

L.A.'s Seoul Takes Flight

Wave of high-rise projects set to transform Koreatown

By BOOYEON LEE
Staff Writer

Los Angeles' bustling Koreatown is growing up ... way up.

If all goes as planned, it will be transformed from a teeming ethnic enclave of restaurants and small businesses to an upscale destination with million dollar condos that will dramatically upgrade the community and redraw the L.A. skyline.

Over the next three years, the five-square-mile district will see at least 2,000 new luxury condominiums, mostly in towering high rises, and several shopping and entertainment complexes roughly clustered around Wilshire Boulevard between Western and Vermont avenues.

"Koreatown is going through a renaissance," said Mark Hong of CB Richard Ellis, a commercial real estate broker of 18 years who has focused on the area.

Koreatown traces its origins back to the early



PHOTOS BY RINGO H.W. CHIU/LA BJ

Please see DEVELOPMENT page 40

Koreatown: Pedestrians and condo construction at Wilshire and Western, traditional diners, at right.

"We're experiencing a fundamental shift in the expansion and the type of development taking place in Koreatown to something more upscale and cosmopolitan."

CHRISTOPHER PAK, architect

Development: Koreatown Heads for a Renaissance

Continued from page 1

1970s when a Korean immigrant opened a small grocery on the corner of Olympic and Harvard boulevards and began importing food from South Korea. Today, the district is a sprawling neighborhood of Korean-owned restaurants and mom-and-pop shops along Olympic and its side streets and office buildings along Wilshire.

"We're experiencing a fundamental shift in the expansion and the type of development taking place in Koreatown to something more upscale and cosmopolitan," said Christopher Pak. He is the architect and managing partner for the \$160 million Solair Wilshire condo development, which will stand 22 stories tall on the northeast corner of Wilshire and Western when it is completed late next year.

Across the street on Western, South Korea's largest entertainment company will bring a multi-screen movie theater to showcase Korean and U.S. films with subtitles.

Both developments will be dwarfed by a 40-story residential skyscraper a few blocks down Wilshire on Hobart Boulevard, which is being built by South Korea's top real estate developer, **Shin Young Corp.** That's scheduled for completion at the end of next year, too.

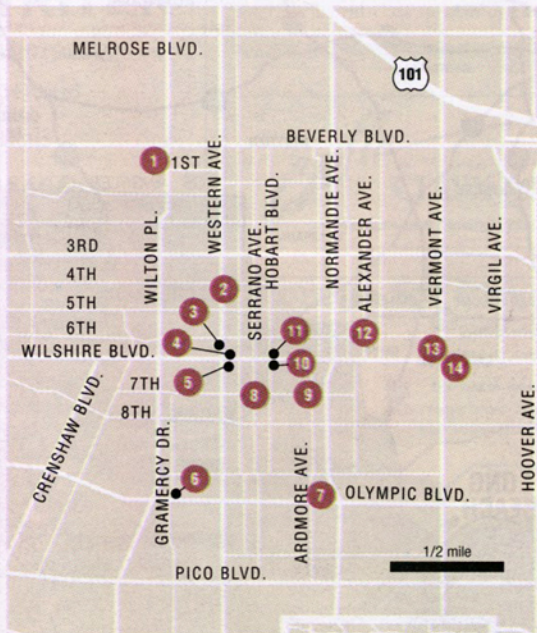
On Wilshire and Vermont, demolition of office buildings began last week to make way for a \$318 million two-tower residential project by Gerding Edlen Development. Across the street, there are plans for a new South Korean Consulate, a Korean American Museum and Korean Cultural Center, in a joint partnership between the city's redevelopment agency and Koreatown developers.

Why now?

More than \$1 billion is to be spent in the next three years redeveloping the largest Korean community in the world outside of Korea. The local boom is driven by foreign investment and an increasingly affluent immigrant population.

The 14 residential and commercial projects in the works are targeting mostly the Korean and Korean-American population. Several are being developed by national companies, such as Gerding Edlen, **Forest City Enterprises Inc.** and **Urban Partners LLC.** They are joined by Shin Young, which is building the \$250 million residential skyscraper here and another in China.

