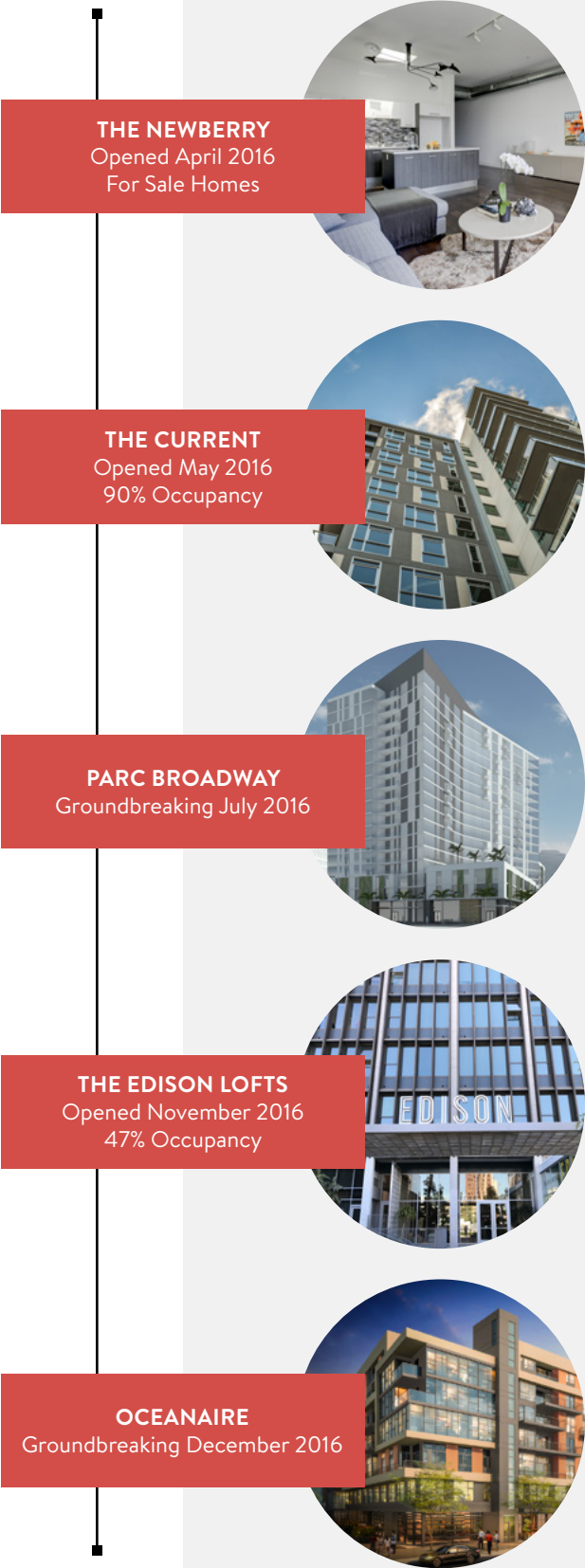


Figure 3.1 - Average rental rates per sq. ft. by unit configuration.  
Source: CoStar Group

The recently opened, highly-amenitized developments, The Current and The Edison command an average rental rate of \$3.57 per sq. ft.

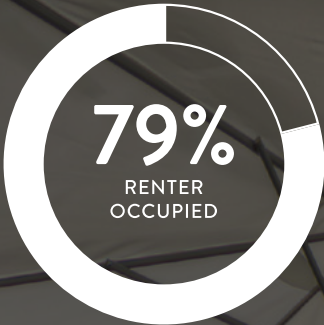
JAN 2016



DEC 2016



The residential market in DTLB is comprised of both **RENTER OCCUPIED** and **OWNER OCCUPIED** units.



The residential market in DTLB is comprised of both **MULTI-FAMILY UNIT** dwellings and **SINGLE-FAMILY HOMES**.

