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What's Next for Times Mirror Square?

By Nicholas Slayton | Nov 2, 2016



Vancouver-based Onni Group acquired Times Mirror Square in September. Though no plans have been announced, several local real estate experts think it could have a future as creative office space.

photo by Gary Leonard

In September, the Canadian development firm Onni Group, which has a number of housing projects underway in Downtown Los Angeles, purchased a massive property in the heart of the Civic Center. The acquisition of Times Mirror Square, reportedly for just over \$100 million, set off an intense round of speculation: What does the company plan to do with the set of aging properties, and will the Los Angeles Times be forced to move elsewhere?

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Times Mirror Square is a set of five buildings bounded by Broadway, First, Second and Spring streets. The 750,000-square-foot complex was sold by Tribune Media.

Onni, which last year opened the \$200 million short-term corporate housing tower Level Furnished Living at Ninth and Olive streets, has not disclosed its plans for the site. Company officials did not return multiple calls and emails for comment.

The centerpiece of Times Mirror Square is an Art Deco, 132-foot-tall edifice fronting First Street that opened in 1935 and houses the offices of the Times. The four other structures were built between the 1930s and '70s.

Like major metropolitan dailies across the country, the Times has seen its editorial staff wither, reportedly from a high of about 1,200 before the Internet era to less than 500 today. The newspaper and its web and other operations take up only a relatively small fraction of the overall space. Other portions of the building are vacant, are rented by different businesses or are used for TV, film and commercial shoots. *[The Obituary of the Los Angeles Times' Heart and Soul]*

A cadre of local real estate experts think that the future is bright for the strategically located complex between the Police Administration Building and the new Federal Courthouse, and across the street from a coming park. The overall Downtown renaissance, they believe, provides numerous opportunities for investment and improvement, particularly for a notable piece of real estate.

Times Mirror Square sits amidst a collection of government buildings, but Steven Marcussen, executive director at Cushman and Wakefield, said more and more businesses are willing to come Downtown.

"If Warner Music can move to the Ford Factory building in the Arts District, then the L.A. Times can expect the moon," Marcussen said. "It's a fantastic property. It's got the best location, plus tremendous amenities for users big and small."

Mark Tarczynski, executive vice president at the real estate firm Colliers, expects that Onni Group will convert the main building into office space, while he believes the other buildings could be knocked down to make way for a set of high-rises.

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Not that the work will be easy. Tarczynski noted that the Art Deco main building is mostly closed off, with a limited number of windows. That goes counter to the prevailing trend in creative office and live/work projects.

Tarczynski noted that residential is a possible play. Indeed, some observers expect a mix of uses. CBRE Vice Chairman Todd Doney said that while the complex was on the market, many potential buyers were looking at a mixed-use future.

“Most of them thought that although that area is getting nicer, there’s not enough amenities without adding on-site amenities. So many were going to include retail space, restaurants or fitness centers,” he said.

Another challenge is that the previous owner spent significant money on improving the infrastructure and code compliance, according to Carl Muhlstein, regional director with Jones Lang LaSalle. He said the property could become a mixed-use destination, but right now it is ready to be leased as office space.

“It’s too set up and the floor plates are too unusual to be converted to lofts,” Muhlstein said. “Plus, I’m sure some parts are historic... so there would have to be some consideration there.”

A Growing Neighborhood

The Civic Center is not a development hot spot like the Arts District or South Park, but it is seeing change, with Marcussen pointing to increased interest from developers and businesses.

That occurs as some attention-grabbing projects have opened. The \$350 million Federal Courthouse debuted this month. The coming First and Broadway Park will feel to many like an extension of the 12-acre Grand Park, which has become a community gathering point thanks to a steady slate of events. Additionally, a Metro station is being built at Second Street and Broadway as part of the Regional Connector project.

“It’s in a better location now than it was 50 years ago,” Marcussen said of Times Mirror Square.

Other projects are also in the works. Last month, Tribune Media Co. filed plans with the city to turn a parking lot at 232 W. Second St., just south of Times Mirror Square, into a 30-story tower with 107 condominium and more than 500,000 square feet of office space in the same building.

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Marcussen said that the historic nature and location of Times Mirror Square makes it an attractive property that will speed up neighborhood growth.

Tarczynski also pointed out that a lot of activity is happening in nearby communities such as the Little Tokyo and the Historic Core. Although most development so far has spread south and east of these neighborhoods, fewer available plots could lead to action in the north.

Indeed, Onni is versed in action. In addition to Level Furnished Living, the Vancouver-based developer is working on a 49-story residential tower at 825 S. Hill St., plus a pair of high-rises at 1212 S. Flower St. The former is under construction, while the latter is awaiting permits. Opening dates for the projects have not been revealed.

Those housing towers will generate a lot of attention. But for many people, eyes will be squarely on the Civic Center.

nicholas@downtownnews.com

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