These developers are benefiting from the swelling flow of real estate investment from South Korea that spiked when the Korean government lifted its overseas investment cap last May. Previously, individuals could invest up to \$300,000 on foreign residential property. Now,



Koreatown Development Projects

- 1. HK Town**, 124 N. Western Ave.; 243 apartments atop 24,000 sq. ft. of retail
- 2. California Marketplace**, 450 S. Western Ave.; three-story grocery center
- 3. The Courtyard (Madang)**, 623 S. Western Ave.; 45-store theater complex
- 4. Solair Wilshire**, 3785 Wilshire Blvd.; 22-story, 185-unit condos
- 5. Mercury condos**, Wilshire and Western; 23-story, 238-unit condos atop retail
- 6. Olympic Palace**, Olympic and Gramercy; 25-unit 7-story condos
- 7. JECO Plaza**, 3060 W. Olympic Blvd.; 4-story shopping center
- 8. Serrano Palace**, 7th and Serrano; 33-unit, 8-story condo
- 9. Ardmore condos**, 700 S. Ardmore; 35-unit, 8-story condo
- 10. 3670 Wilshire**, Wilshire and Hobart; 40-story condo atop retail
- 11. Wilshire Center Apts.**, 3675 Wilshire; 159-unit condo atop retail
- 12. Equitable City Center**, 3500 W. 6th; three-story shopping center
- 13. Wilshire/Vermont Towers**, Wilshire and Vermont; 23-story Wilshire, 15-story Vermont with parking
- 14. Wilshire Vermont Station**; 449-unit apartments in two 7-story buildings

they can spend up to \$1 million on real estate overseas. As a result, Koreans reportedly could spend \$4 billion worldwide on overseas condos and homes this year, up from \$1.27 billion in 2005.

Eighty-five percent, for example, of the buyers of Forest City's 238-unit Mercury condominiums on the southwest corner of Wilshire and Western, have been Koreans or Korean-Americans, according to the company. About a third of the high-rise condos in the building, once home to the Getty Oil Co. headquarters, have been sold so far.

In addition to overseas investments, Korean families who fled Koreatown after watching it burn during the deadly 1992 race riots are looking to return. The riots ignited when an all-white jury acquitted four white police officers accused of beating Rodney King, who is black.

"What's coming back to Koreatown is an affluent population. They're empty nesters from the Palisades and other areas of L.A. who moved away for safety and better school districts," Hong said. "They're now selling their 5,000-square-foot homes to live in luxurious condominiums with a view, where they can walk to their favorite restaurants."

Koreatown's mostly steel-framed condos

will be expensive. Most are priced at \$650 to \$1,000 per square foot, which means many will be marketed at \$1 million or more. Units in the tallest high-rise, 3670 Wilshire, range from 1,300 to 3,700 square feet, with two to four bedrooms. Developers are also targeting second-generation Korean-

American professionals who work downtown and executives of Korean-owned firms that replaced some of the American companies on Mid-Wilshire in the early 1990s. Now, about 80 percent of the Wilshire office units are owned by Korean American real estate investment group **Jamison Services Inc.**, according to CB Richard Ellis.

Traffic issues

"We are finding that there is an insatiable appetite from the Korean community the more sophisticated, the more prominent and taller the project is," said Gerden Edlen principal Tom Cody. Gerding Edlen is developing two 18-floor and 10-floor condo buildings on Wilshire and Vermont.

"All the building blocks are there for an upscale high-rise development in Koreatown. Unlike downtown, there's dynamic retail. Unlike downtown, there's a critical mass of

existing density that can drive a compelling neighborhood environment," Cody said.

Traffic considerations are drawing residents to Koreatown, too. What was a one-hour commute from the suburbs to downtown a decade ago has become a frustrating two-hour drive. Families are more willing to trade in a single-family home with a backyard for a high-rise condo, said Pak of Solair Wilshire, which is a joint venture with the Los Angeles County Metropolitan Transportation Authority and backs a stop for the Metro Red Line.

"Lifestyles have changed. Kids no longer use the backyard. Parents are chauffeuring them around to basketball clubs and other activities," Pak said. "People are looking for more convenience."

There are indicators that the traffic crunch could come with them, however, as thousands of new residents settle along the already clogged Wilshire Corridor. Traffic through downtown, Wilshire and Olympic boulevards is so bad that Los Angeles County Supervisor Zev Yaroslavsky has proposed making Olympic and Pico boulevards one-way.

"If you look at these major corridors, we don't have any more room to widen the streets. You don't have to be an expert to tell that huge developments, like the ones on Wilshire and Western, will increase traffic congestion," said Brian Chun, a contractor of 15 years and presi-



Koreatown's New Look: Project renderings, from left, of the Courtyard Madang entertainment complex; the California Market; and the Solair Wilshire.

dent of the Korean Contractor's Association. Nonetheless, luring people to live, work, and play in the same area to reduce traffic and pollution – what officials call “smart growth” – has been a consideration on a number of the developments that adjoin Metropolitan Transit Authority-owned land. The agency has worked closely with the developers of the Solar Wilshire complex and a \$155 million apartment and retail complex at the Wilshire and Vermont Avenue subway station.