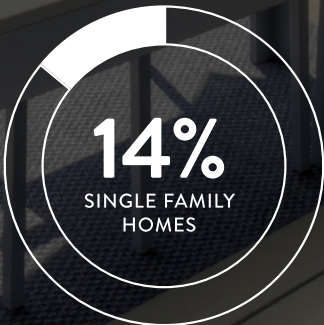
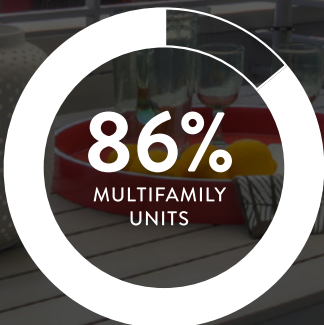


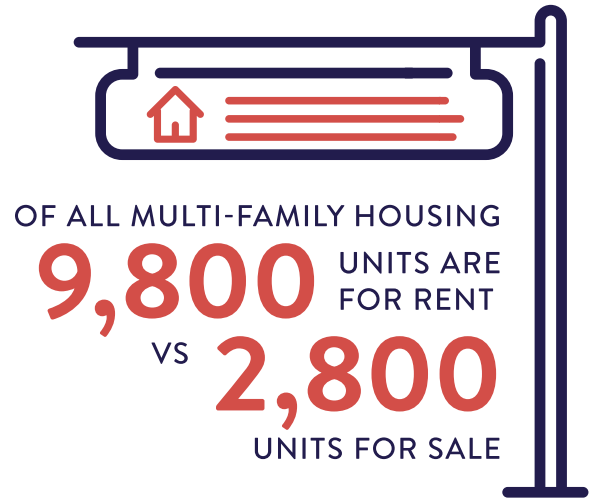
Figure 3.2 - Breakout of housing inventory.  
Source: U.S. Census Bureau, American Community Survey 2010-2015

Housing Inventory



The majority of residential housing stock in DTLB is comprised of older buildings with a median age of 47 years old. However, renewed interest in urban living and demand for luxury-style housing has pushed the drive for new development. Home to Class A, B, and C residential units, of which each class is set by the conditions of the property and where it is located, DTLB holds 15,785 residential units, 86% of which are multi-family units.

Class A properties are newer, rich in amenities, and higher in rent while Class B properties are multifamily properties that are usually 10 to 20 years old, well-kept, and accommodate the middle class. Lastly, Class C properties range in age from 30 to 40 years old and offer less, both in terms of amenities and location desirability compared to the aforementioned classes.



Over the past year, 379 units came online. These new developments offer gyms, luxury swimming pools, well-appointed common areas, and concierge services. In addition, 2016 saw a number of projects breaking ground which represents 786 new units and 1,893 units in entitlement.

Of those 1,893 entitled units, approximately 300 are expected to be for sale. This is to be expected, since single family homes and condos make up a very small portion of the market.

DEMOGRAPHICS

Looking into the demographic makeup of a community gives insight into the people that make up the city. Studying the demographics of DTLB allows investors to plan with foresight and strategy while recognizing past trends and planning future development with confidence. DTLB has witnessed dramatic growth within Downtown Core. The table below highlights the demographic trends the population within the Downtown Core.



|                                  | Downtown                          | Downtown Core |
|----------------------------------|-----------------------------------|---------------|
| HOUSEHOLDS                       | 13,155                            | 9,828         |
| AVERAGE HOUSEHOLD INCOME         | \$56,678                          | \$71,169      |
| MEDIAN AGE                       | 35                                | 40            |
| HOUSEHOLD BY INCOME              | \$35,000-\$49,999                 | 11%           |
|                                  | \$50,000-\$74,999                 | 13%           |
|                                  | \$75,000-\$99,999                 | 10%           |
|                                  | \$100,000-\$149,999               | 11%           |
|                                  | \$150,000 or more                 | 7%            |
| POPULATION BY AGE                | Under 18                          | 20%           |
|                                  | 19-24                             | 10%           |
|                                  | 25-34                             | 20%           |
|                                  | 35-44                             | 17%           |
|                                  | 45-54                             | 15%           |
|                                  | 55-64                             | 11%           |
|                                  | 65-74                             | 6%            |
| EDUCATIONAL ATTAINMENT [AGE 25+] | High School Diploma or Less       | 39%           |
|                                  | Some College or Associates Degree | 29%           |
|                                  | Bachelor's Degree or Higher       | 33%           |

