

Downtown

Laguna Beach's Downtown functions as the commercial, economic and social center of the community. Steep topography and the Pacific shoreline partially isolates the Downtown physically and enhances its identity as the town's focal point. The village-scale shopping district provides a place for a significant amount of retail and tourist pedestrian activity. The Downtown encompasses a broad range of businesses including restaurants, art galleries and boutiques. The age, architectural style and size of downtown buildings vary considerably, adding richness and vitality to the area.

Many older residential and commercial buildings have been renovated for office and professional uses and have replaced older nonconforming commercial buildings with more modern facilities. The remaining residential uses in the City are primarily located on the outside fringes of the Downtown area.

Housing

Laguna Beach has nearly 13,000 housing units within the City limits of which about 7,700 are single-family, detached and 5,000 are multi-family units. There are 2 mobile home parks in the City. In general, Laguna Beach is a city of homeowners, with 6,628 or 86% of its single-family homes owner-occupied and nearly 32% of the occupants having lived in their homes longer than 10 years.²

Median home prices have increased sharply over time. In 1970, the median home price was \$38,600.² By 1980, the value had risen to over \$200,000 and by 1990 to \$471,000.³ Since 1990, prices have continued to increase, especially in the last 3-4 years. By the year ending April 2000, the median home price had grown to \$579,000, based on the sales of 565 homes within the corporate boundaries of Laguna Beach. Similarly, rental prices have increased with today's average rent for a studio apartment being \$743 and \$2,098 for a three-bedroom unit. However, paying \$3,500 a month in rent is not unheard of in some parts of Laguna Beach.⁴

Figure 12 illustrates the recent growth in the number of housing units in Laguna Beach as well as in surrounding jurisdictions. While the average increase of all jurisdictions from 1990 to 1999 was 12%, the increase for Laguna Beach was only 1.6%, representing at the



most several hundred new homes. Instead, the City has experienced significant infill development and renovations to existing properties. Figure 13 shows the annual number of building plan checks over the last 15 years including both new construction and renovations. It also illustrates the dramatic increase in building activity over the last three years. As a side note, in 1983, the Laguna Beach General Plan suggested that recycling and redeveloping existing properties would affect the supply and demand for housing, impose an additional burden on the City's infrastructure and services, and change the City's physical character.

Artists, students and seniors in Laguna Beach have always needed affordable housing. As the economy changes, many other people, particularly service industry employees and young people also need affordable

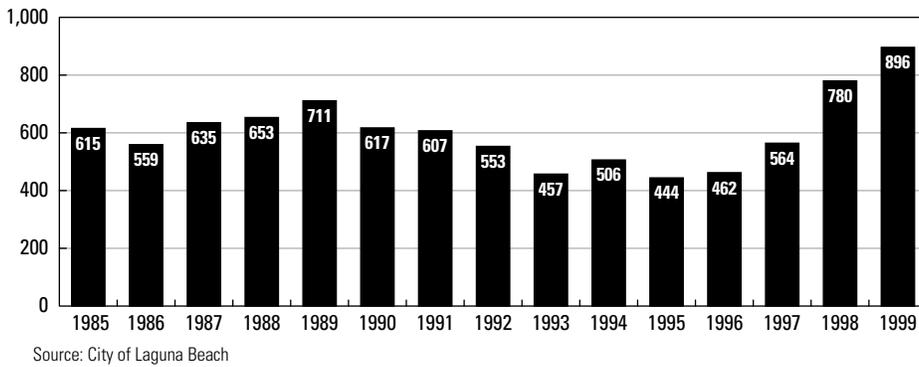
Figure 12
HOUSING UNIT GROWTH BY JURISDICTION

	1990 Units	1999 Units	% Change
Aliso Viejo*	N/A	N/A	N/A
Dana Point	14,666	15,686	7.0%
Irvine	42,221	48,764	15.5%
Laguna Beach	12,846	13,049	1.6%
Laguna Niguel	18,992	23,372	23.0%
Newport Beach	34,861	37,044	6.3%
Orange County	875,105	954,882	9.1%

* Few statistics exist for Aliso Viejo due to its status as an unincorporated area.

Source: Center for Demographic Research, Cal State Fullerton. November 1999

**Figure 13:
ANNUAL NUMBER OF BUILDING PLAN CHECKS**



housing. As stated in the *Housing Element of the Laguna Beach General Plan*, the City seeks to provide housing that is sufficiently diversified in cost, size, type and tenure to meet the needs of all Laguna Beach households. However, because home prices have risen substantially in Laguna and affordable housing is limited, many potential residents are displaced to more affordable communities. The City is currently reviewing proposals for construction of low-to-moderate income housing in the vicinity of the City’s downtown.

Transportation

Access to Laguna Beach has always been limited. In recent years, however, new toll roads have dramatically increased access to Laguna Beach for Orange County residents as well as out-of-county residents. Laguna Canyon Road with two lanes and the Pacific Coast Highway (PCH) with four lanes provide the only direct access to the City. Laguna Canyon Road connects the Pacific Coastline and the interior region, and serves as one major gateway to the City. The Pacific Coast Highway is the north/south connector to other coastal cities and provides the other two gateways. The newly constructed San Joaquin Hills Tollway or State Route 73 is a wide, 6-lane highway connecting Irvine with the south county cities. For the month of April 2000, the Toll Road Authority reported an average of 75,000 transactions per day on this road.⁵ Another new 6-lane toll road, the Eastern Toll Road, connects Laguna Canyon Road to Riverside and San Bernardino Counties through the Cleveland National Forest. This was opened approximately one year ago.

As population and development continue to increase, traffic congestion creates an ever increasing negative

impact on the quality of life in Laguna Beach. Traffic “problem areas” are concentrated along Laguna Canyon Road, along PCH, at the intersection of the PCH and Laguna Canyon Road, and in the City’s downtown. Residential neighborhoods adjacent to the PCH also experience congestion during peak commuter and tourist traffic hours. Laguna Beach

used to experience high traffic volume days only during the peak summer weekends. But more and more non-summer weekends are experiencing high traffic volumes as more tourists visit the City year-round. The Orange County Transportation Authority (OCTA) identifies both Laguna Canyon Road and portions of the PCH as areas of extreme congestion resulting in a significant increase in travel time.

The traffic counts shown in Figure 14 suggest that, during the eight-year period from 1990 to 1998, overall traffic volume based on *annual average daily counts* has not varied much on either Laguna Canyon Road or Pacific Coast Highway. The same appears to be true for volumes during *peak months*. However, on both roads there appears to have been about a 10% decrease in *peak hour* volumes during 1997 and 1998. This suggests that while the opening of the San Joaquin Toll road has increased access to Laguna Beach, it may also have relieved congestion during commuter hours by providing regional traffic with a more preferred route other than Laguna Canyon Road and Pacific Coast highway. Traffic data for 1999 and 2000 is not yet available to determine if this trend is continuing. In addition, the impact of the recently opened Eastern Toll Road extension easterly of Laguna Canyon Road is still unknown. The anecdotal evidence of the last year is that the additional access it has created may result in a significant increase in the number of visits to Laguna from the Riverside, San Bernardino County and North Orange County area, especially during off peak summer months. OCTA plans to widen Laguna Canyon Road north of El Toro Road by 2003 to accommodate the existing and anticipated traffic flow in that area.⁶