Small Community Case Study:

Mission Street Revitalization, South Pasadena, California

Gold Line Commuter Train at the Intersection of Mission Street and Meridian Avenue, South Pasadena, California

Image courtesy of Moule & Polyzoides ©

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Everything Old is New Again

The City of South Pasadena became a commuter suburb soon after its incorporation in 1888. In many ways, the current emphasis there on transit-oriented development (TOD) is a story of everything old being new again.

Situated in the San Gabriel Valley to the east of Los Angeles, South Pasadena became a commuter suburb with the development in 1895 of the Los Angeles Consolidated Electric Railway. The official name was changed to the Pacific Electric Railway Company when it was acquired in 1901 by railroad magnate Henry Huntington, but riders knew it as the “Red Car.” The Red Car carried commuters along the Pasadena-South Pasadena line to office and factory jobs in Los Angeles from the beginning of the 20th century through the system’s heyday in the early 1940s. The demise of the Red Cars is a fascinating and multi-layered story of the post-World War II era. Some versions emphasize corporate collusion, others the declining ridership as the automobile culture took hold in the area. However the tale is told, it ends with the last Red Car’s retirement in 1961. The railway route through South Pasadena was converted to a bus route and more than 50 years passed before the City was once again served by commuter rail.

After the retirement of the Red Cars, South Pasadena’s historic downtown lost much of its vitality, as the City’s economic center shifted eastward to Fair Oaks Boulevard, a strip commercial corridor. With the 2003 opening of the Los Angeles County Metro Rail Gold Line and the opening of a rail station at the intersection of Mission Street and Meridian Avenue within the historic downtown, the downtown was reenergized. Residents once again were able to ride the train from South Pasadena to downtown Los Angeles and beyond. On Thursday evenings, shoppers from near and far now detrain to frequent South Pasadena’s Farmers’ Market; on weekends they come to stroll and patronize the restaurants and specialty shops.

South Pasadena High School students boarding the Pasadena Short Line circa 1940

2010 Metro Gold Line Map

Images courtesy of LA County Metropolitan Transportation Authority
Maintaining a Small Town Atmosphere

By Southern California standards, South Pasadena’s 2010 estimated population of 24,904 qualifies it as a small town. The City’s boundaries have changed very little since its incorporation and today it encompasses approximately 3.4 square miles. Known for its beautiful residential neighborhoods and excellent schools, South Pas, as it is known to locals, is a highly desirable location in which properties have held their value fairly well in the wake of the 2008 real estate market meltdown.

The estimated median owner-occupied home price in 2010 is $727,329. Twenty percent of owner-occupied homes are valued at more than $1,000,000. Large estates, when they come on the market, are likely to have 8-figure price tags.

About 45 percent of residents own their own home and about 49 percent of the housing stock is single-family detached. Of the 54.9 percent of South Pasadena residents who are renters, most live in garden apartments or apartment complexes ranging from 5 to 19 units, which comprise 22.7 percent of the housing stock.

That South Pasadena retains a small town feel even with a high percentage of multi-family units is due largely to the architectural standards the City has maintained through the decades. More than 94 percent of the dwelling units were built prior to 1990, and nearly 80 percent were built prior to 1970.

Above: Typical single-family residential neighborhoods
Above right: Typical single-family neighborhood
Right: Bungalow court multi-family residential complex that reflects the characteristics of surrounding single-family neighborhoods.

Images to right courtesy of City of South Pasadena

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1 Property taxes in California are assessed at the rate of 1 percent of acquisition value and are limited to an increase of 2 percent per annum. They include school taxes, though voters in individual school districts may approve additional levies. In 2009, due to an on-going California State budgetary crisis, South Pasadena Unified School District residents adopted a four-year parcel tax, assessing each single family parcel $288 per year, and each multi-family dwelling unit $95 per year. Proceeds support salaries for teachers and counselors in order to maintain small class sizes in grades K-3, support library services, and to continue arts programs in the district. Exemptions are available for senior citizens and disabled residents.