Table 3.1 - 2017 DTLB demographic comparison: Downtown & the Downtown Core.  
Source: U.S. Census Bureau, American Community Survey 2010-2015





50%

OF RESIDENTS LIVING IN THE DOWNTOWN CORE HOLD A BACHELOR'S DEGREE OR HIGHER



31%

OF RESIDENTS ARE MILLENNIAL AGE (20-35) IN THE DOWNTOWN CORE

## PSYCHOGRAPHICS

Psychographics offer further examination into individual profiles of residents. From social and spending attitudes to interests and values, psychographics enable marketers, investors, and the public to know more than just who people are, but why and where they choose to live and spend their money the way they do. The following DTLB profiles were developed utilizing Esri's Tapestry segmentation data.



### Metro Renters

One of the fastest growing segments, residents in this highly mobile and educated market live alone or with a roommate in older apartment buildings and condos located in the urban core of the city and live close to their jobs and usually walk or take a taxi to get around the city.

|                           |          |
|---------------------------|----------|
| Percent of DTLB Residents | 23%      |
| Median Age                | 32       |
| Median Household Income   | \$52,000 |



### Young and Restless

These residents are well-educated young workers, some of whom are still completing their education, and are employed in professional/technical occupations, as well as sales and office/administrative support roles.

|                           |          |
|---------------------------|----------|
| Percent of DTLB Residents | 9%       |
| Median Age                | 29       |
| Median Household Income   | \$36,000 |



### Enterprising Professionals

Earning more than one and a half times the US median income, Enterprising Professionals are well-educated tech workers. They change jobs often and therefore choose to live in condos, town homes, or apartments; many still rent their homes.

|                           |          |
|---------------------------|----------|
| Percent of DTLB Residents | 17%      |
| Median Age                | 35       |
| Median Household Income   | \$77,000 |



### Set To Impress

Set to Impress residents prefer medium to large multiunit apartments with lower than average rents. Nearly one-third of members in this segment are millennials and although many residents live alone, they preserve close connections with their family.

|                           |          |
|---------------------------|----------|
| Percent of DTLB Residents | 23%      |
| Median Age                | 33       |
| Median Household Income   | \$29,000 |

### Trendsetters

Armed with the motto "you're only young once," Trendsetter residents live life to its full potential. These educated young singles do not own homes or vehicles and choose to spend their disposable income on upscale city living and entertainment.

|                           |          |
|---------------------------|----------|
| Percent of DTLB Residents | 17%      |
| Median Age                | 36       |
| Median Household Income   | \$51,000 |



|                           |          |
|---------------------------|----------|
| Percent of DTLB Residents | 12%      |
| Median Age                | 29       |
| Median Household Income   | \$33,000 |

### Metro Fusion

This is a young, diverse market. They are highly mobile and over three quarters of households are occupied by renters. Many households have young children; a quarter are single-parent families. The majority of residents live in midsize apartment buildings.





*With six schools and new playgrounds, DTLB is increasingly family-friendly.*

# EDUCATION

Long Beach residents can complete all steps of their education without leaving the city – with its own K-12 school district, a community college, and a four-year accredited university. Together, Long Beach Unified School District (LBUSD), Long Beach City College (LBCC), and California State University, Long Beach (CSULB) create the educational atmosphere of the entire city, and have collaborated to form the Long Beach Promise, a national recognized program that exist to streamline the process for students to matriculate from Long Beach’s K-12 system into its higher education system.

