

Downtown Los Angeles: A Market Worth a Second Look

By **BRIAN KANG**

Though commonly plagued by negative press, downtown Los Angeles is far from irreparable. Beyond the city's challenges lies a foundation of strong assets, creative leadership, and forward-looking investments that signal opportunity for developers, investors, and businesses.

A MARKET WITH STAYING POWER

DTLA is home to some of Southern California's most valuable real estate and cultural anchors. From historic buildings with architectural character to modern mixed-use developments, the area offers a unique combination of scale and density unmatched elsewhere in the region. While the pandemic exposed vulnerabilities—particularly around office use and public safety—the city and its many real estate assets also demonstrated resilience, and forward-thinking investors are recognizing their long-term value.

Retail activity downtown is a telling example. Erewhon, the high-end grocer that has become synonymous with curated wellness and aspirational living, has placed a Downtown bet. Its expansion demonstrates that brands with an eye for growth still see DTLA as fertile ground. Retailers of this caliber tend to be careful about location decisions, and their commitment suggests confidence that foot traffic and purchasing power will return.

LOCAL ORGANIZATIONS DRIVING CHANGE

One of downtown's greatest strengths is the breadth of organizations working to make the district more livable and business friendly. The Central City Association of Los Angeles and the DTLA Chamber of Commerce are at the forefront of this effort, engaging directly with city officials and private stakeholders. These groups are not simply lobbying; they are creating tangible initiatives, such as proposals for 90 minutes of free parking, to encourage local shopping and dining. A similar model in Beverly Hills has proven successful in boosting short-term visits and supporting small businesses.

INFRASTRUCTURE AND MOBILITY REMAIN KEY

Downtown revitalization requires more than programming and parking. Transportation is still a sticking point. For DTLA to effectively surge, Metro must become a more reliable and attractive option. The last mile problem—how residents, workers, and visitors move within downtown once they arrive—continues to frustrate many. Without improvements to safety, cleanliness, and frequency of service, public transit risks falling short of its potential as an economic driver.

At the same time, addressing homelessness remains an urgent priority. Stakeholders acknowledge that public



BRIAN KANG

Chair, Real Estate Group, Greenberg Glusker LLP
(310) 201-7473 | bkang@ggfirm.com
GreenbergGlusker.com



realm investments—better lighting, active ground-floor uses, placemaking—cannot succeed without meaningful progress on housing and mental health solutions. The two issues are inseparable, and businesses recognize the need to support strategies that address both perception and reality.

CORRECTING THE NARRATIVE

Public perception of DTLA itself is a challenge. The negative stories about downtown, while rooted in real concerns, too often drown out the many positive developments underway. From adaptive reuse projects to new cultural programming, momentum in the city is more balanced than headlines suggest. Property owners and developers are increasingly recognizing that telling the “good news” story is as critical as solving infrastructure problems.

For businesses, this means opportunity: those who are first to champion downtown's transformation may benefit from reputational upside and market positioning that lagging competitors will miss. As major global events such as the 2028 Olympics approach, DTLA has a public stage to reset its image and attract international investment.

WHY IT MATTERS FOR INVESTORS AND DEVELOPERS

For clients in the real estate, hospitality, and consumer sectors, the message is clear: DTLA's story is still being written. The city's leadership, its business community, and its residents are engaged in building a more functional, livable, and vibrant downtown. While risks remain, the convergence of advocacy, capital, and upcoming world-class events creates a window that should not be overlooked.

The lesson for investors is not to dismiss downtown based on headlines alone. Instead, weigh the fundamentals: prime assets at potentially discounted valuations, civic groups pushing pragmatic reforms, and a city preparing for the global spotlight. With the right strategy and partners, this is an opportunity to help shape the next chapter of Los Angeles' urban revival.