2 Nielsen Site Reports, 2010.
The median size for South Pasadena households is 2.3 persons, but large families skew this number as nearly 65 percent of households are only 1 or 2 persons. The estimated 2010 median income of city residents is $73,642, with nearly 61 percent of residents over the age of 25 having at least a bachelor’s degree.³

Drawing on the Past with an Eye to the Future

While South Pasadena residents cherish their small town atmosphere, they also recognize that change is necessary to sustain the City’s economic vitality. The key to success as residents see it is to encourage the development of vacant parcels and redevelopment of aging properties while ensuring that it does not detract from South Pasadena’s historic character. In addition to the policies established by the City’s General Plan and the standards established by the zoning ordinance, South Pasadena has adopted the Mission Street Specific Plan to guide development along the Mission Street commercial corridor and adjoining neighborhoods. With the reintroduction of commuter rail to the area, the Specific Plan places an emphasis on TOD by identifying bonus sites that are eligible for density bonuses if developed as mixed-use or residential properties.

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South Pasadena Historical Society
Housed in Meridian Iron Works Building (c. 1888) and restored Watering Trough-Wayside Station (c. 1910) adjacent to Gold Line Mission Station

Photo credits: © D. Bahl/WRCG

Bonus sites are those that equal or exceed the minimum dimensions of 140 feet by 140 feet and are not listed as historic resources. Residential projects on these sites may be allowed a floor area ratio⁴ (FAR) of 1.5—three times the FAR allowed on other residential sites in the Specific Plan area. Mixed-use projects are allowed a FAR of 1.5 on bonus sites and a FAR of 0.8 on non-bonus sites. In contrast, straight commercial projects are only allowed a FAR of 1.2 on bonus sites and a 0.6 FAR in non-bonus locations. Project design factors heavily in the determination of the allowed FAR, with projects having to obtain approval through a Conditional Use Permit process.

³ Nielsen Site Reports, 2010.
⁴Floor Area Ratio is ratio of the floor area (square footage) of a building to the size of the parcel on which it is situated. A FAR of 0.5 would allow a structure with a total square footage of 5,000 square feet on a parcel measuring 10,000 square feet.
In addition to requiring that new buildings are architecturally compatible with the area’s historic structures, the plan also requires that automobile parking be located behind buildings or underground. Shared parking within walking distance of the Metro Gold Line station is promoted to encourage people to park once and walk between destinations within the district. Parking lot design that directs foot traffic past storefronts is preferred.

**Mission Street Specific Plan: Potential Bonus Sites**

![Image courtesy of the City of South Pasadena](image-url)

**The Transformative Power of TOD**

South Pasadena’s Planning Director, David Watkins, credits the Metro Gold Line and TOD with key roles in revitalizing the Mission Street Specific Plan area. Prior to light rail, the area around the intersection of Mission and Meridian was dominated by antique stores run more as hobbies than as active retail concerns, and as a consequence both the street and its businesses were underutilized. Since the reintroduction of light rail and construction of new TOD projects, there has been a considerable turnover in businesses and renewed vitality on Mission Street.

While Mission Meridian Village (described below) is the largest and most successful TOD project, there are three others nearby—Station Lofts on El Centro Street, Pilot Lofts on Fairview Street, and Mission Commons on Mission Street—that have been built since the completion of Mission Meridian Village. Station Lofts combines 16 residential lofts with two commercial/office space condominiums. Pilot Lofts is currently in receivership, a victim of timing that came on line just as the real estate market crashed. The most recently completed development is Mission Commons, comprised of 11 residential condominiums, 5 live-work units, and 6 commercial bays. While the condominiums in these developments have been selling slowly, all of the commercial bays have been leased to locally owned retail and service firms.
Nearly a dozen new restaurants have opened up in the vicinity, offering a variety of cuisines at different price points. Upscale specialty shops have replaced some of the antique stores. Sales taxes have increased and so have property values. According to Scott Feldman, Executive Director of the South Pasadena Chamber of Commerce, there is greatly increased foot traffic, which has benefitted existing business. As old leases expire, new businesses are coming in with a willingness to pay higher lease rates. The City has supported new restaurant development by exempting restaurants from stringent parking requirements. The revitalization of the street has also been reinforced by the popular South Pasadena Farmers’ Market held every Thursday evening at the Mission station.
Mission Meridian Village