## Long Beach College Promise

The Long Beach College Promise extends the promise of a college education to every student in the LBUSD to create a more vibrant community. This innovative and award-winning initiative is transforming the lives of students and the city’s economic future by placing higher education within reach for all. In 2017, LBCC was one of 14 community colleges selected by the California Community Colleges Chancellor’s Office to receive the California College Promise Innovation Grant; they were awarded \$750,000 to expand the Long Beach College Promise program.



**21%**  
OF DTLB HOUSEHOLDS  
HAVE SCHOOL-AGED  
CHILDREN

## Schools

While Downtown Long Beach is certainly home to young professionals and empty nesters, it’s increasingly becoming a family destination as well. Throughout the Downtown area you’ll find six public and private K-12 schools educating more than 3,000 students, all within a half-mile radius.

| Student Attendance              |     |
|---------------------------------|-----|
| St. Anthony Schools (K-12)      | 559 |
| Jenny Oropeza Elementary School | 818 |
| Stevenson Elementary School     | 738 |
| Cesar Chavez Elementary School  | 472 |
| Edison Elementary School        | 715 |

Table 3.2 - Student enrollment for Downtown K-12 schools.  
Source: California Department of Education, Educational Demographics Unit, Long Beach Unified School Report & U.S. Census Bureau, American Community Survey 2010-2015



## CONTENTS

Accessibility

Tourism

# ACCESSIBILITY

Suburban areas are dwindling as the population trends more and more toward metropolitan areas. Millennials are owning cars less than previous generations and name walkability amongst the top traits they look for in a home. DTLB is a place for these urban explorers to exercise alternative forms of transportation. From one of the nation’s best networks of biking amenities to beach paths, public transit to direct access to freeways, DTLB allows everyone to travel the way they see best.

## Walk

Long Beach boasts a Walk Score amongst the highest in SoCal, coming in at 92, deeming it a “walker’s paradise.” In recent years, pedestrian activity Downtown has been encouraged by the addition of diagonal “scramble” crosswalks, planting new street trees, and installing creative crosswalks.

## Car

DTLB is surrounded by a vast network of freeways and roads that provide easy entry into and exit out of the Downtown. Even those who aren’t car-owners can easily rent a Zipcar from two Downtown locations and hit the road. Parking in DTLB is the opposite of what most expect in a downtown: it’s easy and it’s affordable.

## Bike

Long Beach has, without a doubt, become one of the nation’s bike friendliest cities. This year, the City implemented a Bike Share program and Long Beach City Council approved the Bicycle Master Plan which will lay the foundation for bicycle-friendly roads and bikeways to improve the safety and enjoyment of residents and visitors who use a bike in Long Beach.

## Public Transit

Long Beach is home to Long Beach Transit (LBT) and the Metro Blue Line, both of which hold their transit hubs in DTLB. The Metro Blue Line connects DTLB to DTLA in a single ride. Meanwhile, LBT offers service to 28 million riders a year across 34 bus routes.



## Pedal Movement

Evan Patrick Kelly, Graham Baden and Johnny Tully are three Long Beach residents and the founders of Pedal Movement, a bicycle services and transportation demand management provider. They are also one of the operators of DTLB’s Bikestation, where secure, indoor bicycle parking (free during regular business hours and 24/7 secure parking for members) is offered along with a bike shop, bike rentals and professional repair services.

Strong believers in a slower pace of life, Pedal Movement supports a greener, simpler, and cleaner method of transportation. “A city can’t simply paint stripes and print posters to become bike friendly. Its culture must adapt,” said Tully, “A new generation has grown up on bicycles though, and policies must be tailored to empower them.”







