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L.A.'s Largest Redevelopment Job Approved for Bunker Hill Section

By ERWIN BAKER and AUSTIN SCOTT, *Times Staff Writers*

The Los Angeles City Council on Wednesday approved the largest redevelopment project in city history—downtown's California Plaza—clearing the way for the beginning of construction this summer on one of three office towers, a modern art museum and a dance theater on Bunker Hill.

A spokesman for the Community Redevelopment Agency said building will start in July or August on the \$220-million first phase of the \$1.2-billion project, one of the nation's biggest renewal plans.

The first phase will include the

first of the three 40- to 60-story office towers, the Museum of Contemporary Art, retail shops, a plaza and the Bella Lewitzky Dance Gallery containing a 1,000-seat theater and dance institute.

It will be built on vacant land bounded by Grand Avenue, 2nd Street, Olive Street and 4th Street. The Bunker Hill area, which once had many fashionable homes, later became a home for poorer residents and then was the focus of a long, difficult renewal effort that has only started paying off in recent years.

Work was frequently delayed by financing problems and political opposition, much of it from subur-

ban San Fernando Valley interests who felt too much redevelopment money was being spent downtown.

Eventually, plans call for construction of two other office towers and 750 luxury condominiums on the 11.2-acre site, along with a new version of the old Angel's Flight, the small cable car that once served Bunker Hill. There also will be a 450-room hotel, an outdoor amphitheater, shops, restaurants and movie theaters.

The CRA spokesman said completion of the entire project, to be built in eight phases, is expected in 1993.

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"This is one of the great days in the history of the city," said City Councilman Gilbert Lindsay, who represents the downtown area. He and his colleagues joined in a 12-0 vote approving the final agreement between the CRA and the developer, a consortium called Bunker Hill Associates.

As a sign of how opponents have now climbed on board, City Councilman Hal Bernson, from the San Fernando Valley, expressed pleasure at the vote, saying it will fulfill one of the major goals of city planners, "a downtown community."

William Hatch, Bunker Hill Associates general manager, said: "Right now we estimate we'll break ground about Aug. 15. It could go either way, depending on the permits and construction schedule."

He said: "We still have not finalized our construction loan, but that will probably occur within the next couple of weeks. We have no less than six or seven banks ready, willing and able to make the loan. We're merely shopping the best rate."

Fred Nicholas, trustee and member of the executive committee of the Museum of Contemporary Art, said the museum hopes to start construction of the \$20-million project by September or October of 1984 at the latest.

Karen Northridge, public relations manager of the dance gallery, said she hopes construction will begin in April, 1984, with completion about 18 months later. She said the gallery is continuing to raise funds, looking for the last \$4 million of the \$10 million it will take to complete the job.

CRA board member Marilyn Hudson said she expects the project to begin providing construction jobs before September.

CRA officials said the project will generate 6,868 jobs over a three-year construction and design period. CRA guidelines call for 15% of the jobs to go to minorities and women, with monetary penalties for the developers if the goals are not met.

The vote on the contract came after months of worry about financing of the project, a keystone of the downtown redevelopment pushed by Mayor Tom Bradley, the City Council, downtown business interests and organized labor.

Originally, the project was to be built by a consortium consisting of two large local developers, Shapell Industries Inc. and Goldrich, Kest & Associates, and a giant Canadian firm, Cadillac Fairview.

When the sagging economy stalled the project, Metropolitan Life Insurance Co. stepped in with a \$190-million financing package, most of the money needed. Now Metropolitan and its subsidiary, Metropolitan Structures, have a controlling interest of more than 50%.

That is an ironic note since Metropolitan was one of the losers when the CRA board conducted bidding for the development contract three years ago.