The centerpiece of TOD in South Pasadena is the Mission Meridian Village, a mixed-use project just steps from Metro’s Mission station. Built on a 1.65 acre parcel, Mission Meridian was an infill project. Designed by the New Urbanist architectural firm of Moule & Polyzoides and developed by Creative Housing Associates, Mission Meridian comprises a brick loft building, several courtyard residential buildings and three single-family residences. The three-story mixed-use building houses 5,000 square feet of ground-floor retail and 14 loft condominiums, and is designed to reflect the character of the historic commercial buildings that line Mission Street. The remaining residential structures contain 50 units—condominiums, townhomes, and duplexes that range in size from 763 square feet to 2,400 square feet. The project also includes three single-family residences, fronting on Magnolia Street, which provide a graceful transition to the adjoining residential neighborhood. Though all residential units were built for sale, the inclusion of very small units (the smallest are a mere 763 square feet) provided for affordability by design.

Above: View of brick loft building looking south along Meridian Avenue towards
The project also includes 324 parking spaces situated in a two-level subterranean structure that extends the length of the project. Separate entrances are provided for public parking and private residential parking, with 142 spaces reserved for transit users.

The brilliance of the Moule & Polyzoides design for Mission Meridian Village is evident in the way it naturally blends into the surrounding neighborhood. While matching the scale and architecture of the adjoining commercial district was relatively easy, a more daunting task was that of placing a project that penciled out at 40 dwelling units per acre cheek by jowl with 80-year old bungalows that averaged only 4 units per acre. To accomplish this, the architects used a courtyard design that is common in older bungalow complexes in the city. From the street, the Mission Meridian residences look very much like the single-family and duplex bungalows they face on the other side of the street and the increased density is barely apparent. The care which Moule & Polyzoides took in matching the scale and historic character of the surrounding neighborhoods was significant in winning community support in a neighborhood previously identified as resistant to redevelopment efforts and increases in density.

Mission Meridian Village complements an already highly walkable district, extending neighborhood serving commercial uses along Meridian Avenue. Both residential and commercial spaces are fully occupied. Commercial tenants include a bakery café, a flower shop, a clothing store and a gym, all of which are locally owned.
Project Approval

Mission Meridian Village is the result of an innovative public-private partnership between Creative Housing Associates (CHA), the City of South Pasadena, The Los Angeles County Metropolitan Transportation Authority (MTA), and the California Department of Transportation (Caltrans). According to Michael Dieden, developer and founder of CHA, the likelihood of success at project inception in 1997 was close to zero. The community was concerned about negative impacts of the train—noise and interference with traffic—and it feared higher density and mixed-use developments would bring unwanted residents and change the quality-of-life of the neighborhood. To counter the not-in-my-backyard sentiment, CHA conducted aggressive outreach by presenting the project and TOD best practices to the community, and by conducting educational trips to show courtyard housing of various densities so community members could better judge how the proposed project would look and feel. CHA sponsored a series of 23 public meetings and workshops between November 1998 and April
Above and below: views of Mission Meridian single-family bungalows at intersection of Meridian and Magnolia Streets ©D. Bahl/WRCG

Interior courtyard behind duplexes ©Moule & Polyzoides

Above and right: Neighborhood context: single-family residences on Magnolia Street ©D. Bahl/WRCG

Interior courtyard behind commercial/loft building ©Moule & Polyzoides
2002, in addition to personal meetings and informal discussions with local businesses and community representatives. By engaging the community early on, CHA was able to build trust with the community and minimize any opposition.