DTLB is home to more than **40 murals.**

## Placemaking

From street configurations, public art projects, to community engagement activities, placemaking goes beyond just the spaces in our Downtown and focuses on encouraging human interaction. Increasing walkability is one of the goals of placemaking, and more pedestrians on the street encourages stronger sales at our retail establishments and a more lively and safe Downtown. Placemaking is truly the deliberate shaping of our environment toward the human scale.

## Public Art

You can hardly walk a step Downtown without seeing a mural painted on a wall (or street or even dumpster, for that matter). With more murals added each year whether by artists commissioned to do so or through the international art festival, POW! WOW!, DTLB's public art scene stands up with some of the biggest cities in the world.



## The Loop Pine + Ocean

Sitting empty for thirty years, the lot on the southeast corner of Pine Ave. and Ocean Blvd. finally became activated in 2016, as the DLBA commissioned a temporary outdoor public space at the location dubbed, The Loop. This 7,700 sq. ft. project is part art installation, part event space, and is entirely devoted to the public sphere.



## Creative Crosswalks

Downtown Long Beach has stepped away from the ordinary when it comes to crosswalks. After a wide search for artists, the DLBA selected Hataya Tubtim to design five mid-block crossings in the Downtown core along Pine Avenue. Quick, cost-effective approaches to changing the urban landscape like this make a significant difference in improving the livability of DTLB.



## Pedestrian Counts

Encouraging a more walkable Downtown is a core part of the DLBA's strategic plan and goes hand in hand with our mission to promote a more vibrant Downtown. Our placemaking projects, along with our Clean and Safe teams cultivate an environment that makes walking easy. In places throughout our community we've placed pedestrian counters in order to better analyze trends and address areas with low foot traffic.



**3.5 Million**  
PEDESTRIANS HAVE STROLLED  
DTLB SINCE JULY 2016

## Bike Share

The City of Long Beach's inaugural Bikeshare program marked its first anniversary in March 2017. Knowing our community's penchant for cycling, half of the City's 46 Bikeshare hubs were placed right here in Downtown, with the highest trafficked being the hubs at the Aquarium of the Pacific and City Hall.

**5,133**  
TOTAL TRIPS IN  
DTLB DURING THE  
4TH QUARTER

**28** MINUTES  
AVG TRIP  
DURATION

**55** AVG TRIPS  
PER DAY

Figure 4.2 - DTLB Q4 City Bikeshare.  
Source: City of Long Beach, Department of Public Works







# TOURISM

Culture abounds in DTLB, even from a business standpoint. We are proud to serve as the cultural capital of Long Beach and home to the Long Beach Performing Arts Center, MOLAA, the Long Beach Convention Center, and the Aquarium of the Pacific, which broke ground in early 2017 on a \$53 million expansion that will double the existing exhibit gallery space.

## Hotels

With DTLB being home to the city’s largest attractions and gatherings, it is by proxy home to the city’s largest and most popular hotels. From upscale to economy, historic to contemporary, DTLB is home to over 3,000 rooms that average nearly 75% occupancy—that’s an increase of 14% since 2010. Just as impressive is a 12% increase in Transient Occupancy Tax revenues over the past year alone, translating that more people are choosing to stop in hotels while visiting DTLB.

| UPSCALE                      | # of Rooms | Average Rates |
|------------------------------|------------|---------------|
| Hilton Long Beach            | 397        | \$241 - \$304 |
| Hotel Maya                   | 195        | \$208 - \$309 |
| Hyatt Regency Long Beach     | 528        | \$224         |
| Hyatt The Pike Hotel         | 138        | \$284 - \$334 |
| Renaissance Long Beach Hotel | 374        | \$269         |
| Westin Long Beach            | 469        | \$200 - \$254 |
| MID-LEVEL                    |            |               |
| Best Western                 | 66         | \$251 - \$279 |
| Courtyard Marriott           | 216        | \$229         |
| Hotel Queen Mary             | 315        | \$149 - \$194 |
| Hotel Royal                  | 20         | \$146 - \$217 |
| Residence Inn                | 178        | \$239         |
| Varden Boutique Hotel        | 35         | \$159         |
| ECONOMY                      |            |               |
| Beach Inn Motel              | 25         | \$80          |
| City Center Motel            | 49         | \$70          |
| Greenleaf Hotel              | 45         | --            |
| Inn of Long Beach            | 51         | \$79          |
| Rodeway Inn                  | 35         | \$127 - \$128 |
| Travel King Motor Inn        | 15         | --            |
| Travelodge                   | 63         | \$101 - \$128 |
| Vagabond Inn Long Beach      | 61         | \$109 - \$124 |