The concept of smart growth is expected to work particularly well on Mid-Wilshire because there's already plenty of foot traffic in the area, with restaurants, entertainment and dry cleaners all in walking distance. Koreatown is the most densely populated district in the country outside of Manhattan in New York, with roughly 250,000 residents, according to U.S. Census Bureau figures from 2000. That density is a plus for the retailers that developers hope will take up the ground floor of most of these new high rises.

Adding aesthetics

Koreatown is well known for the delectable food in its numerous restaurants and pulsating nightclub scene. It is not, however, known for its aesthetics. Several developers want to change that.

“With so much beauty to be shared about the Korean culture, why are so many of our restaurants untidy and smelly?” said Diana Kim, chief financial officer of **Realtyland Co. Inc.** “We want to build an entertainment, cultural center that we can be proud of, that showcases our heritage.”

The company is developing a three-story theater complex on Western near Wilshire that will include 45 stores and Woo Rae Oak, an upscale Korean restaurant franchise with locations in Manhattan and Beverly Hills. CJ Entertainment, a leading entertainment company in South Korea, will bring CGV Theater, its theater chain.

Kim said the \$40 million Madang (“court-yard” in English) development hopes to become a landmark entertainment center where families can shop, dine, watch Korean movies and enjoy the ambiance of traditional Korean architecture.

The district already has two hugely popular shopping centers – Koreatown Galleria, with a grocery and 70 stores on the southeast corner of Wilshire and Vermont, and Koreatown Plaza on Vermont, which has a market and 80 stores, less than a block away.

Two more shopping centers, similar in scope, are under construction with two additional ones in the pipeline. Most of the blueprints resemble a mall with a food court and no anchor stores except a sizable market.

How many of these shopping centers can Koreatown support?

“There's definitely a pent-up demand,” said Kathy Lee, vice president of California Market. “There are hundreds of thousands of Korean residents in the L.A. area. That's a medium-sized city, and more are coming.”

California Market plans to raze its 20-year-old full-service grocery on Western and Fifth Avenue that already enjoys 4,000 people a day foot-traffic. In its place, the company will build a three-story shopping center with a 45,000-square-foot California Market, 60 stores, a bank, and possibly a small aquarium for children, Lee said. She hopes to bring in more mainstream stores that cater to a diverse population.

“You look around and it's not just Koreans living here anymore,” said Lee. “With the new train line coming into this part of town, the time of caring for just one population is over.”

Designed by Gruen Associates, the architects that designed the Los Angeles Convention Center, the futuristic, modern look of the \$30 million building will be a far cry from the dilapidated grocery store that stands there today, Lee said.

Lee's brother, Jeff Oh, is the president of

AK47 on April 29, 1992, watching the swarming gang of looters torch a 7-Eleven store several blocks away.

“We've come such a long way since that day,” Oh said. “We were pioneers in creating one of the first full-service Korean grocery stores in the area. Now we want to take another leap of faith and build something that will revitalize the community.”

For Pak, an architect who has designed skyscrapers in Jakarta, Thailand and Ho Chi Minh City, building a high rise on Wilshire and Western also holds a special meaning. That location is literally where his family started its immigrant life years ago. His father took on his first job as a lab technician on the fourth floor of the Wilmet Theater, from where he would often gaze down across the street where a strip mall used to stand.

“Years later, here we were at the groundbreaking, right across from where my father used to work, and realized that it was 36 years to the day we immigrated to the U.S., on July 26, 1970,” Pak said. “We had come full circle.”



PHOTO BY RINGO H.W. CHIU/LASU

Transformation: The California Market will be razed and rebuilt as anchor of a grocery center.



More than 55% of Irvine residents have a bachelor's degree or higher.

Irvine has become the business capital of Orange County for many reasons—including its abundance of human capital. About 52,000 of the city's adult population of over 88,000 hold a bachelor's degree or higher. This highly skilled workforce fuels Irvine's thriving industry clusters—technology, biomed and biotech, automotive design, finance and IT security, among others. In fact, since 2002, 45% of Orange County's office job growth has occurred in Irvine. Make the smart choice for your business' growth and log onto www.DestinationIrvine.com/econdev for more information.