Mission-Meridian Village was developed on a bonus site within the Mission Street Specific Plan area and the project received an intensity bonus in the form of an increased FAR and increased height allowance in exchange for providing public parking to transit users. The project provided 95 public parking spaces, in excess of the minimum of 47 spaces required for the proposed density. Instead of a maximum FAR of 0.8 without bonus, the project was eligible for a maximum FAR of 1.5 with bonus. Ultimately the project was built with an FAR of 1.45 and ranged in height from 31 feet to 37 feet, well below the maximum permitted general height limitation of 40 feet and the allowance for central pediments up to 45 feet. Moule & Polyzoides’ innovative design uses the concept of blended density—the three single family homes along the northern edge are built at a density of 16 units per acre, the central courtyard at a density of 30 units per acre, and the southern portion at a housing density of 80 units per acre, yielding an overall project density of 40 units per acre. Though the most intense development is 20 times the density of adjacent residential properties, from the street it is difficult to discern the difference because the blending is so effectively done.

The City Planning Council approved the project unanimously and Mission-Meridian Village was completed in the fall of 2005. The total project value was $25 million. Public agencies sweetened the deal by investing nearly $5 million in public transportation funds to offset a portion of the land acquisition and construction costs associated with the public parking garage, and underground utility relocation.

According to David Watkins, Director of Planning & Building for the City of South Pasadena, the development process was an outright success because of three factors: Mission Meridian Village’s exceptional architectural design that complemented the neighborhood; a proactive developer who engaged the community through outreach; and the City’s highly transparent approach to policy-making.

**Project Performance**

The Mission Meridian Village project has done extremely well, continually outperforming competing properties in South Pasadena. When they came on the market in 2005, all 67 condominium units in Mission Meridian Village sold at $377 average price per square foot. Sixty-two other sales in the city averaged $396 per square foot during that same period. While initially the average price for Mission Meridian Village was 3.3% lower per square foot than other properties, beginning in 2006 the average sale price per square foot in Mission Meridian Village eclipsed that for other competing properties in South Pasadena. It increased by

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12.44 percent to $470 per square foot compared to an average of $418 per square foot in the rest of South Pasadena in 2006. In 2007, it increased by $20 per square foot to $490 while the average for the rest of South Pasadena rose by only $2 to $420 per square foot. Sales prices declined in 2008 due to the national economic downturn, but even then Mission Meridian Village outperformed the rest of the City, selling for $453 per square foot while the average for the rest of the City fell to $387 per square foot. Prices fell again between January 2009 and October 2009 when the average sales price in Mission Meridian Village was $416 per square foot compared to $330 per square foot in the rest of South Pasadena. Despite the declining market, Mission Meridian Village properties sold at a 26% premium compared to other South Pasadena properties during 2009, and over the period from 2005 to 2009 they increased 10.4%, from $377 to $416 per square foot, while prices for other properties in the City fell 16.7% from $396 to $330 per square foot. In essence, Mission Meridian Village property owners enjoyed nearly 27% greater retention in value over the 5-year period.6

Lessons for Long Island Communities

Like residents of many Long Island communities, South Pasadenans value small town ambience and gracious residential neighborhoods. At the outset, they worried that the increased density of TOD would detract from the look and feel of Mission Street and that the place would start to lose its charm and identity. They worried that new residents would burden the city’s school district. But none of their fears were realized.

Their experience shows that TOD can be done at a scale that is appropriate in small towns and, with good design, increased density can be nearly invisible. Their experience also reveals the elements of success:

♦ Taking honest stock of demographic and economic realities
♦ Envisioning the components of a sustainable future
♦ Paying close attention to planning details:
  o Hammering out architectural guidelines to ensure that new development complements historic buildings.
  o Deciding in advance where increased density will be allowed and where it will not.
  o Thinking through the effects of parking provision and its placement.
♦ Engaging citizens in policy-making and project planning processes early and often.
♦ Encouraging developers to come up with innovative ways to gracefully incorporate density into the downtown area.

South Pasadena’s effort has paid off. The retail fortunes of Mission Street have turned around and the City is enjoying the benefits of higher density development while continuing to enjoy the small town charm that distinguishes it from surrounding communities.