Table 4.1 - DTLB hotel room rates, 2016.  
Source: DLBA Research & Internal Database

## Attractions

Two of Long Beach’s major attractions, the Aquarium of the Pacific and The Queen Mary call Downtown Long Beach home, and in 2017 big news broke on expansions for both of these attractions. Early 2017 saw the groundbreaking of the Aquarium of the Pacific’s \$53M expansion, its first in the Aquarium’s 18-year history. Across the shore, the operators of The Queen Mary, one of the city’s most recognizable and visited icons, have submitted a plan to develop a massive \$250-million entertainment complex on the land surrounding the historic ship called Queen Mary Island.

| MAJOR ATTRACTIONS            | Estimated Yearly Attendance |
|------------------------------|-----------------------------|
| Long Beach Convention Center | 1,670,000                   |
| Aquarium of the Pacific      | 1,500,000                   |
| The Queen Mary               | 1,500,000                   |
| Cruiseships & Ferries        | 1,290,000                   |
| Museum of Latin American Art | 92,000                      |

Table 4.2 - Estimated yearly attendance.  
Source: Long Beach Convention & Visitors Bureau, 2015



## Convention Center

The Long Beach Convention & Entertainment Center has recently invested \$40 million into modernizing the design and functionality of their event space. The effort is already paying off, attracting internationally renowned events such as Longines Masters of Los Angeles, ComplexCon, and TwitchCon all contributing to an attendance of over 1.6 million visitors annually.



“Hundreds of thousands of people come into the Downtown area and enjoy the plethora of restaurants and bars all within an eight-block area”

Steve Goodling  
President and CEO  
Long Beach Area Convention  
and Visitors Bureau



Downtown Long Beach’s vibrancy impresses visitors everyday.

## Visit Long Beach

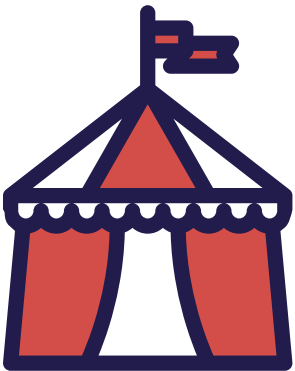
Tourism is Long Beach’s second-biggest industry, employing over 20,000 people. Nobody knows this better than Steve Goodling, President and CEO of the Long Beach Area Convention and Visitors Bureau, a position he’s held since 2001. “Hundreds of thousands of people come into the Downtown area and enjoy the plethora of restaurants and bars all within an eight-block area,” he explains. “In addition, they also love the convenience and attractions offered by the Queen Mary and the Aquarium of the Pacific – all combined it makes Long Beach a unique waterfront Downtown.”

The numbers of tourists is continually growing, and with the plans of the Aquarium of the Pacific and the proposed Queen Mary Island, it’s bound to skyrocket.





DLBA events  
generated  
**\$1.8 Million** in  
economic impact  
last year



60%

OF BUSINESS OWNERS FEEL  
THAT EVENTS ARE GOOD  
FOR THEIR BUSINESS

DLBA's lineup of signature events continually activates the streets of Downtown. Not only does the DLBA host unique music festivals like our Summer and Music series, we also produce a series of Taste of Downtown events in three different neighborhoods to activate the streets and bring added attention to local restaurants. This is just one example of the many events that make DTLB a festival, party, and venue favorite amongst event organizers and business owners. In fact, 60% of business owners feel these events are good for business.

| MAJOR DTLB EVENTS            | Estimated Attendance |
|------------------------------|----------------------|
| Long Beach Grand Prix        | 180,000              |
| Long Beach Pride Festival    | 80,000               |
| Jet Blue Long Beach Marathon | 65,000               |
| Music Tastes Good            | 15,000               |
| New Year's Eve               | 15,000               |
| Summer and Music Series      | 14,000               |
| Taste of Downtown Series     | 10,300               |

Table 4.3 - Estimated attendance for DTLB events.  
Source: Long Beach Convention & Visitors Bureau, 2015 and DLBA Internal Database



## CONTENTS

The Future of DTLB

Downtown Developments

## THE FUTURE OF DTLB

With a 17% population increase since 2010, and an additional 3% expected by 2020 – it’s safe to say the future looks bright for Downtown Long Beach. In coming years, expect to see construction begin on the Broadway Block, a \$154-million development that will bring together 375 residential apartments with academic space for CSULB students, creative offices, artist galleries, restaurants, food and retail uses. Not to be outdone, The Current’s upcoming second tower, a 35-story building, will be the tallest in DTLB’s Skyline. We’ll see cranes in the air and scaffolds around buildings non-stop in the coming years and that most definitely bodes well for Downtown Long Beach’s future.





# DOWNTOWN DEVELOPMENTS

## Residential Properties

### 1. CIVIC CENTER (580 UNITS)

15.78 acres of a \$357 million public-private development providing a new library, expanded Lincoln Park, new headquarters for both City Hall and the Port of Long Beach, and residential units.

### 2. 507 PACIFIC AVE (134 UNITS)

Residential condos with 7,200 sq. ft. of commercial space.

### 3. BROADWAY/MAGNOLIA (141 UNITS)

An apartment building with 3,650 sq. ft. retail and 226 parking spaces. In total approximately 130,000 sq. ft. with 5 levels of residential above 3 levels of parking and retail.

### 4. OCEANAIRE (216 UNITS)

A 7-story residential development, with 1,500 sq. ft. of retail space located adjacent to the historic Ocean Center Building. Entitled.

### 5. PARC BROADWAY (222 UNITS)

7-story mixed-use residential development with 8,500 sq. ft. of ground-floor retail space, including art gallery, cafe and “bike kitchen”.

### 6. OCEAN CENTER BUILDING (74 UNITS)

Adaptive reuse of historic landmark Ocean Center Building into residential units and ground-floor retail/restaurant space. Currently in the Plan Check process.

### 7. SHORELINE GATEWAY (315 UNITS)

Phase II of the Current, this building is a 35-story, mixed-use apartment tower with approximately 6,700 sq. ft. of retail space.

### 8. 300 ALAMITOS AVE (77 UNITS)

A new apartment complex with 109 parking stalls located on 2 levels below grade and a grade level under podium construction.

### 9. 442 WEST OCEAN BLVD (95 UNITS)

Mixed-use residential development with 1,455 sq. ft. of retail space.

### 10. 207 SEASIDE WAY (117 UNITS)

5-story mixed-use residential space with 2000 sq. ft. of retail. Anticipated groundbreaking 2016.

### 11. 434 E 4TH STREET (49 UNITS)

A new mixed-use project with apartment units over ground floor resident amenities and retail space with 82 parking stalls.

### 12. 1ST & ALAMITOS (136 UNITS)

Seven-story residential unit development including 10 studio units, 101 one-bedroom units, and 25 two-bedroom units ranging from 697 sq. ft. to 1,739 sq. ft. with 2,560 sq. ft. of retail space.

### 13. 227 ELM AVENUE (20 UNITS)

Two-story condominiums by eco-friendly real estate developer City Ventures.

### 14. 137 W 6TH STREET (10 UNITS) [Recently Completed]

Mixed-use development project with 1,390 sq. ft. of retail space.

### 15. 230 W 3RD STREET (163 UNITS)

Mixed-use residential complex with 261 subterranean parking spaces, community spaces for tenants, pool deck, and fitness area. The total building area is 145,506 sq. ft.

### 16. 825 E 7TH STREET (19 UNITS)

A residential apartment building.

### 17. 125 LINDEN AVE (44 UNITS)

5-story residential located above 2,688 sq. ft. of retail space.

### 18. SECURITY PACIFIC NATIONAL BANK BUILDING (118 UNITS)

Adaptive reuse to convert office space to residential units above the Federal Bar.

### 19. 495 PROMENADE NORTH (20 UNITS)

Residential units located above 5,220 sq. ft. of retail space.

### 20. 437 E 5TH STREET (18 UNITS)

18-unit mixed use apartments over 230 sq. ft. commercial space. In conceptual site plan review.

### 21. 200 W OCEAN BLVD (94 UNITS)

An office building to be converted to condo units with retail; add two stories 86 dwelling units within the existing nine-story building and approximately 4,597 sq. ft. of retail space, including the construction of 8 new residential dwelling units added above the existing nine-story building

### 22. 635 PINE AVE (142 UNITS)

21-story residential development. Pre-application stage.

### 23. 810 PINE AVE (64 UNITS)

12-story residential development. Pre-application stage.

### 24. 927 LONG BEACH BLVD (100 UNITS)

New 34-guest room boutique hotel. In Site Plan review. Former RDA property.

### 25. PACIFIC LOFTS (36 UNITS)

5-story residential development. In Site Plan Review process.



## Recently Awarded RDA Sites

### 26. 3RD & PACIFIC (325 UNITS)

Two apartment complexes, the first of which is 18-story building and the second a 7-story apartment. Both towers will total 325 units with 27,800 sq. ft. of retail and amenities.

### 27. BROADWAY & THE PROMENADE (132 UNITS)

A 5-story, 132 residential rental units over podium parking with 14,000 retail and flex co-working space

### 28. BROADWAY & LONG BEACH BLVD (166 UNITS)

A 5-story, 166 residential units over podium parking with 8,000 sq. ft. retail, bike storage and co-working space.

### 29. BROADWAY BLOCKS SITES A & B (375 UNITS)

Development of four blocks along Broadway and Long Beach blvd, which will comprise of 375 residential units, 5,773 sq. ft. of creative office space, 3,873 sq. ft. of flex space, 19,587 sq. ft. retail space, 6,012 sq. ft. of loft space. In addition, 1,311 sq. ft. of space for the Art Exchange, 3,200 sq. ft. dedicated for academic use and 524 parking spaces.

### 30. OCEAN & PINE (427 ROOMS)

A 427 room luxury hotel with 19,000 sq. ft. pre-function and meeting rooms, 8,000 sq. ft. restaurant, 28,000 sq. ft. pool and sun deck, 294 valet stalls.

Figure 5.1 - Downtown development map  
Source: City of Long Beach, Development Services





**DOWNTOWN  
LONG BEACH  
ALLIANCE**

# LOOKING TO INVEST IN DTLB?

Visit **[DTLBbusiness.com](http://DTLBbusiness.com)** for more DTLB  
economic development resources, or email  
[economicdevelopment@dlba.org](mailto:economicdevelopment@dlba.org)

This publication contains the latest data available from the U.S. Census, CoStar Group, Beacon Economics, and projections from Esri. Thank you to the City of Long Beach, CSULB Office of Economic Research, S. Groner Associates, the Long Beach Convention and Visitors Bureau, Long Beach Airport, Los Angeles Metro, California Department of Education, and local representatives from major developments, hotels, and housing units, for providing source material.

